

Report for the Quarter ended 30 June 2006

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.

Significant events and influences during the Quarter included:

- Total production increased by 2% compared with the previous Quarter from 18.8 PJe to 19.2 PJe. The production figures reflect increased production from the Cooper Basin and the Surat/Denison area and start-up in the BassGas Project. These increases offset the continued natural decline in the gas fields of the onshore Otway Basin and the oil fields of the Perth Basin, and the sale of the Moura coal seam gas (CSG) assets. However sales revenue fell by 10% compared with the previous Quarter to \$101.4 million due to lower liquid sales, in particular from the Perth Basin oil fields.
- The BassGas Project commenced product sales of gas (May 2006) and condensate (June 2006). Subject to the final phase of plant performance testing, full production is expected in August 2006.
- The Otway Gas Project is approximately 90% complete overall. Platform hook-up and pre-commissioning activities are nearing completion; the offshore pipeline and shore crossing are complete; and the onshore pipeline is installed and tie-in to the onshore plant is in progress. Construction of the onshore plant is the current focus with start-up now expected in the fourth Quarter of 2006. A three well drilling program (one exploration/appraisal well, two development wells) was undertaken.
- On 29 June 2006, the Joint Venture parties in the Kupe Gas Project in New Zealand announced that the project will proceed to construction following a final investment commitment by the parties. The cost of the project has increased to NZ\$980 million but has been offset by a renegotiated gas supply agreement, higher liquids prices and increased reserves.
- The installation of a fourth compressor at the Spring Gully coal seam gas (CSG) facility has increased the capacity of the facility to 49 TJ/d when recent wells are tied in. Work has commenced on Phases 3 and 4 of the expansion which will further increase capacity to 85 TJ/d.
- Origin concluded the purchase of additional CSG assets from Pangaea Oil and Gas Pty Ltd which include a 40.6% interest in the soon to be developed Argyle field.
- In the Queensland CSG tenures, fifteen development wells were drilled on the Spring Gully field (11) and Fairview field (4) and three cored slimholes were drilled in the northern Comet Ridge (2) and Walloons CSG (1) areas.
- Origin participated in the drilling of fourteen wells in the Cooper/Eromanga Basins including eleven gas and three oil and gas development wells. All were cased and suspended as future producers. A new oil producing zone was also completed in the Toby 1 well.

- Activity in the Surat Basin included the drilling of five exploration wells with gas (3) or oil (2) objectives. Two wells were cased and suspended as potential gas producers and one well as a potential oil producer.
- Seismic activity included completion of the Aragorn 3D Seismic Survey in the offshore Otway Basin; acquisition of the Moana 2D Seismic Survey in the offshore Taranaki Basin, New Zealand; completion of the Carrack 2D Seismic Survey in the offshore Canterbury Basin, New Zealand; and acquisition of the Russ 2D Seismic Survey in the onshore Perth Basin.

Post Report Date Events

- The Operator of the Otway Gas Project, Woodside, has completed and production tested the THA01 development well on the Thylacine field.
- Subsequent to the end of the period the BassGas project achieved its target sales gas production rate of 67 TJ/d. Commissioning of the project is continuing, with the aim of bringing all products up to target rates during August.
- In the Surat Basin, the Ogilvie Creek-2 well has been completed and production tested. The well flowed gas at the improved rate of 5.9 MMscfd from the basal Rewan sands. However the Ogilvie Creek 1 well, upon completion and production testing, flowed gas at only 0.1 MMscfd suggesting the Upper Tinowon gas sands are damaged. Both wells are being connected to the Myall Creek facilities and fracture stimulation is being considered for the Ogilvie Creek 1 well.
- Origin has submitted a Priority-in-Time application for a large area adjacent to and east of its current Canterbury Basin permit, PEP 38262, in New Zealand.

Report for the Quarter ended 30 June 2006

1. PRODUCTION SALES AND EXPENDITURE

Origin's share of production and energy sales during the Quarter is summarised as follows:

1.1 Production by Area (and Total Sales and Revenue)

Note: current Quarter production figures for some areas (non-operated) include estimates for June 2006 production. Where necessary previous Quarter figures have been amended to reflect actual production volumes which became available only after the report date for that Quarter.

Natural Gas and Ethane	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
Natural Gas	PJe						
SA Cooper & SWQ		6.0	5.7	5	7.2	25.6	30.5
Bass Basin		0.1	-	-	-	0.1	-
Otway Basin		0.8	0.9	(11)	1.3	3.6	7.6
Perth Basin		1.0	0.7	43	0.6	3.2	2.5
Coal Seam Gas		4.9	5.1	(4)	3.6	18.9	11.8
Surat / Denison		2.8	2.5	12	2.9	10.3	11.7
Carnarvon Basin		-	-	-	-	-	0.1
Ethane	PJe						
SA Cooper & SWQ		0.4	0.3	33	0.4	1.6	1.3
Total Production		16.0	15.2	5	16.0	63.3	65.5
Total Sales		18.1	16.5	10	16.9	68.0	67.8
Total Revenue	\$M	61.4	55.6	10	56.0	232.8	218.5

Crude Oil	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
Crude Oil	kbbls						
SA Cooper & SWQ		76.4	70.5	8	73.8	330.7	330.3
Surat / Denison		4.9	5.2	(6)	5.4	22.3	29.2
Perth Basin		233.4	346.8	(33)	425.0	1202.6	1650.1
Total Production		314.7	422.5	(26)	504.2	1555.6	2009.6
Total Sales		344.1	500.7	(31)	544.3	1780.1	2187.2
Total Revenue	\$M	25.0	34.5	(28)	30.9	114.1	105.5

Condensate/Naphtha	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
Condensate/naphtha	kbbls						
SA Cooper & SWQ		91.4	93.6	2	108.7	403.6	473.4
Bass Basin		7.8	-	-	-	7.8	-
Otway Basin		3.2	3.5	(9)	5.4	14.8	34.5
Perth Basin		2.5	2.4	4	0.9	8.4	4.4
Surat / Denison		14.4	14.9	(3)	17.9	59.9	73.4
Total Production		119.3	114.4	4	132.9	494.5	585.7
Total Sales		94.1	153.6	(39)	177.7	495.1	648.2
Total Revenue	\$M	6.6	10.9	(40)	10.2	33.1	36.0

LPG	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
LPG	Ktonnes						
SA Cooper & SWQ		10.4	9.7	7	11.8	43.6	48.6
Bass Basin		-	-	-	-	-	-
Surat / Denison		2.5	2.3	9	2.2	9.2	9.9
Total Production		12.9	12.0	8	14.0	52.8	58.5
Total Sales		12.6	13.2	(4)	8.2	55.0	51.2
Total Revenue	\$M	8.4	11.3	(26)	4.8	38.4	29.4

	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
Production (all products)	PJe	19.2	18.8	2	20.3	77.7	83.4
Sales (all products)	PJe	21.3	20.9	2	21.4	83.8	86.5
Total Revenue	\$M	101.4	112.3	(10)	101.9	418.4	389.4

	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
Total Sales	PJe						
Internal		8.7	5.8	50	4.8	26.0	19.4
External		12.6	15.1	(17)	16.7	57.8	67.1
Total		21.3	20.9	2	21.4	83.8	86.5

	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
Production by Basin	PJe						
SA Cooper & SWQ		7.9	7.4	7	9.1	33.4	38.7
Bass Basin		0.2	-	-	-	0.2	-
Otway Basin		0.8	0.9	(11)	1.3	3.7	7.8
Perth Basin		2.4	2.7	(12)	3.1	10.3	12.2
Coal Seam Gas		4.9	5.1	(4)	3.6	18.9	11.8
Surat/Denison		3.0	2.7	11	3.2	11.2	12.8
Carnarvon Basin		-	-	-	-	-	0.1
Total		19.2	18.8	2	20.3	77.7	83.4

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

1.2 Production/Sales Summary

Total production increased by 2% compared with the previous Quarter from 18.8 PJe to 19.2 PJe. The production figures reflect increased production from the Cooper Basin and the Surat/Denison area and start-up in the BassGas Project. These increases offset the continued natural decline in the gas fields of the Otway Basin and the oil fields of the Perth Basin and the sale of the Moura CSG assets.

Product sales also increased 3% from 20.9 PJe to 21.3 PJe compared with the previous Quarter. However this increase in sales volumes was not matched by an increase in sales revenue which fell by 10% compared with the previous Quarter from \$112.3 million to \$101.4 million as liquid sales volumes fell as a proportion of the total sales volumes.

Year on year production of coal seam gas has increased by 60% as the first two phases of the Spring Gully CSG project were completed. New gas fields in the Perth Basin have also been brought on line, increasing sales of gas, condensate and LPG from this area. Commissioning commenced at the BassGas production and processing facilities late in the year and will ramp up to full production early in the 2006/07 financial year. The delays in start-up of the BassGas Project has meant that the natural field decline in areas such as the Cooper Basin, Surat/Denison, Otway Basin and Perth Basin oil fields has more than offset these production gains. As a consequence total production for the year of 77.7 PJe was 5.7 PJe or 7% lower than last year.

Sales volumes were 3% lower than last year at 83.8 PJe, reflecting the trend discussed above mitigated by higher third party purchases of both gas and oil. Sales revenue for the 2005/2006 year was however 7% higher than for the previous year at \$418.4 million reflecting higher prices for all liquids products.

2. MARKETING AND DEVELOPMENT ACTIVITIES

2.1 South Australia

2.1.1 Cooper/Eromanga Basin

SA Unit Area (Interest 13.19%)

Eight gas development wells and three oil and gas development wells were drilled during the Quarter.

The program of Coorikiana gas development wells on the Marabooka/Mudera fields was completed with the drilling of Marabooka 12 and Mudera 8, 9, 10 and 11; based on mudlogs and gas shows, all five wells were cased and suspended as future gas producers. Another three successful gas development wells were drilled, namely Brumby 12, Burke 8 and Della 25. Based on wireline log evaluation, the wells were cased and suspended as future gas producers.

A three well oil and gas development program was completed in the Fly Lake field with the drilling of the Fly Lake 18, 19 and 20 wells. Wireline log evaluation indicated gas pay in the lower Patchawarra Formation and oil pay in the Tirrawarra Formation in each well. All three wells were cased and suspended as future oil and gas producers.

Patchawarra East Block (Interest 10.536%)

At the end of the Quarter, the Moolion 4 gas development well was running wireline logs, after having reached a total depth of 3053m. The well will be cased and suspended as a Permian gas producer.

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 Unit (Interest 16.7375%)

Two gas development wells were drilled during the Quarter, namely Thoar 4 and Wolgolla 6. Both wells were cased and suspended as future Permian gas producers.

ATP 259P (Block Interests 10-27%)

Toby 1 (Wareena Block Oil) was recompleted in the Cadna-Owie Formation after abandonment of the Hutton Sandstone and basal Jurassic. The Cadna-Owie Formation was successfully fractured stimulated and the well flowed oil to surface. Production testing will begin in July.

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

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, 174 and 227 (Interest 100% (Operator))

The application for PL 227, which covers the remaining portion of ATP 375P and adjoins PL 53 and PL 174, was approved by the Minister. The Petroleum Lease became effective on 1 April 2006 and has been granted for 20 years.

Interpretation of the Myall Creek 3D Seismic Survey covering the majority of PL 174 and eastern PL 227 was completed and three drilling locations were identified for drilling.

Ogilvie Creek 1, located in PL 227 and approximately 0.7 km north of Noorindoo 2, commenced on 2 April. The primary objective of the well was the upper Tinowon sandstone, which is the primary producing reservoir in the Myall Creek gas field. Drill Stem Test 1 conducted over the upper Tinowon sandstone interval 2066m to 2073m recorded a final gas flow rate of 0.4 MMscfd. The recovery consisted of 10m of gas cut mud. Pressure data indicates that there was no depletion during the test and the gas pool is not being accessed by production from the Myall Creek gas field. The well, which was drilled to a total depth of 2129m into the Timbury Hills Formation, was cased and suspended for further evaluation.

Ogilvie Creek 2, located within PL 174 approximately 0.9 km northwest of the Myall Creek 8 well, commenced drilling on 24 April. Drill Stem Test 1 conducted over the basal Rewan sandstone interval 1843m to 1870m recorded a final gas flow rate of 5.1 MMscfd. The recovery consisted of gas and condensate cut mud. Interpretation of the test charts showed no depletion during the test. The well was drilled to a total depth of 2035m into the Timbury Hill Formation. As expected the upper Tinowon sandstone reservoir was not developed at this location. A second drill stem test conducted in the Timbury Hills Formation over the interval 2001m to 2035m recorded no gas to surface. The well was cased and suspended for further evaluation prior to connection to the Myall Creek gas gathering system.

Braeburn 1, the final well to be drilled in this round of drilling on the results of the Myall Creek 3D Seismic Survey, commenced on 10 May. The well was located within PL 227 approximately 5.2 km north of the Myall Creek 8 well. The primary objective of the well was the upper Tinowon sandstone. The well was drilled to a total depth of 2125m and encountered no sand development within the upper Tinowon section. Drill Stem Test 1 conducted over the basal Rewan interval 1988m to 1994m recorded gas to surface at a rate too small to measure. All other objectives in the well were interpreted to be either of low permeability or water bearing. The well was plugged and abandoned.

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

Namarah 7 remains suspended after drilling problems and hole instability prevented the primary target, the basal Rewan sandstone, from being penetrated.

Parknook 7 is scheduled to be plugged and abandoned in the third Quarter of 2006.

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.

PLs 179, 228 and 229 * (Argyle) (Interest 40.625%)

Origin completed the acquisition of an interest in these production leases (which cover the Argyle CSG field) from Pangaea Oil and Gas Pty Ltd on 12 April 2006.

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

PLs 41, 42, 43, 44, 45, 54, 67, 173, 183 & 218 (Interest 50% (Production Operator))

No significant activity during the Quarter.

PL 101 * (Interest 100% (Operator))

No significant activity during the Quarter.

PLs 90, 91, 92, 99, 100, 232, 233, 234, 235 and 236 * (Fairview) (Interest 23.93%)

Four development wells, Fairview 60, 70, 103 and 105, were drilled to develop reserves in the Bandanna coal seams.

PLs 195, 200, 203 and 204 * Spring Gully (Interest 94.505% in PL 195 and PL 203 (Operator); 95.7097% in PL 200 (Operator); 99.725 % in PL 204 (Operator))

The Spring Gully gas plant had peak sales gas capacity of around 35 TJ/d during the Quarter. Late in the Quarter, the fourth compressor was commissioned and, with the connection of recent development wells, this will increase the facility capacity to 49 TJ/d.

Eleven development wells, Spring Gully 26, 30, 31, 33, 34, 35, 41, 45, 46, 50 and 52, were drilled during the Quarter on the Spring Gully field. The wells were cased and suspended awaiting fracture stimulation and completion in the third Quarter of 2006.

Processing of the Spring Gully Seismic Survey data (79 km of 2D data) plus the reprocessing of a further 141 km of existing data was completed during the Quarter.

During the Quarter work commenced on Phases 3 and 4 of the Spring Gully Project which address additional field deliverability and gas plant expansion (to 85 TJ/d) to meet firm contractual commitments to QAL, Energex and Incitec Pivot. The estimated cost of these development phases is \$114 million.

PLs 219 and 220 * (Interest 100% (Operator))

No significant activity during the Quarter.

2.3 Western Australia

2.3.1 Perth Basin

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

Production from the Beharra Springs gas plant resumed after scheduled maintenance in March 2006. Gas production averaged 12.7 TJ per day during the Quarter, with production from Beharra Springs 1 and 2 as well as from Tarantula 1ST.

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

Average gross sales for the Quarter through the Hovea production facility was approximately 2975 bopd from Hovea 4, 7, 8, 11 and Eremia 1 and 2.

Xyris and Hovea 2 produced at rates of up to 4.7 TJ/d throughout the Quarter.

L14 (Interest 49.189%, Jingemia oil field (Operator))

Production from the Jingemia Production Facility averaged 2180 bopd during the Quarter with a water cut of 46%. Jingemia 1 was started up in May at 100% water cut. The well is currently shut-in due to surface pump reliability.

The Jingemia 5 and 9 water injector wells were injecting at an average total of 4879 bwpd during the Quarter. Modelling studies were carried out with the aim of gaining a better understanding of water-drive mechanism through the various producing sand units over the field.

Gross sales for the Quarter averaged 2029 bopd.

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.

PPL 4, 5, 7, 12 (Interest 100% (Operator))

No significant activity during the Quarter.

PPL 6, 9, 10 and PRL 1 (Interest 90% in PPLs 6 and 9 and PRL 1 (Operator); Interest 100% in PPL 10 (Operator))

No significant activity during the Quarter.

VIC/L23 (Interest 30.75%, Geographe)

Development activity continued for the Geographe (Vic/L23) and Thylacine (T/L2) fields. (Refer T/L2 in 2.5.1 below.)

2.5 Tasmania

2.5.1 Otway Basin

T/L2 (Interest 30.75%, Thylacine)

Development activity continued for the Thylacine (T/L2) and Geographe (Vic/L23) fields. At the end of the Quarter, the project to bring the Thylacine field on stream was approximately 90% complete overall.

By the end of the Quarter, platform topside hook-up and offshore commissioning works were proceeding satisfactorily; the development drilling program was progressing well; offshore pipeline installation was 100% complete; and onshore pipelines were almost complete.

With progress satisfactory elsewhere, attention is now focused on the onshore gas plant construction which remains as the critical path for start-up. The Operator now expects start-up in the December Quarter 2006.

The Thylacine development drilling program continued during the Quarter using the drilling rig, *Maersk Guardian*. The Thylacine South 1 appraisal /exploration well reached a total measured depth of 3250m and was plugged and abandoned as planned after collection of fluid samples and pressure points. Thylacine South 1 intersected a gross gas column of approximately 223m.

Drilling of THA01, a deviated development well, was completed in May when the well reached a total measured depth of 2634m. The well was cased and suspended to be completed in the deeper reservoir units consecutively with the other programmed wells. The THA01 results were in line with the expectation and pre-drill interpretations. THA02, a horizontal well targeting both upper and deeper

reservoirs, has been drilled to a total measured depth of 4026m, perforated and completed, and now awaits topsides tie-in and testing. THA02 has produced very satisfactory results which are interpreted to be better than pre-drilled expectations.

2.5.2 Bass Basin

T/L1 (Interest 42.5% (Operator))

The BassGas Project has started to deliver and sell sales gas (May 2006) and condensate product (June 2006). LPG sales commenced in early July 2006.

The bulk of offshore engineering rectification work is complete and the Astoria ASV has been demobilised and has departed.

Most of the plant and platform has now been commissioned. Production is increasing to test the plant at the higher throughput levels. The final phase of plant performance testing will take place in July - August 2006, and full production is expected in August 2006 (provided the testing does not reveal additional major defects).

2.6 Northern Territory/Western Australia

2.6.1 Bonaparte Basin

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

The Operator (Santos Limited) has continued its marketing efforts to commercialise the Petrel field. It has also applied to the Designated Authority for renewal of the Petrel Retention Leases which the Designated Authority has now offered to grant.

2.7 New Zealand

2.7.1 Offshore Taranaki Basin

PML 38146 (Interest 50% (Operator))

On 29 June 2006, the Joint Venture parties in the Kupe Gas Project in New Zealand announced that the project will proceed to construction following a final investment commitment made by the Joint Venture. In announcing the project's approval, Origin confirmed an increase in the overall cost of the development to an estimated NZ\$980 million, including appropriate project contingencies, but indicated that this was offset by the renegotiated gas supply agreement, coupled with higher expected condensate and LPG prices and increased reserves which were announced last year.

Construction is expected to commence in Taranaki in September 2006.

3. EXPLORATION ACTIVITIES

3.1 South Australia

3.1.1 Cooper/Eromanga Basin

SA Unit Area (Interest 13.19%)

No significant activity during the Quarter.

Patchawarra East Block (Interest 10.536%)

No significant activity during the Quarter.

3.1.2 Otway Basin

PEL 27 (Interest 50%)

No significant activity during the Quarter.

PRL 1 and PRL 2 (Interest 75.7143% (Operator) in PRL 2; and 100% (Operator) in PRL1))

No significant activity during the Quarter.

3.2 Queensland

3.2.1 Cooper/Eromanga Basin

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

No significant activity during the Quarter.

ATP 259P (Block Interests 10-27%)

No significant activity during the Quarter.

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

ATP 336P (Waldegrave) (Interest 46.25%)

A Showgrounds Sandstone oil opportunity, Mahogany 1, has been identified within the ATP. The well is likely to be drilled late February 2007.

ATP 375P (Interest 100% (Operator))

With the granting of PL 227 on 1 April 2006, ATP 375P ceased to exist as a separate tenement.

ATP 470P Redcap, Rolston and Formosa Downs (Interest 90.0% (Operator) in ATP 470P Redcap; 100% (Operator) in ATP 470P Rolston; and 49.5% (Operator) in ATP 470P Formosa Downs)

Depth mapping in the eastern (Ballaroo region) sector of ATP 470P Redcap confirmed two prospects, Emu Apple and Ooline, targeting oil in the Boxvale Sandstone.

Emu Apple 1 commenced on 5 June and was drilled to a depth of 1406m. Drill Stem Test 1 was conducted over the upper Boxvale Sandstone interval 1396m to 1406m. While there was no fluid to surface during the flow period, the recovery consisted of 10.5 barrels of oil with no water. The well was subsequently drilled to total depth of 1485m prior to a second drill stem test being conducted over the lower Boxvale sandstone interval 1409m to 1418m. This test flowed water to surface at a rate of 360 barrels per day. The well has been cased and suspended as a new pool oil discovery. It is planned to conduct an extended production test in the second half of 2006 to determine the size of the resource prior to a Petroleum Lease application and to determine the requirement for further seismic and/or drilling on the structure.

Ooline 1, located approximately 8 km east of Emu Apple 1, commenced on 18 June. The well was drilled to a total depth of 1585m. No significant hydrocarbon shows were intersected and all potential reservoir sections are interpreted to be water bearing. The well has been plugged and abandoned.

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

No significant activity during the Quarter.

ATP 606P * (Interest 92.716% (Operator))

Production testing of the two wells drilled in late 2005 is currently in the planning stage.

ATP 610P * (Interest 29.375%)

Origin completed the acquisition of an interest in this authority to prospect from Pangaea Oil and Gas Pty Ltd on 12 April 2006.

ATP 620P * (Interest 40.625%)

Origin completed the acquisition of an interest in this authority to prospect (which includes the Lauren CSG field) from Pangaea Oil and Gas Pty Ltd on 12 April 2006

ATP 648P * (Interest 31.25%)

Origin completed the acquisition of an interest in this authority to prospect from Pangaea Oil and Gas Pty Ltd on 12 April 2006.

ATP 631P * (Interest 18.0865%)

Legal title in this tenure has reverted to Tri-Star Petroleum Company under the terms of the original February 2002 sale and purchase agreement.

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

No significant activity during the Quarter.

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

Planning continued for the drilling of a cored slimhole later in 2006.

ATP 692P, PLs 209 and 226 * (Interest 100% (Operator))

Production testing of the Walloon CSG potential in the Talinga extended pilot area continued.

Construction of a new production test pilot at Orana (PLA 215 portion) consisting of two wells progressed during the Quarter with production testing expected to commence in the third Quarter of 2006.

Planning also continued for drilling to start in the third Quarter of 2006 on three additional cored slimholes (subject to rig availability) and seven production test wells to evaluate the extent of the coal characteristics in each of the Talinga (PL 226) and Orana (ATP 692P) areas.

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

Processing of the Condabri seismic acquisition program (35 km), recorded during the previous Quarter, is expected to commence early in the third Quarter of 2006. Reprocessing of approximately 100 km of existing data will also be undertaken.

The drilling of the Goonalah cored slimhole, commenced during the previous Quarter, was completed early in this Quarter. Laboratory testing of core samples continued during the period.

ATP 754P (Interest 50% (Operator))

A cased hole test of Ungabilla 1, which was drilled in June 2005, was conducted over the lower Tinowon interval 2806m to 2811m during April. The well was swabbed down to 2743 meters, but failed to flow and was shut-in. During June fluid was recorded approximately 360 metres from the surface. The well will be swabbed early in the next Quarter to determine the nature of the fluid in the wellbore.

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

ATP 337P (Interest 50%)

No significant activity during the Quarter.

ATP 337P (Mahalo) * (Interest 30%)

Comet Ridge Ltd has exercised an option to increase its interest to 40% by funding further activities. Two cored slimholes, Mira 1 and Humboldt 1, were drilled to test the CSG potential of the Bandanna Formation in the eastern part of the Mahalo farmout block. Planning continued for the drilling of a production well in the Mahalo area.

ATP 526P * (Interest 23.93%)

No significant activity during the Quarter.

ATP 553P (Interest 50%)

No significant activity during the Quarter.

ATP 584P * (Interest 29.29825%)

No significant activity during the Quarter.

ATP 592P * (Interest 94.505% (Operator))

Processing of a small component of seismic recorded during the previous Quarter as part of the PL 195 and PL 204 acquisition program was completed.

ATP 653P * (Interest 23.85%)

No significant activity during the Quarter.

ATP 745P * (Interest 23.85%)

Laboratory analysis continued on the cored slimhole, Wangalee Creek 1, drilled during the previous Quarter.

3.3 Victoria

3.3.1 Otway Basin

PEP 150 (Interest 50%)

Origin has agreed to sell its equity in this permit (when granted) to Essential Petroleum Resources Ltd and Mawson Petroleum Pty Ltd. Grant of the title remains subject to a native title agreement.

PEP 160 (Interest 40%)

Due to rig availability the proposed drilling of the Glenaire prospect (formerly the Lindsay prospect), a deep gas play, is now scheduled to spud in September, 2006. The Operator (Beach Petroleum) is in the process of applying for a further permit extension to accommodate the additional delay in drilling of this commitment well.

VIC/P43 (Interest 30.75%)

A review of permit prospectivity continued.

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

Geophysical studies of the Halladale/ Black Watch gas fields continued during the Quarter.

VIC/P41(V) (Interest 100%, (Operator))

Existing seismic data (approximately 200 km) of various vintages, which were recently reprocessed, will be interpreted to assess prospectivity of the permit.

3.4 Tasmania

3.4.1 Otway Basin

T/30P (Interest 30.75%)

Acquisition of the Aragorn 3D seismic survey in T/30P and adjoining T/34P was completed during the Quarter. Due to adverse weather conditions early in the survey, acquisition was restricted to approximately 87% of the planned survey. However all major leads were covered by the completed survey.

The Thylacine South-1 appraisal/exploration well tested the deep exploration Flaxman/ Waarre play early in the Quarter. This exploration target was found to contain sub-commercial quantities of gas. The appraisal component of the well is reported in section 2.5.1.

T/34P (Interest 30.75%)

Acquisition of the Aragorn 3D seismic survey in T/34P and adjoining T/30P was completed during the Quarter (see above for T/30P).

3.4.2 Bass Basin

T/18P (Interest 46.4% (Operator))

Processing of the Shearwater 3D seismic survey acquired over the Trefoil discovery was effectively complete at the end of the Quarter. Processing of the Shearwater 2D seismic data acquired over nearby exploration leads is almost complete.

Reservoir engineering studies are underway to assess the potential development of the Trefoil discovery.

T/RL1 (Interest 42.5% (Operator))

A renewal application is in preparation.

3.5 Western Australia

3.5.1 Perth Basin

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

Planning continued during the Quarter for the Beharra Springs 4 well, which is expected to be drilled during the third Quarter of 2006.

The Russ 2D Seismic Survey (117 km) was acquired and processed during the Quarter. Interpretation of these new data and integration with the existing seismic data will be carried out during the third Quarter of 2006.

EP 413 / L14 (Interest 49.189% (Operator))

Interpretation of the Denison 3D data and merged Verena 2D data continued during the Quarter. A crestal location for a further producing well in the Jingemia oil field (Jingemia 8) has been identified with the well expected to commence in July 2006.

Planning continued for the drilling of the EP413 commitment well. It is planned that a limited amount of reprocessing will be carried out during the third Quarter of 2006. The commitment well is expected to commence during the fourth Quarter of 2006.

L1 and L2 (Excluding Dongara, Mondarra and Yardarino gas fields) (Interest 50%)

No drilling in L1/L2 took place during this Quarter pending completion of a joint regional study.

Interpretation of the Denison 3D seismic data continued during the Quarter to

identify updip target locations on the Hovea and Eremia oil fields and exploration targets in the surrounding region. It is expected that drilling will commence in L1/L2 during the second half of 2006, following the L14 Jingemia 8 well.

Experimental 2D acquisition north of Apium/Ejarno failed to demonstrate an ability to obtain a seismic image that would enable confident mapping of the Dongara Sandstone structure in this area. Consequently, only one of the six 2D lines planned for the Apium 2D Seismic Survey was recorded.

EP 368 (Interest 15%)

The seismic data acquired as part of the Springy Creek 2D Seismic Survey were processed during this Quarter. Interpretation of these data will be carried out during the third Quarter of 2006.

WA 226P (Interest 28.75% (Operator))

No significant activity during the Quarter.

3.6 New Zealand

3.6.1 Onshore Taranaki Basin

PEP 38729 (Interest 25%)

The Joint Venture has entered the next permit year which includes the acquisition of a minimum of 18km of 2D seismic reflection data. A transition zone survey is currently being planned.

3.6.2 Offshore Taranaki Basin

PEP 38485 (Interest 33.33%)

Processing of the 530 sq km Kora 3D Seismic Survey is currently being undertaken.

The 635 km Moana 2D Seismic Survey was acquired during the Quarter and is also being processed.

3.6.3 Offshore Northland Basin

PEP 38618 (Interest 50% (Operator))

PEP 38618 (formerly Block D from the 2005 Northland Blocks Offer) was awarded to Origin and OMV New Zealand Limited effective 1 May 2006.

Seismic reprocessing of existing data is currently being undertaken and a contract for the 2006/07 seismic acquisition is being negotiated.

PEP 38619 (Interest 50% (Operator))

PEP 38619 (formerly Block E from the 2005 Northland Blocks Offer) was awarded to Origin and OMV New Zealand Limited effective 1 May 2006.

Seismic reprocessing of existing data is currently being undertaken and a contract for the 2006/07 seismic acquisition is being negotiated.

3.6.4 Offshore Canterbury Basin

PEP 38262 (Interest 100% (Operator))

The 1231 km Carrack 2D Seismic Survey was recorded using the Multiwave Geophysical Corporation/CGG vessel MV Pacific Titan and is currently being processed. Approximately 4100 km of existing 2D seismic reflection data are also being reprocessed.

3.7 Kenya

3.7.1 Offshore Lamu Basin

L8 and L9 Blocks (Interest 50.0% (Operator))

Subject to approvals by the Kenyan Government (which are being sought), Origin has entered an agreement with Pancontinental Oil and Gas NL and Afrex Limited (a 100% owned subsidiary of Pancontinental) whereby Origin will earn a 50% interest in each of the Production Sharing Contracts for L8 and L9 by funding a US\$4 million seismic program across the two blocks. After the seismic program has been completed, Origin will be entitled to earn an additional 25% in each block by funding the drilling of an exploration well in the relevant block. In the event that Origin does not exercise this drilling option, the interest in the block will revert to Pancontinental and Afrex.

4. EXPLORATION AND DEVELOPMENT EXPENDITURE

<u>E & D Expenditure</u>	A\$'000	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
Exploration/ Appraisal		18,021	16,295	11	21,023	67,352	60,212
Development/ Plant		102,902	100,204	3	70,270	418,385	291,168
Total		120,923	116,499	4	91,293	485,737	351,380

	NZ\$'000	This Quarter	Previous Quarter	% Change	4th Quarter 2004/05	YTD 2005/06	YTD 2004/05
Exploration/ Appraisal		3,874	2,497	55	292	6,539	664
Development/ Plant		8,614	6,653	29	2,870	23,693	10,385
Total		12,488	9,150	36	3,162	30,232	11,049

NB : E & D Expenditure excludes acquisitions and corporate plant & equipment

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