



## ASX/Media Release

29 January 2016

### **Australia Pacific LNG commences LNG shipment and delivers cargo to Sinopec; Origin reports strong December quarter production**

Origin Energy Limited (Origin) today released its Quarterly Production Report for its Integrated Gas business for the quarter to 31 December 2015.

During the period, Origin recorded production of 54.4 PJe, representing a 14 per cent increase on the prior three-month period and a 63 per cent increase on the corresponding period in FY2015. This result was underpinned by higher gas production from Australia Pacific LNG as Train 1 came online and a full quarter of production from the recently completed Yolla 5 and Yolla 6 wells at BassGas.

Revenue for the three months to 31 December was \$212.2<sup>1</sup> million, a 6 per cent reduction on that achieved during the September quarter. An increase in volumes and average price realised by Australia Pacific LNG was more than offset by the decline in sales volumes at Kupe (due to scheduled maintenance) and at Otway and Cooper Basin (due to lower nominations by Origin). When compared to the corresponding period in FY2015, revenue decreased 12 per cent as a result of lower average realised commodity prices.

Origin Chief Executive Officer Integrated Gas, Mr David Baldwin said, "Pleasingly, Origin achieved a 14 per cent lift in production during the period. This result can be directly attributed to Australia Pacific LNG progressively coming on line and prior investments made at BassGas to bring Yolla 5 and Yolla 6 into production."

"LNG production at Australia Pacific LNG commenced on 11 December and the project's first shipment of LNG departed the Curtis Island Facility on 9 January - representing two landmark milestones in Origin's history.

"Australia Pacific LNG shipped three cargos in January to customers including Sinopec in accordance with the Sinopec Sale and Purchase Agreement.

"In December 2015, Australia Pacific LNG exceeded production rates of 1,000TJ/d from its operated assets. The project is now producing at a rate, which, when combined with volumes from non-operated assets, is more than sufficient gas to fill its one operational LNG train and supply domestic contracts."

In addition, production testing at Speculant 1 and Speculant 2 wells was completed during the quarter. Civil works continued on the Halladale and Speculant development and first gas is expected early in the 2017 financial year.

Origin is reviewing the carrying values of its assets as part of the usual processes for the preparation of its financial statements and will announce any impact on carrying values of assets upon finalisation of the review.

*NOTE: The report does not cover other areas of the integrated energy businesses undertaken by Origin, including electricity generation, energy retailing and non-hydrocarbon development activity.*

<sup>1</sup> Includes gain / (loss) on hedging and forward sales agreements.



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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 4.3 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.

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](http://www.originenergy.com.au)

# Quarterly Production Report

For period ending 31 December 2015

| Comparative performance at a glance – Origin's total proportional interests |                |                |          |
|-----------------------------------------------------------------------------|----------------|----------------|----------|
| Previous Quarter Comparison                                                 | December 2015  | September 2015 | Change % |
| Production (PJe)                                                            | 54.4           | 47.8           | 14       |
| Sales (PJe)                                                                 | 50.3           | 50.5           | (1)      |
| Revenue (A\$m) <sup>1</sup>                                                 | 212.2          | 224.5          | (6)      |
| Prior Corresponding Quarter Comparison                                      | December 2015  | December 2014  | Change % |
| Production (PJe)                                                            | 54.4           | 33.4           | 63       |
| Sales (PJe)                                                                 | 50.3           | 36.1           | 39       |
| Revenue (A\$m) <sup>1</sup>                                                 | 212.2          | 242.1          | (12)     |
| Year to Date Comparison                                                     | Jul - Dec 2015 | Jul - Dec 2014 | Change % |
| Production (PJe)                                                            | 102.2          | 68.3           | 50       |
| Sales (PJe)                                                                 | 100.8          | 73.6           | 37       |
| Revenue (A\$m) <sup>1</sup>                                                 | 436.7          | 492.6          | (11)     |

Note: Information presented in the table above and throughout this report relates only to hydrocarbon exploration and production activities undertaken by Origin Energy Limited ("Origin"), its subsidiaries and the incorporated joint ventures in which it has interests. The report does not cover other business activities of Origin such as electricity generation or energy retailing.

## Highlights

- Production increased by 14% compared with September Quarter 2015 primarily driven by the ramp up in APLNG production to meet Train 1 requirements for LNG
- Revenue decreased by 6% compared with September Quarter 2015 as an increase in volumes and price realised by APLNG was more than offset by sales volume declines in Kupe due to plant outage from scheduled maintenance, and due to lower customer nominations by Origin at Otway and Cooper Basin
- APLNG produced first LNG on 11 December 2015, and the first shipment of LNG departed the Australia Pacific LNG facility on Curtis Island on 9 January 2016. A total of three produced cargoes were shipped in January to customers including Sinopec pursuant to the Sinopec sale and purchase agreement (SPA)
- During December, APLNG exceeded operated asset production rates of 1,000TJ/d and is now producing at a rate which, combined with volumes provided from non-operated assets, is more than sufficient to supply domestic contracts and feed gas for one LNG Train
- The Speculant 1 and Speculant 2 ST1 production testing was completed with ongoing civil works on the Halladale and Speculant pipeline and reception facilities to connect the wells to the Otway Gas Plant. First gas is expected early in the 2017 financial year

## Production and Sales

### December Quarter 2015 compared with September Quarter 2015

Production of 54.4 PJe in the December Quarter 2015 was 6.6 PJe or 14% higher than the September Quarter 2015. This is primarily attributable to Origin's share of higher production from APLNG (8.9 PJe) across both operated and non-operated areas as APLNG increased production to Train 1 requirements for LNG production and BassGas (0.6 PJe) due to full Quarter of production from the Yolla 5 and Yolla 6 wells. This was partially offset by Kupe (-1.8 PJe) due to planned statutory maintenance shutdown and Otway (-1.2 PJe) due to natural field decline and lower customer nominations by Origin.

<sup>1</sup> Revenue includes Total Commodity Revenue and Gain/(Loss) on forward sale and hedging. As a result revenue reported for prior year comparatives differs from that disclosed in previous Quarterly Production Reports. Further details are included in table 1.2.

Revenue decreased 6% from the September Quarter 2015 as an increase in volumes and price realised by APLNG was more than offset by lower production in Kupe due to plant outage from scheduled maintenance and lower customer nominations by Origin at Otway and Cooper Basin.

### **December Quarter 2015 compared with December Quarter 2014**

Production of 54.4 PJe in the December Quarter 2015 was 21.0 PJe or 63% higher than the comparable Quarter in 2014. This is primarily attributable to higher production from APLNG (21.7 PJe) across both operated and non-operated areas as APLNG increased production to Train 1 requirements for LNG production and BassGas (1.7 PJe) due to the Yolla 5 and Yolla 6 wells coming on line, partly offset by lower production at Otway (-1.4 PJe) due to natural field decline and lower customer nominations by Origin.

Sales revenue decreased 12% from the December Quarter 2014 as increased production at APLNG was more than offset by lower average realised commodity prices.

### **Six Months to 31 December 2015 compared with Six Months to 31 December 2014**

Production of 102.2 PJe in the half year to December 2015 was 33.9 PJe or 50% higher than the comparable period in 2014. This is primarily attributable to higher production from APLNG (36.2 PJe) across both operated and non-operated areas as APLNG increased production to meet Train 1 requirements for LNG production and BassGas (1.8 PJe) due to the Yolla 5 and Yolla 6 wells coming on line, partly offset by lower production at Otway (-3.2 PJe) due to natural field decline and lower customer nominations by Origin.

Sales revenue decreased 11% from the comparable period in 2014 as increased production at APLNG was more than offset by lower average realised commodity prices.

## 1. PRODUCTION, SALES AND REVENUE

### 1.1 Production by product and area (including interest in APLNG)

| Natural Gas and Ethane         | Unit         | This Quarter | Previous Quarter | % Change | Dec Quarter 2014 | YTD 2015/16 | YTD 2014/15 |
|--------------------------------|--------------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>Natural Gas</b>             | PJ           |              |                  |          |                  |             |             |
| APLNG domestic <sup>2</sup>    |              | 32.6         | 26.9             | 21       | 14.1             | 59.5        | 26.5        |
| SA Cooper & SWQ                |              | 3.1          | 2.9              | 7        | 3.2              | 5.9         | 6.4         |
| Otway Basin (offshore)         |              | 5.7          | 6.9              | (17)     | 6.9              | 12.5        | 15.1        |
| Bass Basin                     |              | 2.2          | 1.7              | 29       | 0.9              | 3.9         | 2.5         |
| Perth Basin                    |              | 1.0          | 1.1              | (9)      | 1.1              | 2.1         | 2.2         |
| Taranaki Basin (onshore)       |              | 0.2          | 0.2              | 0        | 0.2              | 0.3         | 0.2         |
| Taranaki Basin (Kupe)          |              | 2.2          | 3.4              | (35)     | 2.5              | 5.5         | 5.6         |
| <b>Ethane</b>                  | PJ           |              |                  |          |                  |             |             |
| SA Cooper & SWQ                |              | 0.4          | 0.4              | 0        | 0.4              | 0.9         | 0.8         |
| <b>Total Production</b>        |              | 47.3         | 43.5             | 9        | 29.3             | 90.8        | 59.4        |
| <b>Total Sales Volume</b>      |              | 44.6         | 44.2             | 1        | 29.0             | 88.7        | 60.2        |
| <b>Total Commodity Revenue</b> | <b>\$M</b>   | 142.7        | 148.2            | (4)      | 129.5            | 290.9       | 266.3       |
| <b>Average Gas Price</b>       | <b>\$/GJ</b> | 3.20         | 3.36             | (5)      | 4.46             | 3.28        | 4.42        |

| Liquefied Natural Gas (LNG)    | Unit              | This Quarter | Previous Quarter | % Change | Dec Quarter 2014 | YTD 2015/16 | YTD 2014/15 |
|--------------------------------|-------------------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>LNG</b>                     | Kt                |              |                  |          |                  |             |             |
| <b>APLNG Production</b>        |                   | 17.3         | 0                | 100      | -                | 17.3        | -           |
| <b>APLNG Sales Volume</b>      |                   | -            | -                | -        | -                | -           | -           |
| <b>APLNG Commodity Revenue</b> | <b>\$M</b>        | -            | -                | -        | -                | -           | -           |
| <b>Average LNG Price</b>       | <b>\$/t</b>       | -            | -                | -        | -                | -           | -           |
| <b>Average LNG Price</b>       | <b>US\$/t</b>     | -            | -                | -        | -                | -           | -           |
| <b>Average LNG Price</b>       | <b>US\$/mmbtu</b> | -            | -                | -        | -                | -           | -           |

| Crude Oil                      | Unit          | This Quarter | Previous Quarter | % Change | Dec Quarter 2014 | YTD 2015/16 | YTD 2014/15 |
|--------------------------------|---------------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>Crude Oil</b>               | <b>kbbbls</b> |              |                  |          |                  |             |             |
| SA Cooper & SWQ                |               | 65.3         | 67.3             | (3)      | 78.2             | 132.7       | 160.5       |
| Taranaki Basin (onshore)       |               | 17.1         | 10.8             | 59       | 14.4             | 27.9        | 14.4        |
| <b>Total Production</b>        |               | 82.5         | 78.1             | 6        | 92.5             | 160.6       | 174.9       |
| <b>Total Sales Volume</b>      |               | 445.7        | 465.9            | (4)      | 474.9            | 911.6       | 917.9       |
| <b>Total Commodity Revenue</b> | <b>\$M</b>    | 26.5         | 33.6             | (21)     | 44.7             | 60.1        | 96.3        |
| <b>Average Crude Price</b>     | <b>\$/bbl</b> | 60           | 72               | (17)     | 94               | 66          | 105         |

<sup>2</sup> Refers to production to meet domestic supply requirements and excludes production directed towards the LNG facility on Curtis Island.

| Condensate/Naphtha              | Unit          | This Quarter | Previous Quarter | % Change    | Dec Quarter 2014 | YTD 2015/16  | YTD 2014/15  |
|---------------------------------|---------------|--------------|------------------|-------------|------------------|--------------|--------------|
| <b>Condensate/Naphtha</b>       | <b>kbbls</b>  |              |                  |             |                  |              |              |
| APLNG                           |               | 0.2          | -                | 100         | 0.3              | 0.2          | 0.5          |
| SA Cooper & SWQ                 |               | 51.1         | 47.8             | 7           | 56.8             | 98.9         | 111.3        |
| Otway Basin (offshore)          |               | 74.5         | 84.0             | (11)        | 94.9             | 158.5        | 209.6        |
| Bass Basin                      |               | 73.6         | 59.1             | 25          | 31.8             | 132.7        | 89.4         |
| Perth Basin                     |               | 0.8          | 0.8              | 0           | 0.9              | 1.6          | 1.8          |
| Taranaki Basin (Kupe)           |               | 130.4        | 203.8            | (36)        | 169.8            | 334.3        | 382.1        |
| <b>Total Production</b>         |               | <b>330.6</b> | <b>395.5</b>     | <b>(16)</b> | <b>354.5</b>     | <b>726.1</b> | <b>794.6</b> |
| <b>Total Sales Volume</b>       |               | <b>297.1</b> | <b>335.0</b>     | <b>(11)</b> | <b>473.2</b>     | <b>632.0</b> | <b>806.7</b> |
| <b>Total Commodity Revenue</b>  | <b>\$M</b>    | <b>15.6</b>  | <b>19.8</b>      | <b>(22)</b> | <b>37.2</b>      | <b>35.4</b>  | <b>70.4</b>  |
| <b>Average Condensate Price</b> | <b>\$/bbl</b> | <b>52</b>    | <b>59</b>        | <b>(12)</b> | <b>79</b>        | <b>56</b>    | <b>87</b>    |

| LPG                            | Unit        | This Quarter | Previous Quarter | % Change    | Dec Quarter 2014 | YTD 2015/16 | YTD 2014/15 |
|--------------------------------|-------------|--------------|------------------|-------------|------------------|-------------|-------------|
| <b>LPG</b>                     | <b>Kt</b>   |              |                  |             |                  |             |             |
| SA Cooper & SWQ                |             | 6.3          | 6.7              | (6)         | 7.4              | 13.0        | 14.3        |
| Otway Basin (offshore)         |             | 10.1         | 10.0             | 2           | 12.5             | 20.1        | 27.0        |
| Bass Basin                     |             | 6.6          | 5.0              | 33          | 2.4              | 11.6        | 7.7         |
| Taranaki Basin (onshore)       |             | 0.3          | 0.2              | 50          | 0.2              | 0.4         | 0.2         |
| Taranaki Basin (Kupe)          |             | 9.0          | 13.8             | (34)        | 10.6             | 22.8        | 24.4        |
| <b>Total Production</b>        |             | <b>32.4</b>  | <b>35.6</b>      | <b>(9)</b>  | <b>33.3</b>      | <b>67.9</b> | <b>73.6</b> |
| <b>Total Sales Volume</b>      |             | <b>30.8</b>  | <b>37.3</b>      | <b>(17)</b> | <b>36.5</b>      | <b>68.1</b> | <b>74.8</b> |
| <b>Total Commodity Revenue</b> | <b>\$M</b>  | <b>16.3</b>  | <b>15.2</b>      | <b>7</b>    | <b>24.2</b>      | <b>31.5</b> | <b>53.7</b> |
| <b>Average LPG Price</b>       | <b>\$/t</b> | <b>529</b>   | <b>408</b>       | <b>30</b>   | <b>664</b>       | <b>463</b>  | <b>718</b>  |

## 1.2 Production by basin (including interest in APLNG)

| Production by Basin<br>(All products, PJe)                | Unit   | This<br>Quarter | Previous<br>Quarter | %<br>Change | Dec<br>Quarter<br>2014 | YTD<br>2015/16 | YTD<br>2014/15 |
|-----------------------------------------------------------|--------|-----------------|---------------------|-------------|------------------------|----------------|----------------|
| <b>Production by Basin</b>                                | PJe    |                 |                     |             |                        |                |                |
| APLNG <sup>3</sup>                                        |        | 35.8            | 26.9                | 33          | 14.1                   | 62.7           | 26.5           |
| SA Cooper & SWQ                                           |        | 4.5             | 4.3                 | 4           | 4.7                    | 8.8            | 9.5            |
| Otway Basin (offshore)                                    |        | 6.6             | 7.8                 | (16)        | 8.0                    | 14.4           | 17.6           |
| Bass Basin                                                |        | 2.9             | 2.3                 | 27          | 1.2                    | 5.2            | 3.4            |
| Perth Basin                                               |        | 1.0             | 1.1                 | (8)         | 1.1                    | 2.1            | 2.2            |
| Taranaki Basin (onshore)                                  |        | 0.3             | 0.3                 | 0           | 0.3                    | 0.5            | 0.3            |
| Taranaki Basin (Kupe)                                     |        | 3.3             | 5.1                 | (36)        | 4.0                    | 8.4            | 8.9            |
| <b>Total Production Volume</b>                            |        | 54.4            | 47.8                | 14          | 33.4                   | 102.2          | 68.3           |
| <b>Total Sales Volume</b>                                 |        | 50.3            | 50.5                | (1)         | 36.1                   | 100.8          | 73.6           |
| <b>Total Commodity Revenue</b>                            | \$M    | 200.9           | 216.8               | (7)         | 235.6                  | 417.8          | 486.7          |
| Gain / (Loss) on forward sale <sup>4</sup> and<br>hedging | \$M    | 11.2            | 7.6                 | 46          | 6.5                    | 18.8           | 5.9            |
| <b>Total Revenue</b>                                      | \$M    | 212.1           | 224.5               | (6)         | 242.1                  | 436.6          | 492.6          |
| <b>Average Commodity Price</b>                            | \$/GJe | 4.22            | 4.44                | (5)         | 6.70                   | 4.33           | 6.69           |

## 1.3 Production, Sales Volumes and Revenue Summaries

### 1.3.1 Origin excluding interest in APLNG

| Total All Products                          | Unit   | This<br>Quarter | Previous<br>Quarter | %<br>Change | Dec<br>Quarter<br>2014 | YTD<br>2015/16 | YTD<br>2014/15 |
|---------------------------------------------|--------|-----------------|---------------------|-------------|------------------------|----------------|----------------|
| Production Volume                           | PJe    | 18.6            | 20.9                | (11)        | 19.3                   | 39.5           | 41.8           |
| Sales Volume                                | PJe    | 18.7            | 24.0                | (22)        | 22.0                   | 42.8           | 46.1           |
| Sales Revenue                               | \$M    | 123.6           | 164.5               | (25)        | 186.6                  | 288.2          | 391.5          |
| Gain / (loss) – forward sale and<br>hedging | \$M    | 11.2            | 7.6                 | 46          | 6.5                    | 18.8           | 5.9            |
| <b>Total Revenue</b>                        | \$M    | 134.8           | 172.1               | (22)        | 193.1                  | 306.9          | 397.4          |
| <b>Average Commodity Price</b>              | \$/GJe | 7.20            | 7.16                | 1           | 8.79                   | 7.18           | 8.62           |

### 1.3.2 Origin's interest in APLNG

| Total All Products             | Unit   | This<br>Quarter | Previous<br>Quarter | %<br>Change | Dec<br>Quarter<br>2014 | YTD<br>2015/16 | YTD<br>2014/15 |
|--------------------------------|--------|-----------------|---------------------|-------------|------------------------|----------------|----------------|
| Production APLNG 100%          | PJe    | 95.5            | 71.7                | 33          | 37.6                   | 167.2          | 70.7           |
| <u>Origin's 37.5% interest</u> |        |                 |                     |             |                        |                |                |
| Production (all products)      | PJe    | 35.8            | 26.9                | 33          | 14.1                   | 62.7           | 26.5           |
| Sales (all products)           | PJe    | 31.6            | 26.5                | 19          | 14.2                   | 58.0           | 27.5           |
| Sales Revenue <sup>5</sup>     |        | 77.4            | 52.3                | 48          | 49.0                   | 129.8          | 95.2           |
| <b>Average Commodity Price</b> | \$/GJe | 2.45            | 1.98                | 24          | 3.62                   | 2.81           | 3.35           |

<sup>3</sup> Refers to domestic production as well as production directed towards the LNG facility on Curtis Island (including feed gas).

<sup>4</sup> Refers to Origin's oil and condensate forward sale agreements. In FY2013 Origin entered into agreements to sell approximately 60% of its future oil and condensate over a 72 month period commencing 1 July 2015. The fixed price of US\$62.40/bbl represents the forward oil price at the time of US\$89/bbl, discounted to reflect the receipt of the proceeds upfront. Upon entry into the agreements, Origin received A\$482 million.

<sup>5</sup> Includes capitalised revenue related to APLNG ramp gas volumes.

## 1.4 Internal and External Purchase and Sales Summary

### 1.4.1 Internal and External Sales (Origin excluding interest in APLNG)

| Internal & External Sales Volumes | Unit | This Quarter | Previous Quarter | % Change | Dec Quarter 2014 | YTD 2015/16 | YTD 2014/15 |
|-----------------------------------|------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>Sales Volume</b>               | PJe  |              |                  |          |                  |             |             |
| Internal                          |      | 4.9          | 7.3              | (33)     | 4.5              | 12.3        | 10.9        |
| External                          |      | 13.8         | 16.7             | (18)     | 17.5             | 30.5        | 35.2        |
| <b>Total</b>                      |      | 18.7         | 24.0             | (22)     | 22.0             | 42.8        | 46.1        |

### 1.4.2 External Purchases

| Product Purchases included in above sales | Unit | This Quarter | Previous Quarter | % Change | Dec Quarter 2014 | YTD 2015/16 | YTD 2014/15 |
|-------------------------------------------|------|--------------|------------------|----------|------------------|-------------|-------------|
| Origin (excluding interest in APLNG)      | PJe  | 1.9          | 2.1              | (11)     | 2.1              | 4.0         | 4.6         |
| Origin's 37.5% interest in APLNG          | PJe  | 1.6          | 0.1              |          | 1.3              | 1.7         | 2.3         |
| <b>Total</b>                              | PJe  | 3.5          | 2.2              | 58       | 3.4              | 5.7         | 6.9         |

## 2. DEVELOPMENT AND EXPLORATION OPERATIONS

### 2.1 Origin's interests held through Australia Pacific LNG (APLNG)

#### 2.1.1 Upstream Operations

During December, Australia Pacific LNG exceeded operated asset production rates of 1,000TJ/d and is now producing at a rate which, combined with volumes provided from non-operated assets, is more than sufficient to supply domestic contracts and feed gas for one LNG Train.

APLNG production (100%) was 95.5 PJe during the Quarter, an increase of 33% compared to the September 2015 Quarter (71.7 PJe), due to the commencement of LNG production in December which consumed 8.5 PJe. Revenue increased 48% reflecting higher production and a higher average gas price. The weighted average gas price increased by \$0.47/GJ primarily as a result of increased gas demand, as Queensland LNG projects ramped up production of LNG.

Fields were operating below their full production capacity for the majority of the Quarter prior to ramp up for the commencement of LNG production in December 2015. Average production from operated assets increased to 689 TJ/d in the December 2015 quarter from 503 TJ/d in the September 2015 quarter (APLNG share), reflecting higher rates of production from Combabula/Reedy Creek (100 TJ/d increase) and Condabri (60 TJ/d increase).

Average production from non-operated assets increased to 349 TJ/d in the December 2015 quarter from 277 TJ/d in the September 2015 quarter (APLNG share). Production from QGC operated fields increased to 291 TJ/d from 259 TJ/d reflecting higher production from Kenya and Kenya East due to commissioning of incremental wells in ATP620. Production from the GLNG operated Fairview field increased to 58.0 TJ/d from 17.4 TJ/d due to increased demand.

APLNG participated in the drilling of 131 wells during the Quarter, including 12 appraisal wells, 1 exploration well and 118 development wells (96 operated and 22 non-operated production wells across QGC areas).

#### APLNG Operated Production Wells<sup>6</sup>

| APLNG Operated Production Wells |                         |                                          |                                    |               | Prior Development <sup>7</sup> | LNG Development <sup>8</sup> |                    |
|---------------------------------|-------------------------|------------------------------------------|------------------------------------|---------------|--------------------------------|------------------------------|--------------------|
|                                 |                         | Max avg well deliverability <sup>9</sup> | Avg daily production (APLNG share) |               | Wells commissioned             | Development wells drilled    | Wells commissioned |
| Bowen                           | Spring Gully            | 0.9 TJ/d                                 | 124.6 TJ/d                         | This Quarter  | -                              | 9                            | 6                  |
|                                 |                         |                                          |                                    | YTD 2015/16   | -                              | 13                           | 8                  |
|                                 |                         |                                          |                                    | Total to Date | 185                            | 147                          | 114                |
| Surat                           | Talinga                 | 2.2 TJ/d                                 | 62.4 TJ/d                          | This Quarter  | -                              | -                            | 2 <sup>10</sup>    |
|                                 |                         |                                          |                                    | YTD 2015/16   | -                              | -                            | 31                 |
|                                 |                         |                                          |                                    | Total to Date | 101                            | 29                           | 31                 |
|                                 | Orana                   | 2.3 TJ/d                                 | 77.9 TJ/d                          | This Quarter  | -                              | -                            | 16                 |
|                                 |                         |                                          |                                    | YTD 2015/16   | -                              | -                            | 19                 |
|                                 |                         |                                          |                                    | Total to Date | -                              | 142                          | 137                |
|                                 | Condabri                | 0.9 TJ/d                                 | 222.5 TJ/d                         | This Quarter  | -                              | 24                           | -                  |
|                                 |                         |                                          |                                    | YTD 2015/16   | -                              | 65                           | 24                 |
|                                 |                         |                                          |                                    | Total to Date | -                              | 523                          | 443                |
|                                 | Combabula / Reedy Creek | 1.1 TJ/d                                 | 195.6 TJ/d                         | This Quarter  | -                              | 63                           | 16                 |
|                                 |                         |                                          |                                    | YTD 2015/16   | -                              | 76                           | 24                 |
|                                 |                         |                                          |                                    | Total to Date | -                              | 431                          | 365                |
| TOTAL                           |                         |                                          | 683.1 TJ/d <sup>11</sup>           | This Quarter  | -                              | 96                           | 40                 |
|                                 |                         |                                          |                                    | YTD 2015/16   | -                              | 154                          | 106                |
|                                 |                         |                                          |                                    | Total to Date | 286                            | 1,272                        | 1,090              |

<sup>6</sup> Excludes 25 conventional wells in the Denison Trough and 23 CSG wells in the Peat Project Area not targeted for any Phase 1 development

<sup>7</sup> APLNG operated wells designated to deliver gas to its domestic operations

<sup>8</sup> APLNG operated wells designated to deliver gas to both trains of the CSG to LNG project

<sup>9</sup> Maximum average observable rate sustained over a week, throughout the year, from wells that have been online for more than six months

<sup>10</sup> During the Quarter, two wells (Talinga 134 and Talinga 121) were commissioned that were originally drilled as part of the exploration and appraisal program and do not form part of the LNG Development wells drilled

<sup>11</sup> Excludes production from the Peat Project Area and Denison Trough which collectively accounted for average production of 5.6TJ/d

### 2.1.2 APLNG Project Update

The Upstream project was 99% complete at 31 December 2015.

As at 31 December 2015, 1,272 development wells had been drilled and 1,090 wells commissioned.

All key facilities are now commissioned and the Upstream project is complete with the only activities remaining relating to contract close out.

The Downstream project was 96% complete at 31 December 2015.

LNG was first produced from Train 1 of the Downstream facility on 9 December 2015, and the first shipment of LNG departed the Australia Pacific LNG facility on Curtis Island on 9 January 2016. A total of three produced cargoes were shipped in January to customers including Sinopec pursuant to the Sinopec SPA.



*Australia Pacific LNG*

## 2.2 Origin's interests excluding APLNG

### Cooper / Eromanga Basin (South Australia / Queensland)

#### *Origin/Santos/Beach Joint Venture*

Cooper Basin production of 4.5 PJe has increased by 4% from the previous Quarter.

A total of 14 wells were drilled in the Quarter, consisting of 10 development wells and four exploration/appraisal wells. Two wells are still undergoing drilling operations, with the remaining wells cased and suspended as future producers.

#### *Origin/Senex/Planet Gas Joint Venture*

In PEL 637, the Efficient-1 exploration well reached total depth of 3,197m on 30 October 2015, the first of a two-well drilling program. The second exploration well, Ethereal-1, was spudded on 19 December 2015 and reached total depth of 3,234m on 2 January 2016.

In PEL 638, seismic interpretation to identify drill locations remained ongoing during the Quarter.

### Otway Basin (Victoria / Tasmania)

Otway Basin production of 6.6 PJe (Origin share) has decreased by 16% from the previous Quarter mainly due to lower customer nominations by Origin and continuing field decline.

During the Quarter, the Speculant-1 and Speculant 2-ST1 well clean-up and production testing operations were completed. Civil works were ongoing on the Halladale and Speculant pipeline and reception facilities to connect the wells to the Otway Gas Plant, with first gas expected early in the 2017 financial year.

### Bass Basin (Tasmania)

Bass Basin production of 2.9 PJe has increased by 27% from the previous Quarter due to a full Quarter of production from the Yolla 5 and Yolla 6 wells and higher well availability. Previous Quarter well availability was impacted by the Jack Up Unit West Telesto demobilisation.

The tie-in and commissioning of the compression and condensate modules onto the Yolla platform commenced during the Quarter with the online date planned for early in the 2018 financial year.

### Perth Basin (Western Australia)

Perth Basin production of 1.0 PJe has decreased by 8% from the previous Quarter due to lower customer nominations.

On 5 January 2016, AWE Limited, as Operator, announced that FID for Stage 1A of the Waitsia gas field project was achieved. This includes the connection of the Waitsia-1 and Senecio-3 gas wells to the AWE operated Xyris Gas Facility. First gas is expected early in the 2017 financial year.

### **Beetaloo Basin (Northern Territory)**

The Amungee NW-1H side track exploration well reached total depth of 3,808m on 14 November 2015. The well has been suspended. Saxon Rig 185 is currently stacked, under contract with Origin, in the Beetaloo Basin to allow re-commencement of drilling in 2016 after the northern wet season.

### **Taranaki Basin (New Zealand)**

#### **Kupe (offshore Taranaki)**

Kupe production of 3.3 PJe (Origin share) has decreased by 36% from the previous Quarter due to lower plant availability resulting from the planned statutory maintenance shutdown during the Quarter.

#### **Rimu/Kauri/Manutahi (onshore Taranaki)**

The Rimu and Kauri facilities production of 0.3 PJe was in-line with the previous Quarter.

### **Canterbury Basin (New Zealand)**

The processing of 3D seismic data acquired over the Anadarko operated PEP 38264 exploration permit in 2015 has been completed. Interpretation of this data has commenced.

### **Song Hong Basin (Vietnam)**

In Vietnam Block 121, the Joint Venture withdrew from the permit on 24 December 2015. As previously disclosed, this has resulted in an exploration expense of \$53 million included in the half year ended December 2015.

## **3. ACQUISITIONS/DIVESTMENTS**

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### **DIVESTMENTS**

- **Surat Basin**

Origin has completed 8 out of the 9 Sale and Purchase Agreements (SPA) relating to the sale of the Surat Basin assets. Transfer of title and completion of the final SPA is expected early in Q3 2016.

- **Rimu/Kauri/Manutahi (onshore Taranaki)**

The Rimu, Kauri and Manutahi Sale and Purchase Agreement with Mosman Oil and Gas Limited contains a price review event that has been triggered due to the continued low oil price which gives each party the right to renegotiate the Sale and Purchase Agreement and potentially, in the event of no agreement, the right to terminate the Sale and Purchase Agreement. The completion of the sale is also subject to approvals from the NZ Petroleum And Minerals (NZPAM) for the transfer of permit title and Overseas Investment Office ("OIO").

## 4. DRILLING ACTIVITY

### 4.1 Exploration/Appraisal

The table below summarises the exploration and appraisal drilling in which Origin had an interest during the Quarter:

| Exploration/Appraisal Wells | Basin / Area   | Target | Origin Interest % | Effective | Well Status |
|-----------------------------|----------------|--------|-------------------|-----------|-------------|
| Cougar East 1               | Cooper Basin   | Gas    | 16.74%            |           | C&S         |
| Whanto East 1               | Cooper Basin   | Gas    | 16.74%            |           | C&S         |
| Whanto West 1               | Cooper Basin   | Gas    | 16.74%            |           | C&S         |
| Correa 3                    | Cooper Basin   | Gas    | 13.19%            |           | C&S         |
| Amungee NW-1H               | Beetaloo Basin | Gas    | 35.00%*           |           | Suspended   |
| Efficient 1                 | Cooper Basin   | Gas    | 40.00%            |           | C&S         |
| Ethereal 1                  | Cooper Basin   | Gas    | 40.00%            |           | C&S         |
| Celeste 22                  | Surat          | CSG    | 11.72%            |           | Appraisal   |
| Celeste 23                  | Surat          | CSG    | 11.72%            |           | Appraisal   |
| Celeste 25                  | Surat          | CSG    | 11.72%            |           | Appraisal   |
| Celeste 26                  | Surat          | CSG    | 11.72%            |           | Appraisal   |
| Condabri 379                | Surat          | CSG    | 37.50%*           |           | Appraisal   |
| Condabri 381                | Surat          | CSG    | 37.50%*           |           | Appraisal   |
| Condabri 385                | Surat          | CSG    | 37.50%*           |           | Appraisal   |
| Condabri 387                | Surat          | CSG    | 37.50%*           |           | Appraisal   |
| Dalwogan 437                | Surat          | CSG    | 37.50%*           |           | Appraisal   |
| Poppy 239                   | Surat          | CSG    | 11.72%            |           | Appraisal   |
| Poppy 240                   | Surat          | CSG    | 11.72%            |           | Appraisal   |
| Poppy 242                   | Surat          | CSG    | 11.72%            |           | Appraisal   |
| Sean 21                     | Surat          | CSG    | 11.72%            |           | Exploration |

\* Denotes Origin Operatorship

## 4.2 Development

The table below summarises the development drilling in which Origin had an interest during the Quarter. Origin participated in 118 CSG development wells (including groundwater monitoring wells) across the Bowen and Surat Basins and 10 conventional gas development wells in the Cooper Basin during the Quarter.

| Basin / Area<br>Development Wells | Origin<br>Effective<br>Interest % | Well Status | Basin / Area<br>Development Wells | Origin<br>Effective<br>Interest % | Well Status |
|-----------------------------------|-----------------------------------|-------------|-----------------------------------|-----------------------------------|-------------|
| <b>Cooper Basin – SA</b>          |                                   |             | Combabula North 17                | 34.77%*                           | Development |
| <b>Target – Gas</b>               |                                   |             | Combabula North 18                | 34.77%*                           | Development |
| Moomba 203                        | 13.19%                            | C&S         | Combabula North 19                | 34.77%*                           | Development |
| Moomba 204                        | 13.19%                            | C&S         | Combabula North 20                | 34.77%*                           | Development |
| Moomba 205                        | 13.19%                            | C&S         | Combabula North 21                | 34.77%*                           | Development |
| Moomba 206                        | 13.19%                            | C&S         | Combabula North 22                | 34.77%*                           | Development |
| Moomba 207                        | 13.19%                            | Ongoing     | Combabula North 24                | 34.77%*                           | Development |
| Moomba 209                        | 13.19%                            | C&S         | Combabula North 25                | 34.77%*                           | Development |
| Moomba 2010                       | 13.19%                            | C&S         | Combabula North 26                | 34.77%*                           | Development |
| Moomba 211                        | 13.19%                            | Ongoing     | Combabula North 27                | 34.77%*                           | Development |
| Gooranie 7                        | 13.19%                            | C&S         | Combabula North 28                | 34.77%*                           | Development |
|                                   |                                   |             | Combabula North 29                | 34.77%*                           | Development |
|                                   |                                   |             | Combabula North 30                | 34.77%*                           | Development |
|                                   |                                   |             | Combabula North 31                | 34.77%*                           | Development |
| <b>Cooper Basin – SA</b>          |                                   |             | Combabula North 36                | 34.77%*                           | Development |
| <b>Target - Oil</b>               |                                   |             | Combabula North 37                | 34.77%*                           | Development |
| Merrimelia 64 Hz                  | 13.19%                            | C&S         | Combabula North 38                | 34.77%*                           | Development |
|                                   |                                   |             | Combabula North 39                | 34.77%*                           | Development |
| <b>Bowen</b>                      |                                   |             | Combabula North 45                | 34.77%*                           | Development |
| <b>Target - CSG</b>               |                                   |             | Combabula North 46                | 34.77%*                           | Development |
| Durham Ranch 308                  | 35.44%*                           | Development | Combabula North 47                | 34.77%*                           | Development |
| Durham Ranch 311                  | 35.44%*                           | Development | Combabula North 48                | 34.77%*                           | Development |
| Durham Ranch 312                  | 35.44%*                           | Development | Combabula North 49                | 34.77%*                           | Development |
| Durham Ranch 313                  | 35.44%*                           | Development | Combabula North 54                | 34.77%*                           | Development |
| Durham Ranch 314                  | 35.44%*                           | Development | Combabula North 55                | 34.77%*                           | Development |
| Durham Ranch 317                  | 35.44%*                           | Development | Combabula North 56                | 34.77%*                           | Development |
| Durham Ranch 388                  | 35.44%*                           | Development | Combabula North 57                | 34.77%*                           | Development |
| Durham Ranch 397                  | 35.44%*                           | Development | Combabula North 58                | 34.77%*                           | Development |
| Durham Ranch 399                  | 35.44%*                           | Development | Combabula North 64                | 34.77%*                           | Development |
|                                   |                                   |             | Combabula North 65                | 34.77%*                           | Development |
| <b>Surat</b>                      |                                   |             | Combabula North 66                | 34.77%*                           | Development |
| <b>Target – CSG</b>               |                                   |             | Combabula North 67                | 34.77%*                           | Development |
| Argyle 118                        | 15.24%                            | Development | Combabula North 73                | 34.77%*                           | Development |
| Argyle 120                        | 15.24%                            | Development | Combabula North 74                | 34.77%*                           | Development |
| Argyle 129                        | 15.24%                            | Development | Combabula North 75                | 34.77%*                           | Development |
| Argyle 246                        | 15.24%                            | Development | Combabula North 76                | 34.77%*                           | Development |
| Clifford East 41                  | 34.77%*                           | Development | Combabula North 81                | 34.77%*                           | Development |
| Clifford East 42                  | 34.77%*                           | Development | Combabula North 82                | 34.77%*                           | Development |
| Clifford East 43                  | 34.77%*                           | Development | Combabula North 83                | 34.77%*                           | Development |
| Combabula North 10                | 34.77%*                           | Development | Combabula North 85                | 34.77%*                           | Development |
| Combabula North 11                | 34.77%*                           | Development | Combabula North 106               | 34.77%*                           | Development |
| Combabula North 12                | 34.77%*                           | Development | Combabula North 141               | 34.77%*                           | Development |
| Combabula North 16                | 34.77%*                           | Development |                                   |                                   |             |

| Basin / Area<br>Development Wells | Origin<br>Effective<br>Interest % | Well Status | Basin / Area<br>Development Wells              | Origin<br>Effective<br>Interest % | Well Status |
|-----------------------------------|-----------------------------------|-------------|------------------------------------------------|-----------------------------------|-------------|
| Combabula North 142               | 34.77%*                           | Development | Kenya 196                                      | 15.24%                            | Development |
| Combabula North 144               | 34.77%*                           | Development | Kenya 197                                      | 15.24%                            | Development |
| Combabula North 145               | 34.77%*                           | Development | Kenya 205                                      | 15.24%                            | Development |
| Combabula North 146               | 34.77%*                           | Development | Kenya 206                                      | 15.24%                            | Development |
| Combabula North 161               | 34.77%*                           | Development | Kenya 207                                      | 15.24%                            | Development |
| Combabula North 162               | 34.77%*                           | Development | Kenya 208                                      | 15.24%                            | Development |
| Combabula North 164               | 34.77%*                           | Development | Kenya 216                                      | 15.24%                            | Development |
| Combabula North 165               | 34.77%*                           | Development | Kenya 217                                      | 15.24%                            | Development |
| Combabula North 225               | 34.77%*                           | Development | Kenya 219                                      | 15.24%                            | Development |
| Combabula North 226               | 34.77%*                           | Development | Kenya East 218                                 | 11.72%                            | Development |
| Combabula North 229               | 34.77%*                           | Development | Kenya East 219                                 | 11.72%                            | Development |
| Combabula North 230               | 34.77%*                           | Development | Kenya East 220                                 | 11.72%                            | Development |
| Combabula North 279               | 34.77%*                           | Development | Matilda John 231                               | 15.23%                            | Development |
| Combabula North 315               | 34.77%*                           | Development | Matilda John 232                               | 15.23%                            | Development |
| Condabri South 37                 | 37.50%*                           | Development | Poppy 241                                      | 11.72%                            | Development |
| Condabri South 38                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 39                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 40                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 41                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 43                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 44                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 45                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 46                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 47                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 52                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 53                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 54                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 58                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 59                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 60                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 65                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 66                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 75                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 76                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 77                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 86                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 87                 | 37.50%*                           | Development |                                                |                                   |             |
| Condabri South 88                 | 37.50%*                           | Development |                                                |                                   |             |
| Kate 111                          | 15.24%                            | Development | <i>Notes:</i><br>* Denotes Origin Operatorship |                                   |             |
| Kenya 194                         | 15.24%                            | Development |                                                |                                   |             |
| Kenya 195                         | 15.24%                            | Development |                                                |                                   |             |

## 5. EXPLORATION, EVALUATION AND CAPITAL EXPENDITURE

The table below includes total expenditure incurred on exploration and evaluation activities and capital expenditure on development and production activities. They include expenditure committed under farm-in agreements and capitalised interest and exclude expenditure on acquisitions. Expenditure in the current financial year is preliminary and is subject to audit review.

|                                | This Quarter | Previous Quarter | Dec Qtr 2014 | YTD 2015/16 | YTD 2014/15 |
|--------------------------------|--------------|------------------|--------------|-------------|-------------|
| <b>A\$m</b>                    |              |                  |              |             |             |
| Exploration/Evaluation         | 23           | 29               | 36           | 52          | 74          |
| Development/PP&E               | 87           | 109              | 130          | 196         | 210         |
| <b>Total excluding APLNG</b>   | <b>110</b>   | <b>138</b>       | <b>166</b>   | <b>248</b>  | <b>284</b>  |
| Origin's Contribution to APLNG | 315          | 541              | 661          | 856         | 1,412       |

## 6. CONVERSION FACTORS AND ABBREVIATIONS

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### 6.1 Conversion Factors

|            |         |            |
|------------|---------|------------|
| Crude oil  | 0.00583 | PJ/kbbls   |
| Condensate | 0.00541 | PJ/kbbls   |
| LPG        | 0.0493  | PJ/ktonnes |
| Ethane     | 0.0517  | PJ/ktonnes |
| LNG        | 0.0554  | PJ/ktonnes |

### 6.2 Abbreviations

|                  |                                                                                                                                                |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>APLNG</b>     | Australia Pacific LNG – an incorporated Joint Venture between Origin, ConocoPhillips and Sinopec                                               |
| <b>barrels</b>   | an international measure of oil production. 1 barrel = 159 litres                                                                              |
| <b>Bopd</b>      | barrels of oil per day                                                                                                                         |
| <b>BTEX</b>      | benzene, toluene, ethylbenzene, xylene                                                                                                         |
| <b>bwpd</b>      | barrels of water per day                                                                                                                       |
| <b>C&amp;C</b>   | cased and completed                                                                                                                            |
| <b>C&amp;S</b>   | cased and suspended                                                                                                                            |
| <b>CSG</b>       | coal seam gas                                                                                                                                  |
| <b>CTU</b>       | coiled tubing unit                                                                                                                             |
| <b>DA</b>        | designated authority                                                                                                                           |
| <b>DERM</b>      | Department of Environmental and Resource Management                                                                                            |
| <b>DST</b>       | Drill Stem Test                                                                                                                                |
| <b>EA</b>        | environmental authority                                                                                                                        |
| <b>FEED</b>      | front end engineering & design                                                                                                                 |
| <b>FID</b>       | final investment decision                                                                                                                      |
| <b>GJ</b>        | gigajoule = $10^9$ joules                                                                                                                      |
| <b>GWM</b>       | Ground Water Monitoring                                                                                                                        |
| <b>joule</b>     | a measure of energy                                                                                                                            |
| <b>Kbbls</b>     | Kilo barrels = 1,000 barrels                                                                                                                   |
| <b>kT</b>        | Kilo tonnes = 1,000 tonnes                                                                                                                     |
| <b>LNG</b>       | liquefied natural gas                                                                                                                          |
| <b>LPG</b>       | liquid petroleum gas                                                                                                                           |
| <b>MDRT</b>      | measured depth from rotary table                                                                                                               |
| <b>mmscfd</b>    | million standard cubic feet per day                                                                                                            |
| <b>mtpa</b>      | million tonnes per annum                                                                                                                       |
| <b>P&amp;A</b>   | plugged and abandoned                                                                                                                          |
| <b>P&amp;S</b>   | plugged and suspended                                                                                                                          |
| <b>PCA</b>       | potential commercial area                                                                                                                      |
| <b>PSC</b>       | production sharing contract                                                                                                                    |
| <b>PSDM</b>      | post stack depth migration (seismic processing)                                                                                                |
| <b>PJ</b>        | petajoule = $10^{15}$ joules                                                                                                                   |
| <b>PJe</b>       | petajoule equivalent, a measure used to express the volume of different petroleum products on the basis of the energy contained in the product |
| <b>Pigging</b>   | pipeline examination and maintenance                                                                                                           |
| <b>QGC</b>       | Queensland Gas Company                                                                                                                         |
| <b>Spudding</b>  | to commence drilling a well                                                                                                                    |
| <b>SWQ</b>       | South West Queensland                                                                                                                          |
| <b>TD</b>        | total depth                                                                                                                                    |
| <b>TJ</b>        | terajoule = $10^{12}$ joules                                                                                                                   |
| <b>TJ/d</b>      | terajoules per day                                                                                                                             |
| <b>TVDSS</b>     | Total Vertical Depth Subsea                                                                                                                    |
| <b>Water Inj</b> | water injection well                                                                                                                           |