



ASX Release

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ALBANIAN EXPLORATION AGREEMENT RECEIVES GOVERNMENT APPROVAL

Beach advises it has received Albanian government approval to commence exploration on the Durrexi Block along the Adriatic coast.

Beach Energy Limited (ASX: BPT, "Beach") advises that the Albanian Council of Ministers approved, on 31 January 2011, the Durrexi Block License Petroleum Complimentary Agreement (Beach 25%, Island International Exploration B.V., a San Leon Energy subsidiary, 75% and operator).

The Durrexi Block covers an area of 4,200 square kilometres along the Adriatic coast of Albania and contains a yet to be appraised deep water gas/condensate discovery as well as several undrilled oil and gas prospects. The initial focus will be on appraising the A4-1X field, a 1993 gas/condensate discovery, which has the potential to contain up to 38 million barrels of condensate and 150 billion cubic feet of gas.

A 3D seismic survey is soon to take place over 300 square kilometres which will include the A4-1X field and surrounding exploration targets. This underexplored, highly prospective area is situated on the proven Apulian Carbonate Margin, which extends across the Adriatic Sea from Italy into Albania.

The 3D seismic survey is expected to be followed by appraisal drilling on the A4-1X field in 2012.

For more information contact

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