



ASX/Media Release

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Origin releases June Quarterly Production Report and Annual Reserves Report: Australia Pacific LNG nearing completion

Origin Energy Limited (Origin) today released its Quarterly Production Report for the quarter to 30 June 2015 and Annual Reserves Report for the year to 30 June 2015.

Production for the June quarter was 42.3 PJe, which was 15 per cent higher than the March quarter primarily reflecting increased contribution from Australia Pacific LNG. Revenue was 9 per cent higher than the March quarter, due to higher production and sales of third party volumes, partly offset by lower average commodity prices.

Origin Chief Executive Officer Integrated Gas, Mr David Baldwin said, "Origin achieved strong operational performance during the quarter with the successful drilling at Halladale and Speculant in the Otway Basin, as well as the Yolla 5 and 6 wells at BassGas. Both developments will increase production into growing gas demand in eastern Australia.

"Work on the upstream component of the Australia Pacific LNG project is now 97 per cent complete, with 10 of the 15 gas processing plants commissioned, a further four mechanically complete and 984 wells commissioned. The downstream component is now 92 per cent complete, and Australia Pacific LNG is on track to commence sustained LNG production from Train 1 in the second quarter of the 2016 financial year."

For the year ended 30 June 2015, production and sales were relatively stable. The availability of competitively priced ramp gas in Queensland during the year allowed Origin to limit the call on its own gas production and undertake development activities to increase production capacity in future periods.

Production of 147.6 PJe represented an increase of 4 per cent on the prior year, primarily attributable to higher production from Australia Pacific LNG in both operated and non-operated areas, as fields ramp up in preparation for increasing demand as the LNG trains come online. This was partly offset by lower production at BassGas and Otway. Sales revenue for the year decreased 20 per cent to \$900.7 million, reflecting lower sales of third party volumes and lower average commodity prices.

Origin's 2P reserves at 30 June 2015 totalled 6,260 PJe, a reduction of 213 PJe on the previous year, or 66 PJe excluding production. Factors contributing to the reduction in reserves include revisions of 52 PJe in Australia Pacific LNG primarily due to lower oil price assumptions, 32 PJe in BassGas following results of the recent drilling campaign, 27 PJe in Otway relating to the Geographe field and 15 PJe in the Cooper Basin relating to a revised development plan.

Two new discoveries, 49 PJe at Speculant in the Otway Basin and an initial 16 PJe discovery at Waitsia / Senecio in the Perth Basin, were made during the year.



The revisions in reserves are not expected to impact near-term production. The Halladale and Speculant fields will be connected to the existing Otway Gas Plant early in the 2017 financial year and the installation of compression at BassGas will allow efficient production of remaining reserves.

Australia Pacific LNG 2P reserves remain sufficient to cover gas requirements for all LNG and domestic contracts.

Accounting treatment of Australia Pacific LNG

With the construction of the Australia Pacific LNG project nearing completion, Origin has today provided information on the accounting treatment of the project during the transition from the construction to operations.

As previously flagged, the 2016 financial year will be a transitional year for Origin. Under accounting rules, the recognition of LNG sales in the income statement will occur following the Bechtel Performance Date for each train. As this generally occurs approximately three to four months following first cargo, the recognition of LNG sales in the income statement is expected to occur from the second half of the 2016 financial year.

NOTE: The report does not cover other areas of Origin's integrated energy business, including electricity generation, energy retailing, non-hydrocarbon development activity or its subsidiary, 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 approximately 6,900 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 one of the country's largest and most flexible generation portfolios with approximately 6,000 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 totalling 2,359 MW and servicing approximately 562,000 electricity, gas and LPG customers across both the North and South islands. Origin also operates oil and gas projects in New Zealand and holds petroleum exploration acreage in the country.

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