



MANAGING DIRECTOR'S ADDRESS ANNUAL GENERAL MEETING

29 October 2010

Thank you Kevin.

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 eleven years of business;
- 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.

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

Some of the important projects we have completed this year includes the completion of the Cullerin Range Wind Farm which is a 30 MW wind farm built between Goulburn and Yass in southern NSW. 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 Qld 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 PJ of natural gas and 90,000 tonnes of LPG per annum. 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% 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% interest in the Otway Gas Project from Woodside, taking our overall interest in this project to 67%. We are also 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 base load 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.

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 their 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 FID on the project.

Shareholders will be aware that the NSW 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 of these 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 Renewable Energy Target 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 acquit 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 base load 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 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 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.

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.