

Board Charter

Introduction

It is the aim of Beach to meet the Corporate Governance Principles and Recommendations (4th edition) recommended by the ASX (ASX Principles), with a framework designed to:

- Enable the Board to provide strategic guidance for Beach and effective oversight of management;
- Clarify the respective roles and responsibilities of Board members and senior executives in order to facilitate Board and senior executives' accountability to both Beach and its shareholders; and
- Ensure a balance of authority so that no single individual has unfettered powers.

Role of the Board and its membership

The Board is responsible for corporate governance of Beach. It oversees the business and affairs of Beach, establishes the strategies and financial objectives to be implemented by management and monitors standards of performance. Those responsibilities and the powers reserved to it are set out below in detail.

The membership of the Board will have regard to the following:

- The constitution of Beach specifies that there must be at least three directors and no more than nine. The Board may determine the size of the Board within those limits.
- The ASX Principles' recommendation that the Board should consist of a majority of independent directors who satisfy the criteria for independence adopted by the Board.
- The ASX Principles' recommendation that the Chairman of the Board should be an independent director who satisfies the criteria for independence adopted by the Board.
- The Board should, collectively, have the appropriate level of personal qualities, skills, experience and time commitment to properly fulfil its responsibilities or have ready access to such skills where they are not available.

The Board may establish committees to assist it in carrying out its responsibilities. The Board will adopt charters setting out the membership, administration, purpose, responsibilities and functions appropriate to that committee.

Role of the Chairman

In addition to his or her role as a director, the role of the Chairman includes:

- Ensuring the Board provides leadership and vision to Beach;
- In conjunction with the Managing Director¹ and Company Secretary, setting the Board agenda;

¹ a reference in this Charter to the Managing Director means the Chief Executive Officer if there is no Managing Director appointed

- Leading the Board, including presiding over Board meetings and company meetings and directing Board discussions to effectively use the time available to address the critical issues facing Beach;
- Ensuring Board minutes properly reflect Board decisions;
- Developing an ongoing relationship with the Managing Director, such that the Chairman is kept fully informed of the day-to-day matters of interest to the Board;
- Acting as a mentor for the Managing Director;
- Facilitating the effective contribution of directors including the commencement of the annual process of Board and director performance evaluation;
- Promoting constructive and respectful relations between Board members and between Board and senior executives;
- Together with the Board facilitating the assessment of the Managing Director's performance; and
- Guiding the ongoing effectiveness and development of the Board and individual directors.

Role of the Managing Director

The Managing Director is responsible to the Board for the overall management and performance of Beach. The Managing Director should manage Beach in accordance with the strategy, plans, practices and policies approved by the Board to achieve the agreed objectives. In particular the Managing Director's responsibilities include:

- Being the conduit through which the Board is provided sufficient and relevant information to act effectively;
- Providing leadership to Beach and acting as Beach's interface with its operating environment and the general business and investment community;
- Taking action to implement Beach's corporate strategy, including being active in identifying new initiatives for consideration;
- Ensuring Beach's policies are complied with;
- Referring all matters outside of the Managing Director's delegation to the Board for approval; and
- Such other responsibilities as delegated by the Board from time to time.

All directors will have access to the Managing Director.

Role of Individual Directors

The role of directors includes:

- Contributing to Board activities to the best of their abilities and with the level of skill and care expected;
- Discharging their duties in good faith and honestly in the best interests of Beach;
- Using the powers of office for proper purpose, in the best interests of Beach as a whole;
- Acting with the required care and diligence, demonstrating commercial reasonableness in their decisions;
- Avoiding conflicts of interest, not allowing personal interests, or the interests of any associated person, to conflict with the interests of Beach;
- Not making improper use of information gained through their position of director;

- Making reasonable enquiries to ensure that Beach is operating effectively, efficiently and legally toward achieving its objectives;
- Undertaking diligent analysis of all proposals placed before the Board;
- Serving on Board committees as required;
- Participating in the appointment of new directors and directors performance evaluation; and
- Acting in accordance with the duties and obligations imposed on them and the Board by the constitution and the law.

Role of the Deputy Chairman / Lead Independent Non-Executive Director

From time to time the Board may nominate one of its directors to be a Deputy Chairman or Lead Independent Non-Executive Director whose role is:

- To aid and assist the Chairman and to assume the role of the chairman if the Chairman is unavailable or conflicted;
- To aid and assist the Chairman and the remainder of the Board in assuring effective corporate governance in managing the affairs of the Board and the company;
- To be available as a resource to consult with the Chairman and other directors on corporate governance practices and policies, and shall assume the primary leadership role in addressing issues of this nature if the Chairman is unavailable or conflicted;
- If the Chairman is unavailable to consider questions of possible conflicts of interest of or breaches of the Code of Conduct by Board members, as such questions arise; and
- For succession planning, to assist the Board in selecting a new Chairman.

Role of the Company Secretary

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

The Company Secretary is generally responsible for carrying out the administrative and statutory requirements of the Board by:

- Coordinating the development of the agenda in a timely and effective manner for approval by the Chairman;
- Ensuring, in conjunction with the Managing Director, that the board papers are prepared in a timely and effective manner;
- Ensuring the timely despatch of the agenda and board papers;
- Coordinating, organising and attending meetings of the Board and shareholders, and ensuring the correct procedures are followed;
- Ensuring that the business at board and committee and members meetings is accurately captured in the minutes;
- Working in conjunction with the Managing Director and senior executives, to carry out the instructions of the Board and giving practical effect to the Board's decisions;
- Advising the Board and its committees on governance matters;
- Monitoring that Board and committee policy and procedures are followed; and
- Helping to organise and facilitate the induction and professional development of directors.

All directors will have access to the Company Secretary.

Responsibilities of the Board

The full range of the Board's responsibilities is extensive and in addition to the matters required by law, includes the following:

Performance

- Ensuring Beach's long term viability and enhancing its financial position;
- Providing oversight and final approval of Beach's corporate strategy;
- Monitoring senior executives' implementation of Beach's corporate strategy;
- Approving and monitoring the business plan, annual budget and corporate policies and governance practices;
- Monitoring and assessing performance of Beach and the Board itself;
- Overseeing the process of strategic management of current corporate projects;
- Overseeing the risk management framework and monitoring of material risks including economic, environmental and sustainability risks;
- Approving risk management policies and monitoring compliance with those policies; and
- Monitoring developments in the oil and gas industry and the operating environment.

Compliance / Legal Conformance

- Understanding and protecting Beach's financial position;
- Requiring and monitoring legal and regulatory compliance;
- Reviewing and approving annual accounts, annual reports and other public documents and sensitive reports;
- Approval of and monitoring of financial and other reporting;
- Overseeing the process for making disclosure of material information to the market;
- Monitoring and reviewing the Company's policies and performance in relation to health, safety, environment, community relations, climate change and other sustainability matters;
- Ensuring an effective system of internal controls exists and is operating as expected;
- Receive reports on any whistleblower matters and oversee investigations and management actions in response to such reports; and
- Review and approve the corporate governance statement and appendix 4G for disclosure in accordance with the ASX Listing Rules

Overall Operations

- Setting a framework to which the Board oversees management's running of the business;
- Establishing Beach's vision, mission, values and ethical standards to be reflected in a Code of Conduct;
- Monitoring compliance with ethical standards;
- Delegating an appropriate level of authority to management and approving any additional changes to those delegations;
- Ensuring appropriate resources are available to senior executives;

Policies

Board Charter

- Demonstrating corporate leadership;
- Assuming responsibility for the relationship with the Managing Director including his/her appointment, succession, performance assessment, remuneration and dismissal;
- Where appropriate, ratifying the appointment and, the removal of senior executives;
- Overseeing aspects of the employment of senior executives including remuneration, performance and succession planning;
- Approving Beach's remuneration framework;
- Selecting auditors;
- Recommending the appointment, and reviewing the performance, of directors;
- Appointing the members of Board committees;
- Ensuring effective communication to shareholders, staff and other stakeholders;
- Ensuring crisis management procedures are in place; and
- Approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures.

Matters which are specifically reserved for the Board or its committees include the following:

- The issue of securities, subject to the requirements of the law ;
- Appointment of a Chairman;
- Appointment and removal of the Chief Executive Officer, Managing Director and Company Secretary ;
- Appointment of directors to fill a casual vacancy or as additional directors;
- Establishment of Board committees, their membership and authority ;
- Approval of dividends;
- Corporate governance principles and policies;
- Approval of major capital expenditure, capital management, and acquisitions and divestitures;
- Calling of shareholder meetings; and
- Any other specific matter nominated by the Board from time to time.

The Role of Management

The senior executives' role and responsibility is to:

- Recommend Beach's corporate strategy to the Board for approval and once it is approved, implement the corporate strategy;
- Assume day to day responsibility for Beach's conformance with relevant laws and regulations and its compliance framework;
- Achieve the performance targets set by the Board;
- Develop, implement and manage Beach's risk management and internal control frameworks;

- Develop, implement and update Beach's policies, procedures and systems;
- Be alert to relevant trends in the oil and gas industry and Beach's operating environment;
- Provide accurate, timely and clear information to the Board to enable the Board to effectively perform its responsibilities;
- Act as a conduit between the Board and Beach; and
- Manage Beach's human, physical and financial resources to achieve Beach's objectives – essentially "RUN THE BUSINESS".

Assistance to Board to fulfil Roles and Responsibilities

Board members will be assisted by Beach to fulfil their roles and responsibilities in ways which include:

- The provision of induction materials for new directors in order to gain an understanding of Beach's financial, strategic, operational and risk position, their rights, duties and responsibilities, the roles and responsibility of senior management and the role of Board committees;
- The offer by Beach of an indemnity under the terms of Beach's constitution; and
- Professional development opportunities to update and enhance their skills and knowledge. This includes:
 - education concerning key developments in Beach and in the industry and environment within which Beach operates;
 - providing each director with an appropriate opportunity for annual professional development and continuing education, including conferences such as the Australian Energy Producers conference, to be undertaken with the prior approval of the Chairman of the Board or the Company Secretary;
 - access to pertinent industry publications that Beach subscribes for its staff such as Energy News.

Conduct of Board Meetings

Board meetings will be conducted in accordance with the constitution.

- A Chairman will be appointed in accordance with the constitution.
- The constitution provides that the quorum for a meeting is one half of the directors for the time being appointed.
- Board meetings will be held at least eight times a year at venues, dates and times agreed, where practical, in advance.
- In the ordinary course, Board and committee papers will be provided to directors at least three clear business days before the meeting, unless the meeting has been called urgently.
- The agenda for each Board meeting will be approved by the Chairman of the meeting and where relevant, developed in consultation with the Managing Director, through the Company Secretary.
- Board and committee papers will contain sufficient and relevant information to enable directors to efficiently discharge their responsibilities and to make informed decisions on each of the agenda items for consideration.

- The minutes of Board meetings will be circulated, approved and signed in accordance with good corporate governance practice and the law.

Appointment and Re-election of Directors

The Board will regularly, and at least annually, review the size and composition of the Board to ensure that it continues to have diversity and the right mix of experience competencies and skills to fulfil its responsibilities effectively. The type of desirable competencies of directors include:

- Industry knowledge or ability to acquire that knowledge;
- Ability to challenge management and hold them to account;
- Personal and professional integrity, good communication skills and ability to work harmoniously with fellow directors and management;
- Demonstrated and recognised knowledge, experience and competence in business including financial literacy; and
- Ability to analyse information, think strategically and review and challenge management in order to make informed decisions and assess performance.

The Board is ultimately responsible for the selection and recommendation of potential directors to shareholders. The Remuneration and Nomination Committee will assist the Board as required in relation to succession planning generally.

Beach will undertake appropriate checks before making an appointment or putting forward a candidate to shareholders for election as a director. Each Board member will have a written letter of appointment setting out the roles and responsibilities of the director.

Independence of Directors

The ASX Principles recommends that a listed entity's board should challenge management and hold them to account, and represent the best interests of the listed entity and its security holders as a whole rather than those of individual security holders, management or other interest groups, and accordingly, the board should consist of a majority of independent directors who are *free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.*

The Board will assess the independence of each non-executive director annually (when reviewing the Corporate Governance Statement) and in doing so will have regard to all relevant factors, including the examples of interests, positions and relationships that might raise issues about the independence of a director published in the ASX Principles.

A director may still be considered by the Board to be independent notwithstanding the existence of the interests, positions and relationships set out above. The Board reserves its right to make an appropriate assessment in any such circumstance.

The Board will make such disclosures concerning the independence of directors as are required to comply with good corporate governance practice and the law.

Independent Professional Advice and Access to Information

All directors should bring an independent judgement to bear in decision-making. To facilitate this and to

enable directors to effectively discharge their duties:

- A director has the right to seek independent professional advice concerning or in relation to the rights, duties and obligations of the director in relation to the affairs of Beach, at Beach's expense. The Chairman's prior approval of such expenditure is required;
- Directors may seek advice and clarification from Beach's external advisers and auditor on any matter relating to Beach at Beach's expense. The Chairman's prior approval of such expenditure is required;
- Subject to obligations of confidentiality and the protection of privacy, directors have access to company information and records and Beach employees; and
- In addition to the detailed operational and financial reports provided to directors at regular intervals, directors may request further reports or information necessary to make informed decisions from management through the Chief Executive Officer and/or the Board at any time.

Retention of Papers

The following applies to all Beach board or subcommittee papers as well as any corresponding documents that have been printed by directors or their administrative support staff.

- In December of each year, any hard copy papers/documents from the previous financial year are to be confidentially destroyed. Directors may choose to destroy these documents themselves. Alternatively, documents can be returned to the Company Secretary who will arrange for their destruction.
- In December of each year, any electronic papers/documents from the previous financial year are to be permanently deleted from computers and devices accessed or used by directors or their administrative support staff.
- Directors are to confirm that all electronic and hard copy papers/documents have been deleted/destroyed via email to the Company Secretary.
- Note: Electronic copies of board and subcommittee papers will remain on the SharePoint Board and Diligent portals for a period of two years.

Review

The Board will review this charter at least once a year.