



## ASX/Media Release

31 July 2014

### **Australia Pacific LNG 75% complete with an increase in reserves and lift in Origin annual reserves and production**

Origin Energy Limited (Origin) today reported on Australia Pacific LNG's schedule and released its Annual Reserves Report and Quarterly Production Report for its Exploration and Production business for the period ended 30 June 2014.

In reporting on the progress of the Australia Pacific LNG project, Origin Chief Executive Officer LNG, Mr David Baldwin said, "Strong progress has been made on Australia Pacific LNG with the Upstream component of the project approximately 76 per cent complete and the Downstream component approximately 75 per cent complete at 30 June 2014.

"Australia Pacific LNG remains on track to deliver first LNG in mid-2015. During the past quarter, 141 Phase 1 development wells were drilled, bringing the total to 821, and Condabri Central Train 1 gas processing facility was commissioned," Mr Baldwin said.

For the year ended 30 June 2014, Origin recorded production of 142 PJe, a 15 per cent increase on the prior year, and a 32 per cent increase in revenues to \$1,122 million. Production during the June quarter increased by 8 per cent compared with the March quarter while sales volumes and revenues rose by 12 per cent and 11 per cent respectively.

Origin Chief Executive Officer Upstream, Mr Paul Zealand said, "Origin's increased annual production and revenue results can be directly attributed to investments made in prior periods, with improved asset availability driving higher contributions from Otway, Kupe and BassGas assets."

During the past 12 months, Origin successfully added to its overall reserves position. At 30 June 2014, Origin's Proved plus Probable (2P) reserves (including its 37.5 per cent share of Australia Pacific LNG reserves) totalled 6,473 PJe, representing a 4 per cent increase on the prior year net of production.

Australia Pacific LNG's 2P reserves increased by 709 PJe during the year to 14,091 PJe and 3P reserves increased by 1,304 PJe to 17,459 PJe. Origin's 37.5 per cent share of Australia Pacific LNG's 2P reserves was 5,284 PJe, an increase of 266 PJe. The increase in Australia Pacific LNG's 2P reserves was driven by the project's exploration and appraisal program and extensive development drilling as part of the Phase 1 project.

Excluding Australia Pacific LNG, Origin more than replaced its 2014 production through additions to its 2P reserves position, primarily at its Ironbark CSG field in



Queensland, which increased by 94 PJe following favourable appraisal well drilling results.

“A particularly pleasing feature of the past quarter was Origin’s completion of farm-in agreements in the Cooper and Beetaloo Basins as well as being successfully awarded new exploration acreage in the Bonaparte Basin subsequent to quarter end. In addition, Origin continues to progress its planned acquisition of Karoon Gas’s Browse Basin exploration permits, WA-315-P and WA-398-P,” Mr Zealand said.

Given its growing portfolio of exploration opportunities within Australia, the company’s international exploration activities were reviewed and it was decided not to seek a new Production Sharing Contract for the Kenya acreage, and to progress the relinquishment of the Botswana acreage. The \$25 million capitalised against Kenya and Botswana is likely to be expensed.

In addition, an evaluation of the Caravel-1 exploration well in New Zealand’s Canterbury Basin has deemed it uncommercial. As a result, an additional \$41 million in expenditure relating to the well is likely to be expensed.

*NOTE: The report does not cover other areas of the integrated energy businesses undertaken by Origin, including electricity generation, energy retailing, non-hydrocarbon development activity or its subsidiary, New Zealand’s Contact Energy.*

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**About Origin Energy**

Origin Energy (ASX: ORG) is the leading Australian integrated energy company focused on gas and oil exploration and production, power generation and energy retailing. A member of the S&P/ASX 20 Index, the company has more than 6,000 employees and is a leading producer of gas in eastern Australia. Origin is Australia’s largest energy retailer servicing 4.3 million electricity, natural gas and LPG customer accounts and has the country’s largest and one of the most flexible generation portfolios with approximately 6,010 MW of capacity, through either owned generation or contracted rights. Origin’s strategic positioning and portfolio of assets provide flexibility, stability and significant opportunities for growth across the energy industry. Through Australia Pacific LNG, its incorporated joint venture with ConocoPhillips and Sinopec, Origin is developing one of Australia’s largest CSG to LNG projects based on Australia’s largest 2P CSG reserves base.

In New Zealand, Origin is the major shareholder in Contact Energy, a leading integrated energy company, operating geothermal, thermal and hydro generation facilities and servicing electricity, gas and LPG customers across both the North and South islands. Origin is also a major operator and participant in petroleum exploration acreage in New Zealand.

Origin has a strong focus on ensuring the sustainability of its operations, is the largest green energy retailer in Australia and has significant investments in renewable energy technologies.

For more information go to [www.originenergy.com.au](http://www.originenergy.com.au)