



ASX/Media Release

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Largest east coast gas producer commences exports from second LNG production train

Origin Energy Limited (Origin) today announced that eastern Australia's largest natural gas project, Australia Pacific LNG, had produced the maiden LNG cargo¹ from the second of its two 4.5 million tonnes per annum production trains.

Origin Managing Director, Mr Grant King, said "Production of the first LNG cargo from the project's second train on Curtis Island near Gladstone represents a defining moment in Australia Pacific LNG's eight-year journey from project establishment to ongoing exports.

"Australia Pacific LNG meets 25 per cent of eastern Australia's gas demand and has shipped 47 LNG cargoes to customers in Asia and further afield since exports from its first train commenced in January this year.

"Pleasingly, Australia Pacific LNG recently completed the 120-day operational test period for its first production train. This represents a major milestone in satisfying project financing completion agreements for Train 1, which is expected to occur by the end of calendar 2016.

"Australia Pacific LNG's transition from development to production will see Origin benefit significantly from its investment in the project through earnings and returns from FY2018 and beyond, based on the current forward curve for oil.

"Origin's strategy of investing in gas and renewables means the company is well placed to lead the transition to less carbon intensive energy – not only through the Energy Markets business domestically but also in regional markets through its investment in Australia Pacific.

"As a cleaner form of energy, natural gas stands to play a pivotal role in helping Australia, and the world, reduce carbon emissions and tackle climate change," Mr King said.

Origin Integrated Gas Chief Executive, Mr David Baldwin, described Australia Pacific LNG as one of the largest energy projects ever to be undertaken in eastern Australia and represented billions of dollars of investment in local jobs, regional communities and Queensland as a whole.

¹ Equivalent to production of 150,000 cubic metres of liquefied natural gas



“On behalf of Australia Pacific LNG’s partners, I’d like to sincerely thank our workers, our hundreds of landowner partners and the Queensland Government for their tireless support as we worked together to make this transformational project a reality.

“With the commencement of Train 2 operations, approximately 200TJ/day of equity gas that was previously directed to the QGC sales contract will become available to Australia Pacific LNG.

“As Australia Pacific LNG’s upstream operator, Origin continues to vigorously pursue new opportunities to further reduce costs,” Mr Baldwin said.

Editors Note: High-quality images of Australia Pacific LNG are available upon request.

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About Origin Energy

Origin Energy (ASX: ORG) is the leading Australian integrated energy company with market leading positions in energy retailing (approximately 4.2 million customer accounts), power generation (approximately 6,000 MW of capacity owned and contracted) and natural gas production (1,093 PJ of 2P reserves and annual production of 82 PJ). Through Australia Pacific LNG, its incorporated joint venture with ConocoPhillips and Sinopec, Origin is developing Australia’s biggest CSG to LNG project based on the country’s largest 2P CSG reserves base.