



<b>Company</b>	Beach Energy
<b>Code</b>	BPT
<b>Meeting</b>	AGM
<b>Date</b>	26 November 2019
<b>Venue</b>	Adelaide Convention Centre
<b>Monitor</b>	James Hahn

<b>Number attendees at meeting</b>	101 shareholders and 51 visitors
<b>Number of holdings represented by ASA</b>	<b>80</b>
<b>Value of proxies</b>	\$4.6m
<b>Number of shares represented by ASA</b>	1.95m
<b>Market capitalisation</b>	\$5.3bn
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre-AGM Meeting?</b>	Yes, with Chair Glenn Davis

### Beach still surfing on a wave of success

Chair Glenn Davis gave a positive address concerning the performance of Beach Energy. He explained that all the company's objectives had been surpassed. He also stressed that Beach is a business that employs local people wherever possible. He proudly highlighted the company's involvement in the Flying Doctors' service and noted that Beach had increased its' community investment by 84% in the last year.

Managing Director, Matt Kay gave operational highlights that put details to the recent out-performance. The company delivered on it's promises by producing 29.4 million barrels of oil equivalent without increasing costs, more than doubled replacement reserves and returned 27% on capital employed.

Guidance for Financial Year 2020 (FY20) is on track and is focused on transferring P2 reserves into production as the gas shortage in the Eastern States creates a great opportunity. He also presented capital expenditure figures that will be 85% growth orientated and 10 rigs will be deployed in 2020 compared to 4 rigs in 2019. The takeaway message is that Beach Energy is pursuing a growth strategy rather than a dividend paying strategy. The logic behind the approach is that it is envisaged that an average annual return on capital of 50% can be realised on capital employed.

ASA addressed the meeting and offered congratulations on a turnaround in performance. We highlighted that we had been critical of previous management decisions but are more than satisfied with the present course of the company.

There were three questions concerning environmental issues ranging from a complaint about flaring in the south east of South Australia, what is Beach's costings on a carbon tax and how does the company treat the Paris Agreement on carbon reduction. The Chair answered all questions concisely. A shareholder asked why the future free cashflow will not be paid out in dividends and was told that Beach is a growth company and the money is best spent on expansion projects. Another shareholder asked if the company would enter someone's land without their permission. He was told by the Chair that it was not the company policy to do so.

All 7 motions were passed with a majority above 95%. Three shareholders won a bottle of Coonawarra wine from a winery that has associations with Beach Energy. The meeting was completed in less than one hour and was followed by a modest lunch.