



Thursday 29 January 2009

Ref: #008/09

ASX Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

Beach notes the release by Santos yesterday that its year-end reserve review has included a *"Major contingent resource booking in the Cooper Basin for unconventional reservoir gas and closer spaced drilling into conventional reservoirs"*, totalling 863 million boe (Santos Share).

Although Beach has not yet received the DeGoyler and MacNaughton report which has audited this assessment, it is estimated that Beach's share of the identified resource is approximately 262 million boe.

Beach expects to be able to provide further clarification on this matter in late February.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Hector Gordon".

Hector Gordon
Chief Operating Officer