



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 that reads "Hector Gordon".

Hector Gordon
Chief Operating Officer