

Ref: # 085/09

1 July 2009

ASX Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

**Re: Beach Petroleum Limited Weekly Drilling Report
Week ending 1 July 2009**

The drilling report and well location map for the week ending 1 July, 2009 are attached. Highlights of the week's activities include:

Beach Petroleum Operated Cooper / Eromanga Exploration

Cheetima-1, the fourth well in a six well oil exploration program in PEL 92, spudded on 1 July. The well is currently drilling ahead at a depth of 97 metres. Cheetima-1, located 4.7 km northwest of the Parsons oil field, is addressing potential mean recoverable oil reserves of 1.2mmb and a high side potential of 2.6mmb (recoverable). Interests in the six well program are Beach Petroleum Ltd (75%) and Cooper Energy Ltd (25%).

Beach Petroleum Operated Cooper / Eromanga Production Activities

Recent Completions in PEL 106 Farmin Block

A two well campaign in late 2008 resulted in two exploration well successes, Brownlow-1 and Canunda-1, which intersected gas in the Permian Patchawarra Formation. The wells were cased and suspended to allow future testing.

On 10 June 2009, Brownlow-1 was perforated over a 5 metre interval. The well was briefly cleaned up to remove completion fluids from the wellbore and was then shut-in pending extended production testing which is intended for the later half of the year. During the one hour clean up the well was produced through a half inch choke at 2,580 psia wellhead pressure which suggests flow rates in excess of 12 million standard cubic feet per day. This exceptional deliverability is consistent with the expectation of high productivity based on the wireline logs obtained in 2008.

Canunda-1 intersected gas in several sands and was completed as a multi-tandem to enable selective testing and production of each. A total of 13 metres of sand was perforated in three separate intervals. On 19 June 2009, the deepest of the three zones was perforated and flowed back for one hour to clean out completion fluids from the wellbore. During the clean up the well produced with a wellhead pressure of approximately 2,000 psia through a half inch choke which suggests a flow rate of 9 million standard cubic feet per day. The two higher zones perforated in the well will be assessed individually during the upcoming testing program.

The extended production tests, which will be conducted to a production separator with accurate metering capabilities, will better define the production potential of the wells, provide compositional information on the gas and assist in understanding the reserves potential for both fields.

Having completed the two wells, Beach has fully met its farmin obligations. Interests in the two wells and the PEL 106 FI Block, upon completion of relevant assignment documentation, will be Beach (50%) and Drillsearch (50%).

Completions in PEL 92 Exploration Successes

With the workover rig in the area to complete the two gas wells, an opportunity existed to complete the recent oil exploration successes at Perlubie South-1 and Butlers-1.

Perlubie South-1, which reached TD on 12 June, was completed and perforated on 23 June. The well flowed at a rate of 740 bopd and was shut-in pending application for an extended production test and connection to the pipeline gathering network that links into existing production facilities at the Parsons field. The well is expected to be producing to facilities at the end of the third quarter of 2009.

The workover rig is currently installing the completion at Butlers-1, which reached TD on 23 June. The well, which will be connected back to the Perlubie area network, will be perforated on 1 July.

Interests in Perlubie South-1 and Butlers-1 are Beach Petroleum Ltd (75%) and Cooper Energy Ltd (25%).

Arrowie Basin (South Australia) - Paralana-2 Geothermal Exploration Well

The Paralana-2 geothermal exploration well spudded on 30 June and is currently drilling ahead at a depth of 189 metres. Interests in Paralana-2 are tenement Operator Petratherm (69%), well Operator Beach Petroleum Ltd (earning 21%) and TRUenergy (earning 10%). The equities indicated for Beach and TRUenergy are after completion of farmin obligations, which include participation in the drilling of Paralana-2 plus a follow-up well.

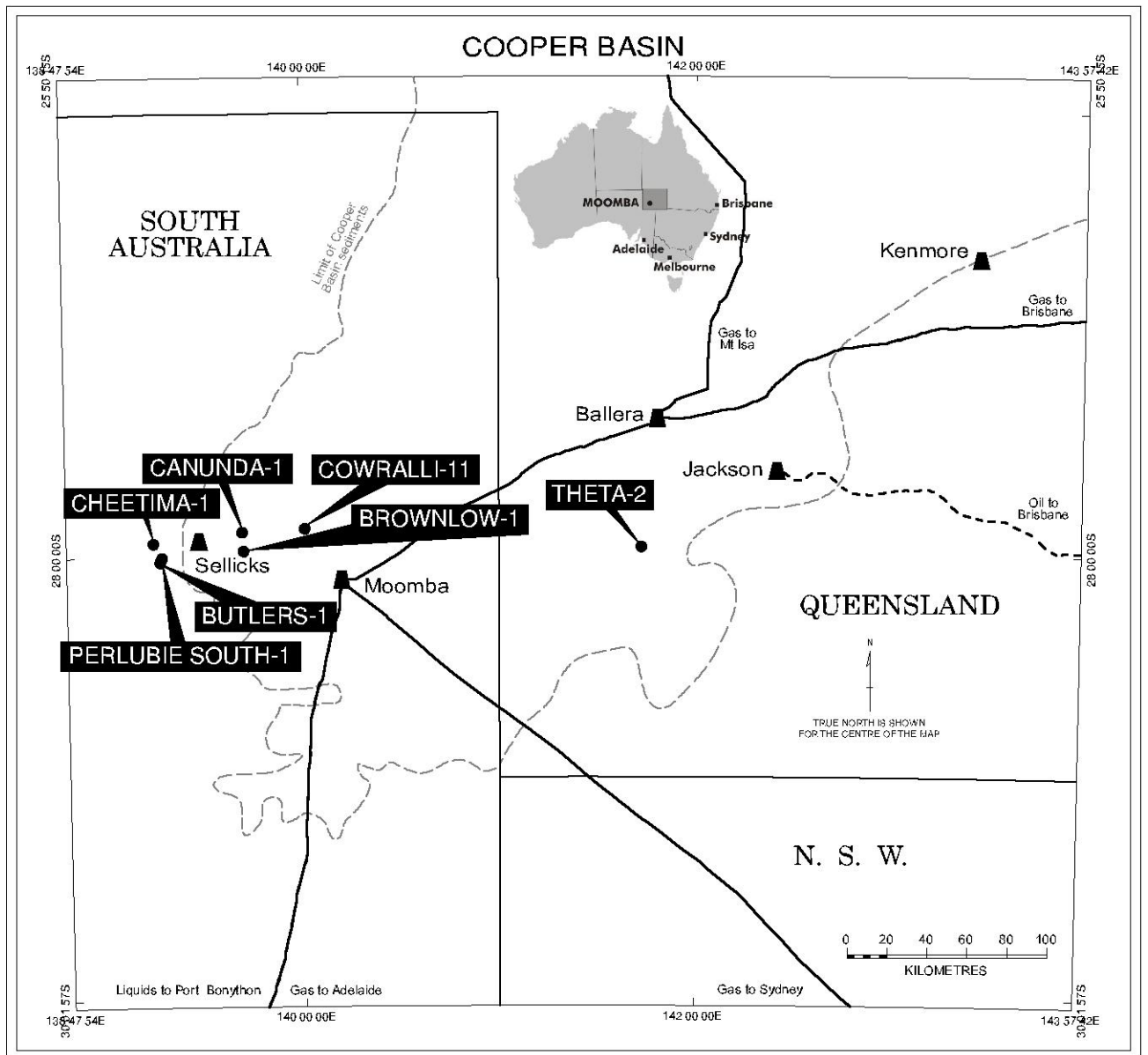
Browse Basin, Offshore Western Australia - Burnside 1 Gas Exploration Well

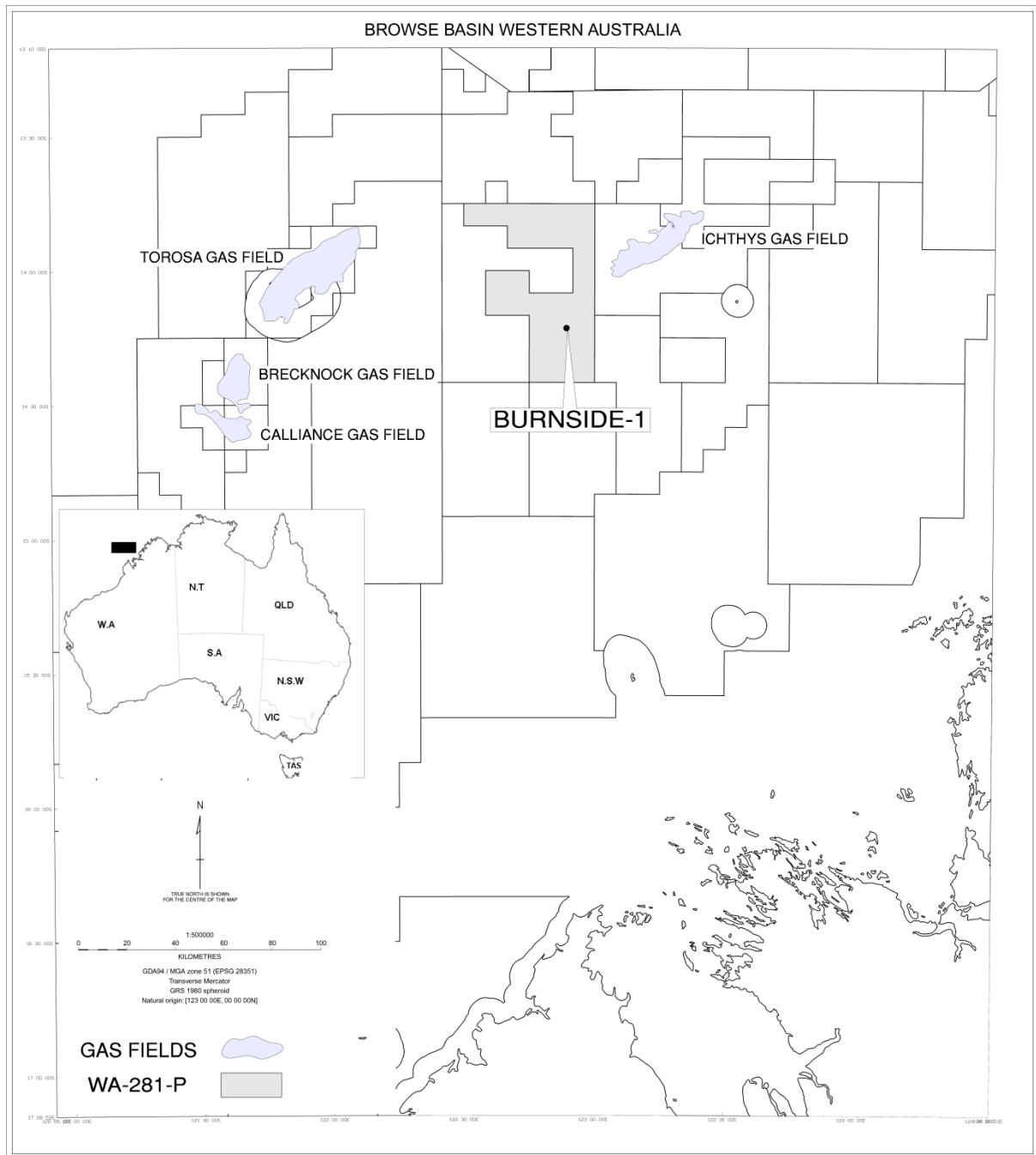
Burnside 1 is at a depth of 2448 metres. The current operation is pulling out of hole to investigate issues with intermediate casing. Interests in Burnside-1 are Santos Offshore Pty Ltd (Operator, 47.83%), Beach Petroleum Ltd (7.34%), INPEX Browse, Ltd. (20%) and Chevron Australia P/L (24.83%).

Yours faithfully,

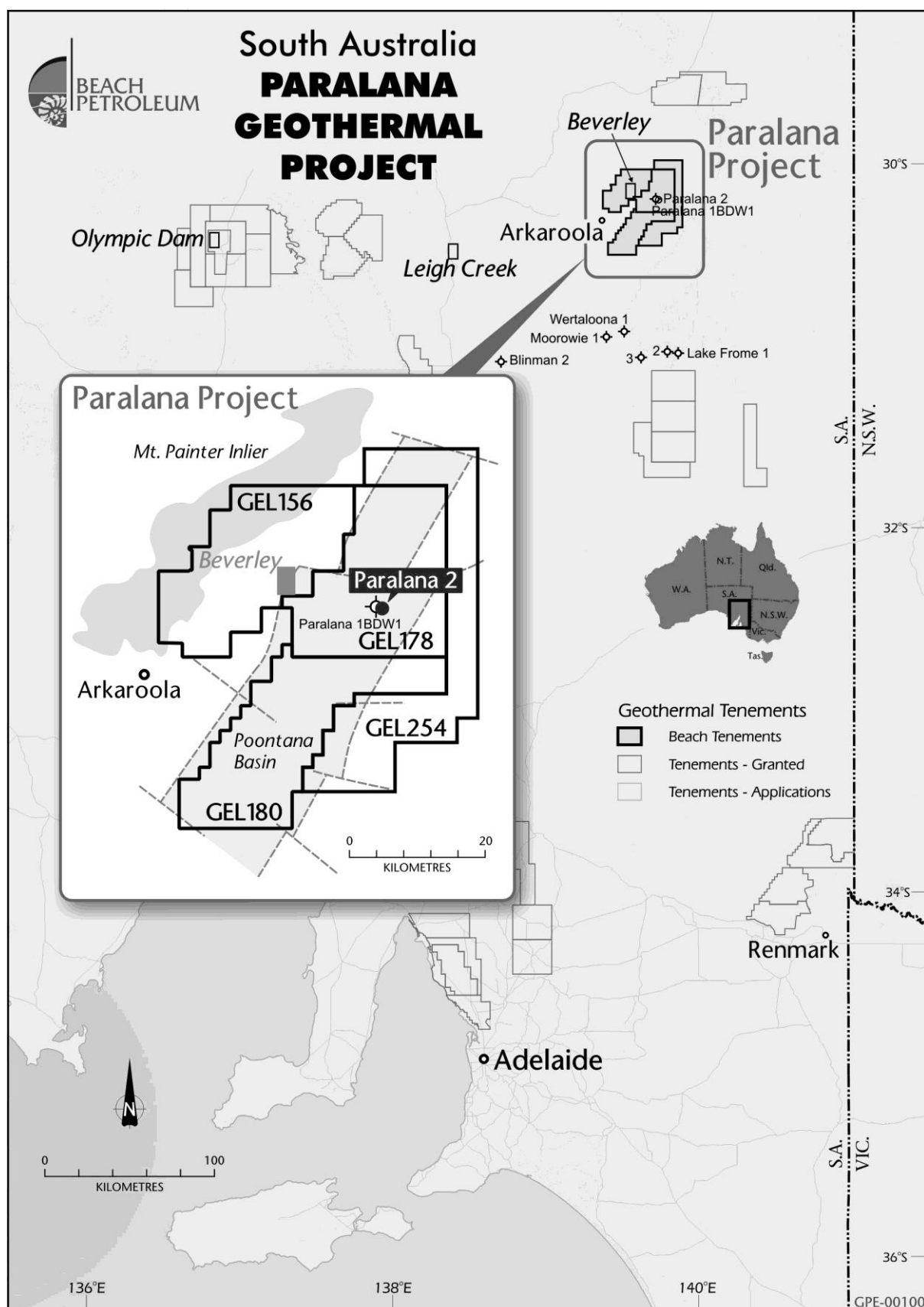
A handwritten signature in black ink, appearing to read 'Hector Gordon', with a stylized, cursive script.

Hector Gordon
Chief Executive Officer





South Australia **PARALANA GEOTHERMAL PROJECT**



Weekly Drilling Report

Wednesday 1st July 2009

Well	Participants	Weekly Progress & Summary		Primary Targets
Cheetima-1	BPT* 75.00%	Report Time:	0600 hrs (CST) 01/07/2009	Namur Sst, Poolowanna Fm (s) Birkhead Fm, Hutton Sst (s)
PEL 92	COE 25.00%	Depth:	97m	
Oil Exploration		Operation:	Spudded at 0100hrs 01/07/2009. Drilling ahead.	
C/E Basin, SA		Progress:	97m	
Paralana-2	BPT* 21.00%	Report Time:	0600 hrs (CST) 01/07/2009	Upper Cannana or Bolla Bollana
GEL 178	PTR 69.00%	Depth:	189m	
Geothermal Expln	TRU 10.00%	Operation:	Spudded at 1100hrs 30/06/2009. Drilling ahead.	
Arrowie Basin, SA		Progress:	189m	
Burnside-1	BPT 7.34%	Report Time:	0600 hrs, (WST) 01/07/2009	Lower Cretaceous sands
WA 281P (offshore)	STO* 47.83%	Depth:	2448m	
Gas Exploration	IBL 20.00%	Operation:	Investigating intermediate casing issues.	
Browse Basin, WA	CVX 24.83%	Progress:	707m	
Cowralli-11	BPT 20.21%	Report Time:	0600 hrs (CST) 01/07/2009	Pachawarra Fm
PPL 91 (PSW Block)	STO* 66.60%	Depth:	1573m	
Gas Development	ORG 13.19%	Operation:	Drilling ahead in Early Cretaceous section.	
C/E Basin, SA		Progress:	1573m	
Theta-2	BPT 23.20%	Report Time:	0600 hrs (CST) 01/07/2009	Toolachee Fm Tirrawarra Sst (s)
Total 66	STO* 60.06%	Depth:	2381m (TD)	
Gas Development	ORG 16.74%	Operation:	Pulling out of hole prior to running wireline logs.	
C/E Basin, QLD		Progress:	1617m	

* Operator

(s) Secondary Targets

BPT Beach Petroleum Ltd

COE Cooper Energy

CVX Chevron Australia Pty Ltd

ORG Origin Energy Resources Ltd

PTR Petrathern Ltd

STO Santos Limited

TRU TRUenergy Pty Ltd

IBL INPEX Browse, Ltd.