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STRATEGY
PERFORMANCE
GROWTH



ANNUAL GENERAL MEETING
REPORT TO SHAREHOLDERS

29 OCTOBER 2010

Wesley Conference Centre220 Pitt Street, Sydney
New South Wales

10.30am

Friday 29 October 2010

**CONTENTS**

- 2 Chairman's address
- 11 Managing Director's address
- 16 Meeting results

Annual General Meeting

FELLOW SHAREHOLDER

On 29 October 2010, Origin held its 11th Annual General Meeting in Sydney.

At this meeting we reviewed the progress of your company during Financial Year 2010 – a year in which Origin celebrated 10 successful years since listing on the ASX.

Over that period, your company has been one of the top performing companies on the ASX with Total Shareholder Returns of 28 per cent¹ per annum. Underlying profit and dividends per share grew in every year.

In Financial Year 2010, we continued to grow underlying earnings, while at the same time delivering large-scale projects that hold the promise of long term value creation.

We have declared a final fully franked dividend of 25 cents per share, taking the full year dividend for the 2010 financial year to 50 cents per share. This was paid on 28 September 2010 to shareholders of record on 6 September 2010.

Contained in this booklet are the Chairman's and Managing Director's addresses to the Annual General Meeting, in which we report on the underlying performance of the business during the past year, investments we are making for the future, and the outlook for the coming year.

You can view a complete webcast of the AGM on our website: www.originenergy.com.au.

A handwritten signature in black ink, appearing to read 'Kevin McCann', with a horizontal line underneath.

Kevin McCann
Chairman

1. Compound Annual Growth Rate since listing to 30 June 2010.



Kevin McCann
Chairman

Chairman's address

Annual General Meeting

29 October 2010

Ladies and Gentlemen,

Earlier this year, on February 21, Origin celebrated 10 successful years since our demerger from Boral and subsequent listing on the ASX.

Over that period, we were one of the top performing companies on the ASX with Total Shareholder Returns of 28 per cent per annum¹. Underlying profit and dividends per share grew in every year, and that included two years of the Global Financial Crisis.

This might be one reason for the net increase of more than 20,000 new retail shareholders on Origin's share register in the last two years.

STRONG PERFORMANCE

In financial year 2010, we continued to grow underlying earnings – while at the same time delivering large-scale projects that hold the promise of long-term value creation.

In financial year 2010, Underlying Profit was \$585 million, a 10 per cent increase on the prior year.

Underlying earnings per share also increased 10 per cent to 66.6 cents – on a weighted average capital base of 878 million shares.

Operating Cash flow After Tax approached \$1 billion per annum. While Statutory Net Profit After Tax was down 91 per cent on the prior year, that year included a benefit from the gain on the dilution of Origin's interest in Australia Pacific LNG of \$6.7 billion.

As a result of the ConocoPhillips transaction, we were able to double the fully franked dividend paid to shareholders. Consistent with our commitment to shareholders at that time, we have maintained the dividend at that higher level.

Consequently, the final fully franked dividend of 25 cents per share took the full year dividend for the 2010 financial year to 50 cents per share.

With a gearing ratio at September 2010 of 20.5 per cent, we have significant capacity for additional borrowing in order to fund further long-term growth. We have a range of long-term options in development, which Grant outlines in his address.

Many of the investments Origin makes take up to a decade to develop and have a long lifetime of 25 years or more. Identifying long-term trends in the external environment is therefore very important to Origin.

I want to address three areas today that impact Origin in the long-term – in the areas of public policy, local communities and the people we employ.

PUBLIC POLICY

First, public policy. Good public policy requires consultation by Government with the parties affected by proposed change – especially on complex areas such as taxation and climate change which affect long-term investment decisions.

1. Compound Annual Growth Rate since listing to 30 June 2010.

TAX

Toward the end of the financial year, the Federal Government proposed to introduce a Resources Super Profits Tax (RSPT) without any consultation with the energy and resources industries. If implemented in the form proposed, the tax would have had a material adverse impact on a number of Origin's projects, especially the Australia Pacific LNG project.

Following an intense period of public debate and industry consultation, the Government agreed to apply the existing Petroleum Resource Rent Tax to onshore oil and gas projects. While this represents an additional impost on an emerging industry, if passed, it provides a better balance than the RSPT did between the risks and rewards of investing in resource projects.

I note that a number of important details remain to be decided as to how the proposed new tax will apply to coal seam gas (CSG) to LNG projects and its interface with Queensland royalties. We welcome the new consultative committee headed by Don Argus and Minister Ferguson and look forward to working with it in the months ahead to resolve details of the tax.

CLIMATE CHANGE

While there is clearly no bipartisan agreement on resource taxation, it is easy to forget that both major Australian political parties support a reduction of 5 per cent in carbon emissions from 2000 levels by 2020.

In the area of carbon policy, Origin welcomed the expansion of the Renewable Energy Target (RET) in March, which provided increased certainty in respect of investment in wind, solar and geothermal.

Executive Director Karen Moses was a member of the government's Energy Efficiency Taskforce during the year, which released its report in October. We look forward to government's response.

However, the RET and energy efficiency will not deliver the 5 per cent reduction targeted by both political parties. The 5 per cent goal is a challenging target. Moreover, the changes required to address climate change will take us well beyond 2020.

For Australia to reduce its emissions in the long-term, we need to start shifting away from coal-fired baseload power stations toward cleaner-burning fuels such as gas.

And to do that, we need a price on carbon.

Origin considers the best way to set a carbon price is an emissions trading scheme, however many of the same benefits can be delivered by a carbon tax.

Whichever instrument is used, it will need to take account of any impact on Australian competitiveness abroad. It must also be designed in a way that investors believe it will last over time, as the investments we make operate for 30 years or more.

Without a long-term carbon price, the economics of coal for baseload are better than gas. But investors are not building new coal-fired baseload because they expect a carbon price in the future.

Instead, investment is going mainly into windfarms because of the RET and into peaking gas plant for when the wind does not blow.

These are good investments for shareholders. But without a carbon price, Australia risks locking in a higher cost, higher emissions electricity system for the future than we need to.

COMMUNITIES AND THE ENVIRONMENT

I said earlier I would talk about the impact of our activities on local communities.

As the company grows, so does our impact on people and the environment in regional Australia – in particular large projects such as our CSG to LNG project in Darling Downs in Queensland and proposed windfarms in the western district of Victoria and south western New South Wales.

The broader community, represented by the government, requires us to find new renewable forms of generation such as wind – under the RET. Similarly, growing demand for gas in Australia and globally is driven by customers and governments who prefer lower-emission fuels.

While these projects bring significant economic benefits to local communities, we recognise that they also have impacts that some local people may regard as disruptive to their activities and lifestyle.

Large projects therefore involve trade-offs between the interests of different members of our community.

I can affirm that Origin is committed to consultation with local communities and that we will take account of their feedback when planning and executing our projects. We are also committed to making those decisions transparently.

Over the past year, community consultation has been a priority. Comprehensive consultation was undertaken in particular around our CSG operations and the proposed Stockyard Hill windfarm in Victoria.

As a result of community feedback at Stockyard Hill, for example, a number of proposed turbines were relocated and 30 were removed entirely in our final proposal to the Development Panel.

During the year we invested in making ourselves more available to local communities. We put in place dedicated community representatives at Uranquinty,

Mt Stuart and Mortlake power stations, the Cullerin Range Wind Farm, and to serve three potential new windfarms. In New Zealand, we have people at Kupe and in the CSG fields in Queensland.

In addition, we established local shopfronts at Mortlake in Victoria and for the Australia Pacific LNG project at Gladstone, Roma, Chinchilla and Miles, making it easier for residents to make contact with us.

The impact of major energy projects on local communities will continue to be an important issue for us in the years ahead.

I announced at last year's Annual General Meeting that we would establish the Origin Foundation in order to make a philanthropic contribution to the communities in which we interact.

I am pleased to report the Foundation was established during the year and has now made its first three investments. It will invest mainly in the area of education and training. We chose this focus in recognition of the role education plays in making a sustainable difference to individuals and communities.

OUR PEOPLE

I said earlier that I also wanted to talk about our people.

Total employee numbers grew this year to around 4,400. Growth in Upstream was partially offset by a reduction in Retail due to productivity improvements and the outsourcing of selected support functions.

The health and safety of those people continues to be our first priority.

I am very pleased to say that safety performance improved significantly this year. Our key measure is the Total Recordable Incident Frequency Rate. Performance improved 38 per cent per cent on the prior year on this measure. We are very encouraged by this progress.

A second issue of high priority for us is diversity.

In the near term, the Origin Board and management have decided to place a particular focus on gender diversity.

Like many companies, our participation rates for women varies by profession. Across the company as a whole, however, numbers in senior management are consistently lower than at middle management and entry level. We do have two women on our Executive Management Team and two women on the Board, which is 22 per cent in both cases.

We intend to increase participation rates in senior management and to this end we will set measurable, numerical targets in key areas that drive outcomes for advancement of women in our workforce. Those targets will be made public, and the Board will monitor them directly on a regular basis.

We are also committed to being an early adopter of the ASX Governance Recommendations on Diversity on Boards and the workplace.

BOARD

The Board had another busy year in 2010.

In particular, I would like to make some remarks about my colleague Dr Roland Williams, who has advised the Board he will not be standing for re-election and so today is fulfilling his final duties as a director of Origin.

Roland was a founding director of Origin, who brought to our Board a wealth of experience in the upstream oil and gas industry and an international perspective gained from his years in senior roles at Shell. He gave us wise counsel which contributed to success in our upstream activities in the early days of the life of Origin. He has chaired the Health, Safety and Environment Committee and the Audit Committee. Roland's commercial expertise has contributed greatly to the growth and success of the Origin group over the past 10 years.

Finally, I would like to thank him for the support he has given me in the last ten years as Chairman, especially during the BG Group takeover bid and the establishment of the Australia Pacific LNG joint venture in 2008.

I will now ask our Managing Director, Grant King to provide additional detail about our operations and activities during the 2010 financial year.

OUTLOOK

A theme of my comments today has been the investment we are making for the future.

In financial year 2010, the company invested approximately \$2.8 billion in capital projects and acquisitions.

In 2011 we expect to see the fruit of some of our past investment, in the form of increased earnings. We are expecting:

- full year contributions from the Kupe Gas Project in New Zealand and the Otway Gas Project off Victoria;
- a full year contribution from the Darling Downs Power Station;
- a contribution for part of the year from the Mortlake Power Station;
- continued expansion of Australia Pacific LNG's domestic CSG production; and
- an increased contribution by Contact Energy from new investments in the Stratford peaking plant and the Ahuroa gas storage facility.

Total expenditure on gas and oil exploration activities in financial year 2011 is expected to be similar to financial year 2010 at around \$170 million, with most expenditure in the first half. Embedded in the profit guidance is an assumption that some of our exploration program may be unsuccessful, and will be expensed as part of the underlying performance of the business in the 2011 financial year.

Based on performance over the first three months of the year, I am pleased to report there is no change to the guidance we gave in our full year results.

We expect Underlying EBITDA to increase by approximately 35 per cent in the 2011 financial year when compared with the prior year. As a consequence, Underlying Profit for the 2011 financial year is expected to be around 15 per cent higher than the prior year.

CONCLUSION

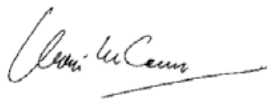
In conclusion, I would like to thank all my colleagues at Origin. I applaud their dedication to the job and commitment to delivering outcomes for the business and all our stakeholders.

Continuity in leadership has been one of the hallmarks of Origin's success over the past 10 years.

On your behalf I thank the management team, led by our Managing Director Grant King.

I am grateful to my fellow Board members, who have worked diligently over the year and made an important contribution to key strategic and operating decisions.

Finally, I would like to thank you, our shareholders, for your continuing support of Origin.



Kevin McCann
Chairman



Grant King
Managing Director

Managing Director's address

Annual General Meeting
29 October 2010

As the Chairman referred to in his presentation, Origin has an outstanding record of value creation for shareholders. That value creation has been driven by:

- A steady increase in earnings in every one of our 11 years of business; and
- A set of future opportunities that will continue to drive our record of consistent earnings growth.

The strategy we have been pursuing of being a fuel integrated generator retailer has created many opportunities for us. These opportunities have been turned into projects and ultimately require substantial capital expenditure to deliver. When these projects have been completed, the capital invested in them becomes what we call productive capital and drives our earnings growth.

STRONG PERFORMANCE

We have averaged 17 per cent growth in earnings per share since our establishment in 2000 based on an average 16 per cent growth in productive capital.

Over the last year we have completed a number of major projects on which capital expenditure has totalled approximately \$2.5 billion.

One of the important projects we have completed this year is the Cullerin Range Wind Farm, a 30 MW wind farm built between Goulburn and Yass in southern New South Wales. This project generates renewable energy credits and helps Origin meet its obligations under the mandatory Renewable Energy Target.

We completed a major expansion of the Mt Stuart Power Station in Townsville, north Queensland where we nearly doubled the capacity of the power station to 414 MW through the addition of a 126 MW GE frame 9E gas turbine. This power station plays an important role in maintaining secure power supplies in far north Queensland and in supporting our Queensland retail business.

In January, we commenced commercial operations at our Kupe Gas Project in New Zealand.

Annual production from Kupe will be around 20 petajoules of natural gas and 90,000 tonnes of LPG. While the amount of condensate or light oil produced will vary over time the project will produce over 18 million barrels of light oil over its life. Origin has a 50 per cent interest in the project which is now an important source of energy, particularly natural gas and LPG, for New Zealand.

We also acquired an additional 36 per cent interest in the Otway Gas Project from Woodside, taking our overall interest in this project to 67 per cent. We are now the operator of this project which is an important source of natural gas for markets in South East Australia and supports our gas retail and power generation interests in this region.

In New Zealand, Contact Energy completed the Te Huka Geothermal Power Station which is providing a new supply of renewable baseload energy for Contact Energy in New Zealand.

At the end of the financial year, we commenced commercial operations of the Darling Downs Power Station.

This is Australia's largest gas fired, combined cycle power station which also supports our electricity retail business in Queensland. With lower carbon emissions than other forms of thermal power generation and being air rather than water cooled, it is one of the most environmentally efficient power stations in Australia.

WELL POSITIONED FOR FUTURE GROWTH

In addition to completing these projects, we made good progress on a number of other projects and initiatives to grow and improve our business. These include:

- The combined development through Australia Pacific LNG, our joint venture with ConocoPhillips, to develop our CSG interests;
- The 550 MW Mortlake Power Station which will support our electricity retail business in Victoria;
- A major investment in new customer systems which will transform our retail business;
- Research and development work on new sources of renewable energy particularly from geothermal energy and solar photovoltaic cells.

I trust that shareholders can see we have made substantial progress in growing our business over the past year and this will contribute to earnings growth in the years ahead.

Over the next year, Origin will continue to pursue a wide range of opportunities to drive continued growth in shareholder value.

First and foremost, we continue to work closely with our partner ConocoPhillips to develop the large CSG resources owned by our joint venture Australia Pacific LNG.

We believe that we have made good progress on securing all the environmental and technical approvals and expect this to be achieved by the end of 2010. We are also in ongoing negotiation with potential customers whose demand is sufficient to trigger a final investment decision on the project.

Shareholders will be aware that the New South Wales government is conducting an asset sales process in respect of its electricity retail assets and capacity rights for generators.

This process continues and Origin expects to submit bids for certain assets on the due date.

This process offers the opportunity for Origin through acquisition to grow substantially its share of end use customers in the Australian Energy Market. Irrespective of the outcome of this process, Origin expects to continue to grow its share of the market – and off the back of this growth to continue to deepen its position through further integration into additional investment in fuel production and power generation.

The Mandatory RET in Australia together with growing demand for renewable energy overseas is also driving substantial opportunities for growth.

Origin has acquired a substantial portfolio of wind development opportunities which we are progressively permitting and could deploy should that prove to be the most effective way to acquire our domestic renewable energy liability.

We do however believe that the intermittency of wind generation, if relied on entirely to meet renewable energy targets, would create challenges for our system of electricity generation and production.

In our opinion, the development of baseload renewable energy would provide a better solution. To this end, we continue our work on developing new and unconventional sources of geothermal energy in the hot basement and sedimentary rocks of the Cooper Basin. This is challenging and risky work but in our opinion a risk worth undertaking.

We also recently announced a project to access some of the largest and most competitive undeveloped hydroelectric resources in the world in the Western Province of Papua New Guinea.

Through development over the last decade of high voltage Direct Current Transmission Technology, it is now possible to connect these resources to the National Electricity Market at Townsville in far north Queensland.

This project would make an enormous contribution to economic development in Papua New Guinea and far north Queensland, make a very large contribution to reducing carbon emissions in the region and facilitate substantial growth in value added processing of Australia's rich endowment of minerals in that region.

Our joint venture with Micron is also making good progress in developing new and competitively priced technology for making solar photovoltaic cells for large scale deployment on a grid connected basis.

At a time when much of the public debate is about what sort of policies should be put in place to encourage new and economic ways of reducing carbon intensity, we are already identifying, securing and investing in these opportunities which can make a major contribution to reducing carbon emissions.

We are also continuing an expanded program of exploration, primarily focussed on gas near markets in this region.

Some elements of this program contain opportunities which if successful could further materially transform our prospects for growth. It is however, important to note that there are some high risk elements in this program which could involve substantial write-offs if unsuccessful.

CONCLUSION

In concluding, we believe that we have delivered substantial increase in value for shareholders through a strategy that has delivered many opportunities to invest capital and thereby grow our Company.

Your Company is in a strong financial position to fund ongoing growth. As we look to the future we can see many opportunities to continue to grow and create increasing value and returns for you, our shareholders.

Thank you.



Grant King
Managing Director

MEETING RESULTS

Each resolution put to the meeting was passed on a show of hands. Details of proxies received prior to the meeting are as follows:

Items of Business	For	Against	Abstain	Open
Resolution 2 – Re-election of Mr Gordon Cairns	398,493,945	2,152,323	930,328	15,820,928
Resolution 3 – Adoption of the Remuneration Report	383,952,868	15,839,141	2,192,236	15,411,760
Resolution 4 – Increase in aggregate cap of Non-Executive Directors' Remuneration	386,429,358	14,255,958	1,357,687	7,371,082
Resolution 5 – Grant of Long Term Incentives to Mr Grant King – Managing Director	380,588,953	20,004,441	1,448,060	7,375,377
Resolution 6 – Grant of Long Term Incentives to Ms Karen Moses – Executive Director	379,779,608	20,325,694	1,462,869	7,410,161
Resolution 7 – Adoption of new constitution	396,974,301	2,441,876	1,665,661	16,315,336
Resolution 8 – Renewal of proportional takeover provisions	397,127,186	2,401,113	1,552,520	16,312,449



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