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## **Independent Auditor's Report to the Directors of Beach Energy (Operations) Limited**

### **Opinion**

We have audited the accompanying Pipeline Statements (the "Statements") of BassGas Sales Pipeline ("BSP"), which comprises the Statement of Pipeline and Expenses for the year ended 30 June 2023, the Statement of Pipeline Assets as at 30 June 2023, disclosed in Tab 2 and 3, the Pipeline information for the year ended 30 June 2023 and the basis of preparation, as set out in the document "Basis of Preparation" on Beach Energy Limited's website (the "basis of preparation").

In our opinion, the Statements are prepared, in all material respects, in accordance with the basis of preparation and the Financial Reporting Guideline for Non-Scheme Pipelines December 2017 by the Economic Regulation Authority (the "Guideline").

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter - Basis of Accounting and Restriction on Distribution**

We draw attention to the basis of preparation to the Statements which describes the basis of accounting. The Statements for the year ended and as at 30 June 2023 have been prepared to assist the Company to meet the requirements of the Guideline. As a result the Statements may not be suitable for another purpose. Our report is intended solely for the Company and the Economic Regulation Authority (collectively the Recipients) and should not be distributed to parties other than the Recipients. We understand that the Statements and our report will be made available on Beach Energy Limited's website. A party other than Beach Energy (Operations) Pty Ltd accessing this report does so at their own risk and Ernst & Young expressly disclaims all liability to a party other than Beach Energy (Operations) Pty Ltd for any costs, loss, damage, injury or other consequence which may arise directly or indirectly from their use of, or reliance on the report. Our opinion is not modified in respect of this matter.

## Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report in accordance with the financial reporting requirements of the Guideline and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statements.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



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- Evaluate the overall presentation, structure and content of the Statements, including the disclosures, and whether the Statements represents the underlying transactions and events in a matter the achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in cursive script that reads 'Ernst &amp; Young'.

Ernst & Young  
Adelaide  
30 October 2023



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## **Independent Auditor's Review Report to the Directors of Beach Energy (Operations) Limited**

We have reviewed the attached Recovered Capital Method Information (the "RCM") of BassGas Sales Pipeline which comprises the value of capital base including the construction cost, capital expenditure, return of capital, and asset disposals as at 30 June 2023 disclosed in Tab 4 and the basis of preparation, as set out in the document "Basis of Preparation" on Beach Energy Limited's website (the "basis of preparation").

### **Management's Responsibility for the RCM**

Management is responsible for the preparation of the RCM and has determined that the basis of accounting described in the basis of preparation is appropriate to meet the requirements of the Financial Reporting Guideline for Non-Scheme Pipelines December 2017 by the Economic Regulation Authority (the "Guideline") and the needs of the Directors. Management is also responsible for such internal controls as Management determines are necessary to enable the preparation of the RCM that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the RCM based on our review. We have conducted our review in accordance with Standard on Review Engagements ASRE 2405 *Review of Historical Financial Information Other than a Financial Report* in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the RCM is not prepared, in all material respects, in accordance with the accompanying basis of preparation. ASRE 2405 requires us to comply with the requirements of the applicable code of professional conduct of a professional accounting body.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the RCM of BassGas Sales Pipeline as at 30 June 2023 is not prepared, in all material respects, in accordance with the basis of preparation and the Guideline.

### **Basis of Accounting and Restriction on Distribution**

The RCM as at 30 June 2023 is prepared to assist BassGas Sales Pipeline to meet the requirements of the Guideline. As a result the RCM as at 30 June 2023 may not be suitable for another purpose. We understand that the RCM and our report will be made available on Beach Energy Limited's website. We disclaim any assumption of responsibility for any reliance on this report to any person other than the Directors or for any purpose other than that for which it was prepared.

A stylized signature of 'Ernst &amp; Young' in a cursive, handwritten font.

Ernst & Young  
Adelaide  
30 Oct 2023