



To	Company Announcements Office	Facsimile	1300 135 638
Company	ASX Limited	Date	20 January 2012
From	Helen Hardy	Pages	4
Subject	AUSTRALIA PACIFIC LNG AND SINOPEC SIGN BINDING AGREEMENTS FOR FURTHER LNG SUPPLY AND AN INCREASE IN EQUITY TO 25%		

Origin Energy Limited (Origin) advises that Australia Pacific LNG Pty Ltd (Australia Pacific LNG), its incorporated joint venture with ConocoPhillips and Sinopec, has provided the attached update on its signing of binding agreements with Sinopec for additional LNG supply and a further 10% equity interest.

Australia Pacific LNG and Sinopec signed a Subscription Agreement for Sinopec to subscribe for an additional 10% interest in Australia Pacific LNG for a net consideration of US\$1.1 billion. This consideration is set as at 1 January 2011 and will be increased to reflect shareholder contributions between 1 January 2011 and completion.

On completion, the ownership interest of Sinopec in Australia Pacific LNG will be 25%. As a result, ConocoPhillips' and Origin Energy's ownership interests will be reduced to 37.5% respectively.

Further details are contained in the attached release.

Media Release

20 January 2012

Australia Pacific LNG and Sinopec sign binding agreements for further LNG supply and an increase in equity to 25%

Australia Pacific LNG Pty Ltd (Australia Pacific LNG) and Sinopec have today signed an amendment to their existing LNG sales agreement for the supply of an additional 3.3 million tonnes per annum (mtpa) of LNG through to 2035 from Australia Pacific LNG's world-class coal seam gas resources and LNG facility on Curtis Island, Gladstone in Queensland. The signing of this agreement finalises the marketing of the second train.

This agreement increases Sinopec's existing purchase commitment from Australia Pacific LNG from 4.3 mtpa to 7.6 mtpa of LNG, representing the largest LNG supply agreement in Australian history.

The parties have also signed a Subscription Agreement for Sinopec to subscribe for additional shares in Australia Pacific LNG, which on completion will raise Sinopec's ownership interest from 15 per cent to 25 per cent. As a result, ConocoPhillips' and Origin Energy's respective ownership interests will be reduced to 37.5 per cent.

The key commercial terms of the binding agreements announced today are consistent with the terms of existing LNG sales from the project and the Subscription Agreement signed with Sinopec in April 2011.

Chairman of Sinopec, Mr Fu Chengyu, said, "The Sale and Purchase Agreement with Australia Pacific LNG is an important part of Sinopec's energy portfolio, and will help us to ensure long term gas supply for the growing demand in the Chinese market."

ConocoPhillips' Chairman and CEO, Mr Jim Mulva said, "Today is another important milestone for the Australia Pacific LNG project. Reinforcing the strong group of companies overseeing the Australia Pacific LNG project, we are pleased that Sinopec will have an increased shareholding of 25 per cent."

Origin Energy Chairman, Mr Kevin McCann AM said, "The extension of the existing LNG sales agreement between Australia Pacific LNG and Sinopec represents the largest LNG supply agreement in Australian history and is testament to the scale and quality of the project. With the marketing of the second train now complete, Australia Pacific LNG is on track to make a final investment decision on the second train in early 2012."

In April 2011, Australia Pacific LNG and Sinopec signed a sales agreement for 4.3 mtpa of LNG for 20 years from mid-2015 and a Subscription Agreement in which Sinopec subscribed for a 15 per cent equity interest in Australia Pacific LNG. The first train of the project was sanctioned in July 2011, followed by the signing of a binding Heads of Agreement with The Kansai Electric Power Company (Kansai Electric) in November 2011 for the sale and purchase of approximately 1 mtpa of LNG for 20 years from 2016.



The Subscription Agreement is subject to approvals by the Chinese Government and in Australia, the Foreign Investment Review Board and, along with the amendment to the sales agreement, is conditional on Australia Pacific LNG reaching a final investment decision on the second train.

These agreements will build on Australia Pacific LNG's existing domestic business, which currently provides more than 40 per cent of Queensland's existing natural gas requirements. The project stands to create thousands of jobs in regional Queensland and deliver significant opportunities for many of the local communities in which it operates as well as broader economic benefits.

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About Australia Pacific LNG

Australia Pacific LNG Pty Limited is an incorporated joint venture between Origin Energy Limited (37.5%), ConocoPhillips (37.5%) and Sinopec (25%)*. The Australia Pacific LNG project includes the development of Australia Pacific LNG's substantial coal seam gas resources in the Surat and Bowen Basins, a 530 km transmission pipeline, and a multi-train LNG facility on Curtis Island, near Gladstone. The Australia Pacific LNG project was sanctioned in July 2011 for an initial LNG production train and infrastructure to support a second train. www.aplng.com.au

* Ownership interests are subject to completion of the Subscription Agreement which is subject to Australia Pacific LNG reaching a final investment decision on the second train, as well Chinese Government and Australian Foreign Investment Review Board approvals.

About Origin Energy

Origin Energy is the leading Australian integrated energy company focused on gas and oil exploration and production, power generation and energy retailing. Listed in the S&P/ASX 20 Index, the company has more than 5,200 employees, is Australia's largest energy retailer servicing 4.5 million electricity, natural gas and LPG customer accounts, has one of the largest and most flexible generation portfolios in Australia and is a leading producer of gas in eastern Australia. www.originenergy.com.au

About ConocoPhillips

ConocoPhillips is an integrated energy company with interests around the world. Headquartered in Houston, the company had approximately 29,700 employees, US\$155 billion of assets, and US\$247 billion of annualised revenues as of September 30, 2011. www.conocophillips.com

About Sinopec

China Petrochemical Corporation (Sinopec) is a fully integrated energy and chemical enterprise. Its principal business includes: exploring, developing, storing and transporting crude oil and natural gas; producing, transporting, trading and distributing and marketing refined products and chemical products. Sinopec Group is China's largest manufacturer and supplier of petroleum and petrochemical products, and the second



largest producer of crude oil and natural gas. Its refining and ethylene capacity rank No.2 and No.4 globally, and it has the third largest sales and distribution network world-wide. Sinopec Group is also ranked the 5th in Fortune Global 500 in 2011. For more information, please go to www.sinopec.com.

About Kansai Electric Power Co., Inc

Established in 1951, Kansai Electric Power is Japan's second largest utility based in Osaka, with 2011 operating revenue exceeding 2,750 billion yen (approximately US\$34 billion). The company has a generating capacity of greater than 34,000 MW and is providing electricity to more than 13 million customers in Japan's Kansai region. www.kepc.co.jp.