



ASX/Media Release

20 May 2016

Further progress on asset divestment program through sale of Mortlake Pipeline

Origin Energy Limited (**Origin**) today announced it had entered into an Asset Sale Agreement with SEA Gas (Mortlake) Partnership (**SEA Gas Mortlake**) for the sale of Mortlake Pipeline for cash consideration of \$245 million.

Mortlake Pipeline, which is currently operated by a related party of SEA Gas Mortlake, supplies gas to Origin's Mortlake Power Station in Victoria. Origin has secured long-term gas transportation and storage services on the pipeline.

The planned sale of Mortlake Pipeline represents a 14.4x FY2017 EBITDA multiple to Origin¹.

Origin Managing Director, Mr Grant King said, "The sale of Mortlake Pipeline demonstrates progress against our stated intention to generate at least \$800 million through asset divestments including non-operated upstream interests and other infrastructure assets.

"This will help strengthen Origin's balance sheet and build resilience in the business in a lower oil price environment" Mr King said.

The sale of Mortlake Pipeline brings the cumulative proceeds of recent asset divestments to \$396 million² when combined with the sale of Mortlake Terminal Station and Origin's 50 per cent interest in OTP Geothermal Pte Ltd.

The transaction is subject to customary conditions and is expected to be completed after 30 June 2016.

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About Origin

Origin (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). To match its leadership in the supply of green energy, Origin also aspires to be the number one renewables company in Australia.

¹ Multiple based on the incremental earnings impact to Origin of the newly contracted transport and storage services net of saved operating expenditure

² Includes proceeds from OTP sale of US\$30 million converted at an exchange rate of AUD/USD of 0.73



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.

www.originenergy.com.au

About SEA Gas (Mortlake) Partnership

South East Australia Gas (Mortlake) Pty Ltd (SEA Gas Mortlake) is a partnership that has been established to develop, own and operate the underground pipeline system transporting natural gas from the Otway Basin to the Mortlake Power Station. The partnership is a 50:50 partnership between APA (ASX: APT) and REST Industry Super (REST).

APA and REST are also 50:50 partners in the South East Australia Gas Pty Ltd partnership that owns and operates the high pressure natural gas transmission pipeline system that transports natural gas from Port Campbell and Iona in Victoria to markets in South Australia and Victoria, and supplies over 50 per cent of Adelaide's natural gas energy needs.