

31 January 2004

Report for the quarter ended 31 December 2003 To the Australian Stock Exchange

Origin Energy Limited (Origin) hereby submits this quarterly report to the Australian Stock Exchange which covers the activities of wholly owned subsidiaries Origin Energy Resources Limited and Origin Energy CSG Limited.

Highlights during the quarter were:

- In the onshore Perth Basin, Western Australia, appraisal and development of the Hovea and Eremia fields (L1/L2) continued with the drilling of the Hovea 9, 9 ST1 and 10 (sidetrack from Hovea 9) wells and the Eremia 2, 2H and 2H ST1 wells. Hovea 10 was completed as a water injector while Eremia 2H ST1 has been brought on stream in late January 2004 at a constrained rate pending completion of water handling facilities. The second Extended Production Test on the Jingemina field (EP 413) has commenced with water injection trials lifting the production rate to 1950 BOPD. A Production Licence has been applied for over the Jingemina field. Current production from the three fields is approximately 8400 BOPD pending the commissioning of water handling facilities.
- An exploration drilling campaign has commenced in the onshore Perth Basin with the drilling of an oil prospect, Kingia 1, 9 km southwest of the Hovea field. Kingia 1 will be followed by two gas exploration wells, Xyris 1 (L1/L2) and Redback 1 (EP320/L11). A fourth well is also being considered.
- Key components of the BassGas Project (Yolla gas field, T/L1) have progressed in line with the scheduled delivery of first gas from the project in the September Quarter 2004. Construction of the offshore gas platform is near completion with the platform due to leave Indonesia in early February 2004. The shoreline crossing and laying of the subsea pipeline have been completed and construction of the Lang Lang gas plant and onshore pipeline are well advanced.
- Development activities have been undertaken in the Otway Gas Project (Thylacine gasfield, T/30P, and Geographe gas field, Vic/P43) which are aimed at allowing the Joint Venture to make a final investment decision in the June Quarter 2004. These include Front End Engineering Design with tenders received for the gas plant, Thylacine platform, subsea pipeline, drilling of the shoreline pipeline crossing and a jackup drilling rig. A Field Development Plan and Production Licence Applications have been submitted to the Relevant Authority and, following a Panel Hearing of submissions on the EES/EIS, a Panel Report has been submitted to the Victorian Government. Environmental and production licence approvals are expected in the first quarter 2004.

- In the Durham CSG Project, PL 204 was granted over the ATP 701P area in December 2003. Together with PL 195, the main area of the field is now covered by production licences and, with the accompanying environmental licences, the construction of facilities can commence. Production testing of the five well pilot has continued and a new eleven well development drilling program commenced in November 2003. These new wells are the first of 48 wells scheduled to be drilled by May 2005.
- In total Origin participated in 24 CSG wells during the quarter including five on the Durham Project, eight non-operated exploration wells on the Comet Ridge north from the Fairview field, a nine well pilot program in the Talinga (Walloons CSG) field and two slimhole exploration wells, one in the Durham area and one in ATP 631P (Walloons play). Two wells drilled in the previous quarter on the Fairview field have produced at high rates (6.25 MMscfd and 4.2 MMscfd). Production testing of the Mungi field has continued with production now at around 1.75 MMscfd.
- In the Cooper Basin, twelve wells were drilled during the quarter with four of these wells completed as oil producers (including Dullingari 57 which was drilling at the end of the previous quarter) and four being cased and suspended as future gas producers. Operations on the Mudera 7 well are still to be completed. The successful Merrimelia 43 well drilled in the previous quarter was brought on stream at 4300 BOPD.
- Other exploration/appraisal activities have included the deepening of the Tuihu 1 exploration well in PEP 38718, Taranaki Basin, New Zealand, which was not successful; the drilling of four wells in the Myall Creek area of the Surat Basin (operations on three of these are still to be completed while the fourth well tested gas at sub-commercial rates); and two 3D seismic surveys, one completed in the near shore Vic/P37(V) and one over the Myall Creek area (still to be completed).

Significant events occurring following the reporting date:

- Onshore Perth Basin: Kingia 1 failed to encounter hydrocarbons at the primary target (Dongara Sandstone) level due to the absence of the reservoir at this location but is drilling on to deeper secondary targets.
- Perth Basin: Eremia 2 has been completed and is producing around 1000 BOPD (constrained rate) pending commissioning of the water handling facilities.
- Surat Basin : Myall Creek 6 has drilled through the upper Tinowon sequence and has tested gas at 6.3 MMscfd through a ½” choke with a tubing head pressure of 1050 psig. The results indicate the existence of a significant stratigraphic trap.
- South Australian Cooper Basin: On 1 January 2004 there was a release of gas and subsequent fire in the Liquids Recovery Plant (LRP) at the Moomba Gas Plant operated by Santos Limited. Origin has a 13.19% in joint venture interest in the property. Since then the operator, Santos has developed a five stage program to bring supply of gas back to levels normal for this time of year. Stage 2 of the recovery plan is currently supplying gas at rates of around 200TJ/day. Stage 3 of the plan, targeting production of 450 TJ/day from field gas, is expected to commence in the second half of February. Progress is being made on a fourth stage, achieving full sales gas production capacity of about 650 TJ/day and is targeted for completion during the second half of April. Plans for the full re-instatement of natural gas liquids production (Stage 5) are currently being progressed and are expected to be finalised in early February.

Report for the quarter ended 31 December 2003

1. SALES

The share of product sold during the quarter is summarised as follows:

Sales Volumes

Product	Unit	This Quarter	Previous Quarter	% Change	2nd Quarter 2002/03	YTD 2003/04	YTD 2002/03
Natural Gas							
	PJ						
SA Cooper & SWQ		8.36	10.69		9.08	19.05	19.98
Otway Basin		1.33	1.76		1.66	3.09	3.57
Perth Basin		0.52	0.61		0.70	1.13	1.40
Carnarvon Basin		1.33	1.84		1.83	3.17	3.63
Coal Seam Gas		2.29	2.23		2.43	4.52	4.74
Surat / Denison		3.04	2.62		2.60	5.66	5.42
USA		-	-		-	-	-
Total		16.88	19.74	-14%	18.30	36.62	38.74
Crude Oil							
	kbbbls						
SA Cooper & SWQ		127.89	122.16		122.51	250.04	213.18
Surat / Denison		29.51	28.22		12.90	57.73	28.66
Perth Basin		284.13	257.70		90.59	541.82	91.21
USA		-	-		(0.06)	-	1.89
Total		441.52	408.08	8%	225.94	849.60	334.94
Condensate/naphtha							
	kbbbls						
SA Cooper & SWQ		206.81	118.61		161.95	325.42	301.18
Otway Basin		6.23	8.89		6.72	15.12	15.16
Perth Basin		0.83	1.10		1.35	1.93	2.98
Surat / Denison		10.42	11.16		13.25	21.58	23.73
Total		224.29	139.76	60%	183.27	364.05	343.05
LPG							
	ktonnes						
SA Cooper & SWQ		15.55	18.45		11.60	34.00	28.52
Surat / Denison		2.36	1.83		2.40	4.19	4.58
Total		17.90	20.28	-12%	14.00	38.19	33.10
Ethane							
	ktonnes						
SA Cooper & SWQ		12.53	11.37		8.63	23.90	21.10
Total		12.53	11.37	10%	8.63	23.90	21.10
Total Sales							
	PJE						
Internal		3.86	4.24		4.00	8.10	8.52
External		18.34	20.22		17.75	38.56	36.75
Total		22.20	24.46		21.75	46.66	45.27
Sales Revenue							
	A\$'000						
External		79,850	82,448	-3%	72,805	162,298	144,552

	Unit	This Quarter	Previous Quarter	% Change	2nd Quarter 2002/03	YTD 2003/04	YTD 2002/03
<u>Sales Volume by Basin</u>							
	PJE						
SA Cooper & SWQ		11.64	13.54		11.69	25.18	25.35
Otway Basin		1.37	1.81		1.70	3.17	3.65
Perth Basin		2.18	2.12		1.24	4.30	1.95
Carnarvon Basin		1.33	1.84		1.83	3.17	3.63
Coal Seam Gas		2.29	2.23		2.43	4.52	4.74
Surat / Denison		3.39	2.94		2.87	6.32	5.94
USA		-	-		(0.00)	-	0.01
Total		22.20	24.46	-9%	21.75	46.66	45.27

Conversion factors :

Crude oil	5.83	PJ/million bbls
Condensate	5.41	PJ/million bbls
LPG	49.3	PJ/million tonnes
Ethane	51.7	PJ/million tonnes

2. MARKETING AND DEVELOPMENT ACTIVITIES

2.1 South Australia

2.1.1 Cooper/Eromanga Basin

SA Unit Area (Interest 13.19%)

No gas development wells were drilled during the quarter.

Three oil development wells, Jena 19, Biala 11 and 12, drilled during the quarter, were cased and suspended as future oil producers.

The basal Birkhead/Hutton oil pool discovered in the Merrimelia 43 well was brought on line during the quarter with an initial rate of 4300 BOPD.

Patchawarra East Block (Interest 10.536%)

No significant activity during the quarter.

2.1.2 Otway Basin

PPL 62 (Interest 75.7143%, Katnook area gas fields (Operator)),
PPL 168, PPL 202 (Interest 75.7143%, Redman gas field (Operator))

No significant activity during the quarter.

2.2 Queensland

2.2.1 Cooper/Eromanga Basin

ATP 259P - SWQ Gas Unit (Interest 16.7375%)

The Wellington 2 development well was drilled during the quarter. The well was cased and suspended as a future Toolachee gas producer. The well also intersected gas shows in a basal Patchawarra sand.

ATP 259P (Block Interests 10-27%)

No significant activity during the quarter.

2.2.2 Surat Basin

PLs 30, 56 & 74 (Interest 69% (Operator) in PLs 56 and 74; and 75% (Operator) in PL 30)

No significant activity during the quarter.

PLs 53 and 174 (Interest 100% (Operator))

Two development wells were drilled in the Myall Creek field during the quarter. Myall Creek 6 and 7 were drilled to just above the target horizon of the upper Tinowon sequence prior to setting 7" casing. The target zones will be drilled underbalanced with nitrogen using a coiled tubing unit (CTU) during January 2004.

A 3D seismic survey covering the majority of PL 174 and the eastern ATP 375P was commenced during the quarter. This project is aimed at assessing the potential of the Rewan and Tinowon plays in this area. Acquisition should be completed during first quarter of 2004.

PLs 70 & 71 (Interest 90% (Operator) in PL 71; and 100% (Operator) in PL 70)

No significant activity during the quarter.

PLs 10W, 11W, 12W, 28, 69 & 89 (Interest 46.25%); Snake Creek East Exclusion Zone (Interest 25.0%)

No significant activity during the quarter.

PLs 21, 22, 27 & 64 (Interest 87.5% (Operator))

No significant activity during the quarter.

PL 14 (Interest 100% (Operator))

No significant activity during the quarter.

2.2.3 Bowen Basin (* denotes CSG permit(s))

PLs 41, 42, 43, 44, 45, 54, 67, 173 & 183 (Interest 50% (Production Operator))

No significant activity during the quarter.

PL 94 * (Interest 100% (Operator))

PL 94 Sublease * (north of latitude 24°37'20"S) (Interest 50% (Operator))

Production testing of the nine well appraisal program on the Mungi field (PL 94 Sublease) continued during the period. The wells have continued to dewater with total gas production from Mungi now estimated at 1.75 MMscfd.

PL 101 * (Interest 100% (Operator))

No significant activity to report.

PLs 90, 91, 92, 99, 100 (Fairview) * (Interest 23.93%)

One development well was drilled during the quarter with a further well completing operations during the period. Two wells drilled in the current appraisal/development program have been particularly encouraging having intersected free gas in structural closures. These were Fairview 73 which flow tested gas at over 6.25 MMscfd and Fairview 78 which flow tested at 4.2 MMscfd.

PL 195 and 204* (Durham) (Interest 89.38% in PL 195 (Operator); 99.469% in PL 204 (Operator))

PL 204 was granted in December 2003.

Production testing of existing wells within the permits continued during the quarter. A five well pilot development is currently producing at around 1.5 MMscfd with gas rates continuing to increase. Trials are in progress with reverse osmosis units which if successful would allow produced water to be used for irrigation or discharged to the creek system.

An eleven well development programme also commenced during the quarter with 4 wells cased for completion as future producers by end of the quarter. One further well was in progress at the end of the period. These wells are the first of 48 wells scheduled to be drilled through to May 2005.

Planning of a seismic program over the area continued.

2.3 Western Australia

2.3.1 Perth Basin

L11 (Interest 67.0%, Beharra Springs gas field (Operator))

No significant activity during the quarter.

L1/L2 (Excluding Dongara gas field) (Interest 50%, Hovea and Eremia oil fields)

The Hovea 9 well commenced 9 October and drilled to an initial total measured depth of 2078 metres. Due to difficulties controlling the initial well path the basal part of the Dongara Sandstone, below the field oil water contact, was intersected when the well crossed the bounding fault. As a result the well was sidetracked. Hovea 9 ST1 encountered approximately 67 metres of good quality Dongara Sandstone reservoir close to the original structural prognosis and approximately 16 metres above the original field oil water contact. The well contained no gas cap. The intersection confirmed the southern extent of the Hovea Field and indicated that the gas cap to the field is likely to be small. As planned Hovea 9 was then sidetracked as Hovea 10 to a location approximately 370 metres to the west for use as a water injector.

The Eremia 2 pilot hole commenced on 20 November and intersected the Dongara Sandstone reservoir approximately 1 metre higher than the intersection in the Eremia 1 well. The Eremia 2 pilot hole was then plugged back and sidetracked from a measured depth of 809 meters for the production well, which was then drilled ahead to a total measured depth of 2497 metres. As planned, the production well intersected the Dongara Sandstone reservoir at an angle of 87.9 degrees and at an elevation approximately one metre above the elevation of the pilot hole intersection. A short section of reservoir was then drilled prior to pulling out of the hole to set a 9 5/8 inch casing to allow the full horizontal section to be drilled. The drill string subsequently became stuck in the hole as it was being retrieved. Fishing operations were unsuccessful and the well was sidetracked with Eremia 2 sidetrack intersecting an oil column of approximately 18 metres thickness in the Dongara Sandstone close to the intersection achieved in the horizontal well and at a well bore angle of approximately 8 degrees from vertical.

At the end of the quarter the Hovea field was producing at approximately 5700 BOPD from Hovea 4, 7 and 8 with no water production. Eremia 1 was shut-in on 27 November due to high water cut. Total production from the project is expected to remain at approximately 5500 to 6000 BOPD until the completion of the water handling facilities and completion of Eremia 2, expected early in 2004.

EP 413 (Interest 49.189%, Jingemia oil field (Operator))

The second Jingemia field Extended Production Test (EPT) commenced on 1 November 2003 for a period of 3 months. Oil was produced from Jingemia 1 for four weeks as the interference testing part of the EPT prior to the well being shut in for a pressure build up. Following the completion of the water source well, the water injection trial into Jingemia 3 commenced on 13 December 2003. The injection rate was increased slowly to 4,000 barrels of water per day. Concurrent injection and production from the field commenced on 25 December 2003 and is expected to continue for the remainder of the EPT. Oil produced during the test is being trucked and sold to the BP Refinery at Kwinana, south of Perth.

Design of the Jingemia production facilities for permanent, long term production continued during the quarter with the final design to be dependent on the results of the EPT. The construction of facilities has commenced.

Activities required for the issue of a Production Licence covering the field continued during the quarter. This included engaging in the right to negotiate process with the registered native title claim group for the production licence area. Following finalisation of the right to negotiate process and other necessary State Government approvals, it is expected that all requirements for the grant of the Production Licence will be completed during the first quarter of 2004.

2.3.2 Carnarvon Basin

L9 (Interest 56.65%, Tubridgi gas field (Operator))

No significant activity during the quarter.

2.4 Victoria

2.4.1 Otway Basin

PPL 8 (Interest 100%, Dunbar gas field (Operator))

No significant activity during the quarter.

PPL 2 (Interest 100%, Iona gas field excluding Iona gas reservoir (Operator))

No significant activity during the quarter.

VIC/P43 (Interest 29.75%, Geographe and Thylacine Development)

Development activity continued for the Geographe (Vic/P43) and Thylacine (T/30P) fields.

Front End Engineering (FEED) work continued for all facilities components by the Operator and prospective tenderers. Gas plant FEED is being conducted by two groups which were required to submit EPIC tenders by 12 January 2004. EPIC tenders for the Thylacine platform and the subsea raw gas pipeline were also due on 12 January 2004.

Tenders were received for provision of the jackup drilling rig and for construction of the horizontally directionally drilled (HDD) pipeline shore crossing during the quarter. Preferred tenderers for both work scopes were identified, and recommendations for award will be considered by the Joint Venture early in 2004.

The Field Development Plan (FDP) and Production Licence Applications over both fields were submitted to the Joint Authority during October. Subsequently a Statement of Receipt was issued by the Joint Authority on 23 November 2003.

The Panel Hearing on the combined EES/EIS was concluded on 5 November 2003. The Panel Report was submitted to the Victorian Minister on 23 December 2003. The Victorian Minister will consider the report and make a decision on the EES early in 2004. The Commonwealth Minister's decision will be made following announcement of the Victorian Minister's decision.

Gas and liquids marketing activity continued through the quarter.

A gas balancing agreement and other agreements required to facilitate the development are currently under negotiation between the Joint Venture parties.

The project development budget will be prepared during the early months of 2004. A final investment decision on development of the Thylacine and Geographe fields is due to be taken in April 2004 and first gas from the Otway Gas Project is planned for delivery to the market mid-2006.

2.5 Tasmania

2.5.1 Otway Basin

T/30P (Interest 29.75%)

Development activity continued for the Thylacine (T/30P) and Geographe (Vic/P43) fields. (Refer Vic/P43 in 2.4.1 above.)

2.5.2 Bass Basin

T/L1 (Interest 37.5% (Operator))

Construction of the offshore gas platform at Batam, Indonesia, is nearing completion and pre-commissioning activities have commenced. The heavy lift vessel has arrived and is being prepared for platform load out in early February 2004.

The Horizontal Directional Drilling at the shore crossing location near Kilcunda has been completed.

The majority of the process and utilities plant and equipment has been installed at the Lang Lang gas plant site. Mechanical, electrical and heating/ventilation/air conditioning outfitting has commenced.

Construction activities associated with the onshore raw and sales gas pipelines have commenced with clear and grade activities well advanced.

Laying of the offshore pipeline utilizing the pipe-lay barge Semac 1 commenced late November 2003 and has now been completed.

Work is proceeding to provide support services for the development drilling campaign. Negotiations are proceeding with ESSO regarding the possibility of sharing the mobilization of the Ensco 102 drilling rig.

3. EXPLORATION ACTIVITIES

3.1 South Australia

3.1.1 Cooper/Eromanga Basin

SA Unit Area (Interest 13.19%)

One gas exploration well, Korma 1, was drilled during the quarter. The well failed to intersect any commercial hydrocarbons and was plugged and abandoned.

Drilling operations on the Dullingari 57 down dip Toolachee/Patchawarra appraisal well were completed during the quarter. The well intersected a new Namur oil pool in drilling to the Permian objectives. A DST over the 4.5m interval flowed oil to surface at 965 BOPD.

The top hole for the Mudera 7 well was drilled during the quarter. The well was cased to just above the primary objective, the Coorikanna Sandstone, which is planned to be drilled underbalance with nitrogen.

Patchawarra East Block (Interest 10.536%)

No significant activity during the quarter.

3.1.2 Otway Basin

PEL 27 (Interest 100% (Operator))

Farminees are being sought to contribute towards the Nampara South 1 well.

PEL 32 (Interest 75.7143% (Operator))

No significant activity during the quarter.

PEL 57 (Interest 50% (Operator))

No significant activity during the quarter.

PEL 66 (Interest 70% (Operator))

A re-evaluation of the prospectivity of the permit has commenced.

PEL 83 (Interest 60% (Operator))

A re-evaluation of the St George 3D has begun in conjunction with a prospectivity review of the permit.

3.2 Queensland

3.2.1 Cooper/Eromanga Basin

ATP 259P - SWQ Gas Unit (Interest 16.7375%)

Four exploration/appraisal wells were drilled during the quarter. The Kinta 1, Surlow 1, and Chinook 1 wells were all cased and suspended. Cased hole testing of the Kinta 1 well is expected to be completed during the first quarter of 2004. The Surlow 1 and Chinook 1 wells were cased and suspended as a future Patchawarra and Toolachee gas/liquids producers respectively. The Heliose 1 well was plugged and abandoned after failing to intersect commercial hydrocarbons. A fifth well, Hurricane 1, was drilling ahead in the Epsilon Formation at the end of the quarter.

ATP 259P (Block Interests 10-27%)

No significant activity during the quarter.

ATP 633P (Interest 50% (Operator))

The Right-to-Negotiate (RTN) process is continuing to effect grant of this title.

3.2.2 Surat Basin (* denotes CSG permit(s))

ATP 212P (Interest 69% (Operator))

The permit has been surrendered subject to rehabilitation requirements being met.

ATP 336P (Waldegrave) (Interest 46.25%)

No significant activity during the quarter.

ATP 375P (Interest 100% (Operator))

An exploration well, Horseshoe 3, was drilled in the north-eastern area of this permit during the quarter. The well was drilled to just above the target horizon of the Rewan sequence prior to setting 5-1/2" casing. The target zone will be drilled underbalanced with nitrogen using a coiled tubing unit (CTU) early in 2004.

A 3D seismic survey covering the majority of PL 174 and the eastern ATP 375P was commenced during the quarter. This project is aimed at assessing the potential of the Rewan and Tinowon plays in this area. Acquisition should be completed in the first quarter of 2004.

ATP 470P Redcap & Rolston (Interest 90.0% (Operator) in ATP 470P Redcap; and 100% (Operator) in ATP 470P Rolston)

No significant activity during the quarter.

ATP 471P Weribone Pooling Area (Interest 50.64% (Operator))

No significant activity during the quarter.

ATP 606P * (Interest 87.015% (Operator))

Planning for a seismic survey over the area about the successful Combabula core hole continued during the quarter.

ATP 631P * (Interest 93.6997% (Operator))

Drilling operations on the commitment well, Tchanning 1, were completed in the quarter. This cored slimhole encountered poor coal development downgrading the CSG prospectivity of the Walloon Subgroup coals in the northeast of the tenure.

ATP 647P (Block 2656) (Interest 50% (Operator))

The interest was earned through a farmin agreement with Starzap Pty Ltd whereby Origin drilled Myall Creek East 1. The well which tested gas at sub-commercial rates was cased for further evaluation.

ATP 663P * (Interest 100% (Operator))

No significant activity to report.

ATP 680P * (Interest 100% (Operator))

No significant activity to report.

ATP 682P (Interest 80% (Operator))

The interest was earned upon Origin exercising an option to fully fund the drilling of Palmerston 1 within the permit in early 2004. Kingston Petroleum Pty Ltd was previously the 100% titleholder.

ATP 692P * (Interest 100% (Operator))

A new 9 well pilot in the Talinga field was commenced during the quarter with the nine wells drilled, cased and suspended. Completion and testing of the wells will commence early in the first quarter 2004.

ATP 702P * (Interest 100% (Operator))

The interest in this permit was acquired from Tri-Star Energy Company following grant of this permit in early 2003.

ATP 754P (Interest 50% (Operator))

The interest was acquired under an agreement with AusAm Resources Limited which was previously the 100% titleholder.

3.2.3 Bowen Basin (* denotes CSG permit(s))

ATP 337P (Interest 50%)

No significant activity during the quarter.

ATP 526P * (Interest 23.93%)

Drilling of an 8 well commitment program continued during the period. Four wells were drilled during the period and drilling operations on one well commenced in the previous period were completed. All wells were cased and suspended as potential CSG producers.

Planning of a 400 km seismic program has continued and has been impacted by a decision of the Queensland Government to prohibit operations within National Parks. Compensation for this decision is being sought.

ATP 553P (Interest 50%)

No significant activity during the quarter.

ATP 564P * (Interest 50% (Operator))

No significant activity during the quarter.

ATP 584P * (Interest 89.3484% (Operator))

No significant activity to report.

ATP 592P * (Interest 89.38% (Operator))

A well, Durham Ranch 26, drilling at the end of the previous permit was terminated early due to difficult drilling conditions above the target Bandanna coals.

Production testing of the pilot program continued during the quarter along with Front End Engineering Design and environmental studies.

ATP 602P * (Interest 50% (Operator))

Production testing of the Timmy exploration wells remained suspended awaiting lining of the lateral well.

ATP 623P * (Interest 93.7% (Operator))

Renewal of ATP 623P for a further 12 months has been approved. An application for a Petroleum Lease covering the entire ATP has been submitted.

ATP 653P * (Interest 23.85%)

One exploration well, Cattle Creek 1, was drilled and cased and suspended as a potential CSG producer during the quarter.

ATP 698P * (Interest 100% (Operator))

No significant activity to report.

ATP 701P * (Durham) (Interest 99.469% (Operator))

The ATP has been awarded following the registering of an Indigenous Land Use Agreement (ILUA).

ATP 745P * (Interest 23.85%)

The interest was acquired upon grant of the permit to Fairview joint venturers.

3.3 Victoria

3.3.1 Otway Basin

PEP 150 (Interest 50% (Operator))

Negotiations on a Conjunctive Agreement with the native title claimants continued during the quarter.

PEP 152 (Interest 50.51% (Operator))

Evaluation of the prospectivity of the permit continued.

PEP 159 (Interest 50% (Operator))

No significant activity during the quarter.

PEP 160 (Interest 40%)

Evaluation of the prospectivity of the permit continued.

VIC/P43 (Interest 29.75%)

Evaluation of the prospectivity of the permit continued.

VIC/P37(V) (Interest 37.5% (Operator))

The Antares 3D seismic survey was successfully acquired in late October - early November 2003 and is now being processed. The survey and related activities was undertaken and managed by Woodside under an offshore services agreement with Origin.

3.4 Tasmania

3.4.1 Otway Basin

T/30P (Interest 29.75%)

Following the Designated Authority's approval of the declaration of a Location over the Thylacine field, the Operator, Woodside, submitted a revised application for partial relinquishment and renewal of the exploration permit. This application has been approved by the Designated Authority.

T/34P (Interest 29.75%)

No significant activity during the quarter.

3.4.2 Bass Basin

T/18P (Interest 41.4% (Operator))

Planning continues for the drilling of the Trefoil 1 exploration well. Drilling of the well is scheduled for mid-2004 in conjunction with the Yolla development drilling program.

T/RL1 (Interest 37.5% (Operator))

No significant activity to report.

3.5 Western Australia

3.5.1 Perth Basin

EP 320/L11 (Interest 67.0% (Operator))

Construction of the access road and drilling pad at Redback 1 commenced in late December 2003 and is expected to be complete early in the next quarter. Timing of drilling is dependant on the availability of the Century 24 drilling rig. The well is likely to commence in February after Kingia 1 in the ARC operated L1 licence area.

EP 413 (Interest 49.189% (Operator))

Activities associated with the application to conduct a 3D seismic survey over the northern portion of EP413 including the Jingemia oil discovery were ongoing at the end of the quarter. Subject to Government and Joint Venture approvals, acquisition of the survey is expected to commence in conjunction with a survey in L1 and L2 during the second quarter of 2004.

L1 and L2 (Excluding Dongara) (Interest 50%)

Preparation for the drilling of the Kingia 1 oil exploration well continued during the quarter (the well commenced in mid January following completion of Eremia 2). Kingia 1 is located nine kilometres southwest of the Hovea Production Facility. The primary objective is the Dongara Sandstone. The well will also be deepened to test the High Cliff Sandstone which was gas productive in the Hovea 2 well.

Mobilisation of the second drilling rig to commence the gas exploration program in the licence areas is expected to occur during the next quarter. Activities with this rig will commence at the Hovea 2 location with the intention of running a completion string. The well will then be production tested to provide a more definitive estimate of the gas reserves. Following this the rig will then be moved to the Xyris 1 gas exploration well to the east of Hovea in the area covered by the Hibbertia 3D seismic survey.

An environmental management plan for the proposed Denison 3D Seismic Survey was submitted to the relevant authority during the quarter. Activities associated with the application were ongoing at the end of the quarter. Subject to Government and Joint Venture approvals, acquisition of the survey is expected to commence in conjunction with a survey in EP 413 during the second quarter of 2004.

EP 368 (Interest 15%)

No significant activity during the quarter.

WA 226P (Interest 28.75% (Operator))

Processing of the 522 km² Macallan 3D marine seismic survey was finalized during the quarter. Interpretation of the data was continuing at the end of the Quarter. Following Joint Venture and Government approvals it is expected that the Fiddich 1 well will be drilled during the second quarter of 2004.

3.6 Northern Territory/Western Australia

3.6.1 Bonaparte Basin

WA-6-R, NT/RL1 (Interest 5%)

The Operator (Santos) is continuing with development studies and marketing efforts to commercialise the Petrel field. Discussions have continued with potential customers and the Designated Authority during the quarter.

3.7 New Zealand

3.7.1 East Coast Basin

PEP 38330 (Interest 22.5%)

Origin withdrew from this permit with effect from 31 October 2003.

3.7.2 Onshore Taranaki Basin

PEP 38718 (Interest 20%)

The Tuihu 1 exploration well, which was drilled and suspended in 2001, has been re-entered, sidetracked and deepened. A test of the primary objective, the Tariki Sandstone, recovered water with only minor associated gas. The well was deepened intersecting approximately 50m of a coaly Kapuni sequence with minor gas shows before the drill string became irretrievably stuck. The well has been plugged and abandoned at that point.

Origin withdrew from this permit with effect from 30 November 2003.

PEP 38728 (Interest 24%)

No significant activity to report.

PEP 38729 (Interest 25%)

50% of the permit area was relinquished. Geological and geophysical projects have been initiated with work in this permit is being undertaken in conjunction with PEP 38478.

PEP 38744 (Interest 50% (Operator))

Origin has sold its interest to Tap (New Zealand) Pty Ltd with effect from 30 September 2003.

3.7.3 Offshore Taranaki Basin

PEP 38478 (Interest 50%)

Seismic reprocessing has been completed with the time interpretation due for completion the first quarter of 2004. Work in this permit is being undertaken in conjunction with PEP 38729.

3.8 United States of America

3.8.1 Gulf of Mexico (Onshore)

Production ceased during the previous quarter due to poor well performance.

Origin has a 9.83% interest in the prospect area around the well.

4. EXPLORATION AND DEVELOPMENT EXPENDITURE

E&D Expenditure	A\$'000	This Quarter	Previous Quarter	% Change	2nd	YTD	YTD
					Quarter	2002/03	2003/04
Exploration / Appraisal		15,294	6,916		24,651	22,210	30,143
Development / Plant		60,994	44,603		33,969	105,597	56,469
Total		<u>76,288</u>	<u>51,519</u>	48%	<u>58,620</u>	<u>127,807</u>	<u>86,612</u>

The details and development activities and the expenditure and revenues relating to those activities referred to in this report have not been audited.