

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of shareholders of Origin Energy Limited ("the Company") will be held in the Wesley Conference Centre, 220 Pitt Street, Sydney, New South Wales at 10.30am on Friday, 19 October 2001.

ORDINARY BUSINESS

1. To receive and consider the statements of financial position and statements of financial performance of the Company and the entities it controlled during the year for the year ended 30 June 2001 and the reports of the Directors and Auditors thereon.

2. To elect Directors

H Kevin McCann and Dr J Roland Williams, retire by rotation and, being eligible, offer themselves for election.

Details of their qualifications and experience are set out in the attached Explanatory Notes.

SPECIAL BUSINESS

3. Grant of options to Mr Grant A King – Managing Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the grant to Managing Director, Mr Grant A King of options to subscribe for up to 750,000 fully paid ordinary shares in the Company at an exercise price equal to the Origin Energy Market Price and otherwise on the terms as set out in the Explanatory Notes which accompanied the Notice convening this Meeting and the allotment to Mr Grant A King of up to 750,000 fully paid ordinary shares in the Company pursuant to the valid exercise of those options is hereby approved."

4. Grant of options to Mr Bruce G Beeren – Executive Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the grant to Executive Director, Mr Bruce G Beeren of options to subscribe for up to 250,000 fully paid ordinary shares in the Company at an exercise price equal to the Origin Energy Market Price and otherwise on the terms as set out in the Explanatory Notes which accompanied the Notice convening this Meeting and the allotment to Mr Bruce G Beeren of up to 250,000 fully paid ordinary shares in the Company pursuant to the valid exercise of those options is hereby approved."

VOTING EXCLUSION

As required by the Listing Rules of the Australian Stock Exchange Limited, the Company will disregard any vote cast on Resolution 3 by Mr G A King and any associate of Mr King and Resolution 4 by Mr B G Beeren and any associate of Mr Beeren.

The Company has also decided to disregard any votes cast on Resolutions 3 & 4 by any of the Directors and their associates.

However the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. It is the intention of the Chairman of the meeting acting as proxy to cast any such votes in favour of all of the resolutions.

5. Approval for the Issue of Additional Securities

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That subsequent approval be given to the Directors for the issue of additional securities being up to 62,571,605 ordinary fully paid shares as described in the Explanatory Notes which accompanied the Notice convening this Meeting."

VOTING EXCLUSION

As required by the Listing Rules of the Australian Stock Exchange Limited, the Company will disregard any vote cast on Resolution 5 by persons or their associates as follows:

1. Employees participating in the Employee Share Plan
2. Institutional investors participating in the private placement on 18 July 2001

However the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. It is the intention of the Chairman of the meeting acting as proxy to cast any such votes in favour of all of the resolutions.

By order of the Board



W M HUNDY
SECRETARY

SYDNEY, 10 SEPTEMBER 2001

Origin Energy Limited

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Notes

(i) Pursuant to section 1109N of the Corporations Act, the Company has determined that for the purpose of the meeting, all shares in the Company will be taken to be held by the persons who held them as registered shareholders at 7.00pm (Sydney time) on Wednesday, 17 October 2001.

(ii) A member has a right to appoint a proxy. A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of the member's votes each proxy is entitled to exercise.

(iii) A proxy need not be a member of the Company.

(iv) Details for completion and lodgement of proxies are on the reverse side of the Form of Proxy. A proxy must be received by the Company's share registry, ASX Perpetual Registrars Limited, by 10.30 am on Wednesday, 17 October 2001. A proxy may be mailed to ASX Perpetual Registrars Limited at Locked Bag A14, Sydney South NSW 1232, hand delivered to ASX Perpetual Registrars Limited at 580 George Street, Sydney NSW or sent by facsimile to ASX Perpetual Registrars Limited on (02) 8280 7646.

EXPLANATORY NOTES

Resolution 2 –

Candidates for Election as Directors

H KEVIN MCCANN

Mr McCann, 60, joined the Board and was appointed Chairman in February 2000. Mr McCann is Co-Chairman of Allens Arthur Robinson and has practised as a commercial lawyer, specialising in mergers and acquisitions, mineral and resource law, and capital market transactions. He is also Chairman of Healthscope Limited and Triako Resources Limited and a Director of Macquarie Bank Limited and Ambri Limited. He is also a member of the Corporations and Securities Panel, a body which adjudicates takeover disputes in Australia. He is Chairman of the Sydney Harbour Federation Trust, a body established by the Commonwealth of Australia to manage surplus defence land and other assets on the foreshores of Sydney Harbour. Mr McCann has an Arts Degree, a Law Degree (Honours) and a Masters in Law and is a fellow of the Institute of Company Directors in Australia.

J ROLAND WILLIAMS

Dr Williams, 62, joined the Board in February 2000. He retired in June 1999 as Chairman and Chief Executive of Shell Australia. He is Chairman of Australian Magnesium Corporation Limited and Bio21 Australia Limited and a Director of Boral Limited and United Group Limited. Dr Williams holds a Chemical Engineering Degree and a Doctorate of Philosophy.

Resolution 3 –

Grant of options to Mr Grant A King

This resolution is being put to shareholders to obtain shareholder approval for the grant to Mr King of options to subscribe for up to 750,000 fully paid ordinary shares in the Company with an exercise price of equal to the Origin Energy Market Price ("Options") and to the allotment to Mr King of up to 750,000 fully paid ordinary shares in the Company on the exercise of those Options. ASX Listing Rule 10.14.1 requires shareholder approval for the grant of options to Mr King as he is a director of the Company.

Resolution 4 –

Grant of options to Mr Bruce G Beeren

This resolution is being put to shareholders to obtain shareholder approval for the grant to Mr Beeren of options to subscribe for up to 250,000 fully paid ordinary shares in the Company with an exercise price of equal to the Origin Energy Market Price ("Options") and to the allotment to Mr Beeren of up to 250,000 fully paid ordinary shares in the Company on the exercise of those Options. ASX Listing Rule 10.14.1 requires shareholder approval for the grant of options to Mr Beeren as he is a director of the Company.

SUMMARY OF THE TERMS OF THE OPTIONS TO BE GRANTED TO MR GRANT A KING AND MR BRUCE G BEEREN

The Options will be granted pursuant to the Origin Energy Senior Executive Option Plan. The terms of the Options are summarised below.

The exercise price of the Options will be equal to the Origin Energy Market Price. This will be determined by dividing the total of the sale values of the Company's Shares on five trading days prior to the Annual General Meeting (of 12 to 18 October 2001 inclusive) on the stockmarket conducted by ASX (excluding sales reported as special crossings, New Zealand stock exchange purchases or sales, Recognised Stock Exchange (as referred to in the ASX Business Rules) purchases or sales, late or overnight purchases or sales or option exercises on those days under the ASX Business Rules) by the number of the Company's shares the subject of sales on those days.

IF AT ANY TIME DURING THE EXERCISE PERIOD OF THE OPTIONS THE TOTAL SHAREHOLDER RETURN OF THE COMPANY:

THE PERCENTAGE OF OPTIONS WHICH BECOME EXERCISABLE IS:

Does not reach the 50th percentile of the Reference Group	0%
Reaches the 50th percentile of the Reference Group	50%*
Reaches or exceeds the 75th percentile of the Reference Group	100%

* The percentage of options which become exercisable increases proportionately from the 50th percentile up to the 75th percentile.

The exercise of the options will be subject to the achievement of a performance hurdle which will be measured by comparing the performance of the Company with the performance of other companies in which shareholders may potentially invest. This is in line with the approach of other major Australian companies.

Accordingly it is intended that the Options are capable of exercise depending on the maximum Total Shareholder Return of the Company relative to the Total Shareholder Return of a group of companies during the exercise period of the Options. This group of companies (the "Reference Group") consists of not less than 50 companies selected by the Company's Directors from the ASX Top 100.

Determination of Total Shareholder Return will be made on the basis of movements in the share price and dividends, calculated in a similar manner to the Accumulation Index of ASX.

The period over which the Total Shareholder Return of the Company is compared with the Total Shareholder Return of the Reference Group commences 3 years after the grant of the Options.

The percentage of Options capable of exercise is based on a sliding scale as shown in the table above.

Subject to the satisfaction of the exercise hurdle and the terms of the Origin Energy Senior Executive Option Plan, the Options may be exercised at any time after the third anniversary of the grant of the Options and no later than the fifth anniversary.

The Options may also be exercisable at any time or prior to the third anniversary of the grant of the Options, if an acquisition of Origin is made or notice is given of a proposal to make an acquisition of more than 20% of the shares in the Company and on the termination of Mr King or Mr Beeren's employment as a consequence of his death, permanent disablement or other circumstances in which the Company's Board determines in its absolute discretion that the Options should be exercisable.

The Options will lapse if not exercised within the period specified above or in the event that Mr King's or Mr Beeren's employment is terminated for cause.

The Options will be unlisted and will be granted for no consideration. The shares issued on exercise of the Options will rank equally with other ordinary shares from their date of issue. The Company will apply to ASX for official quotation of shares issued on exercise of the Options.

Other terms of the Options relate to the manner of exercise of Options and adjustment for a rights issue, a bonus issue or reconstruction of the Company's share capital, in each such case in accordance with the ASX Listing Rules.

A copy of the rules of the Origin Energy Senior Executive Option Plan may be obtained from the Company's registered office at Level 39, 50 Bridge Street, Sydney, New South Wales.

DIRECTORS' INTERESTS

None of the Directors other than Mr King and Mr Beeren has any interest in the outcome of the proposed resolution except to provide an appropriate incentive to Mr King and Mr Beeren to maximise shareholder wealth.

All of the Directors, other than Mr King and Mr Beeren who will abstain from voting, recommend that you vote in favour of the resolution.

Resolution 5 – Approval for the Issue of Additional Securities

This resolution is being put to shareholders to subsequently approve and ratify the issue of additional securities by Directors over the past six months.

The Directors have issued or expect to issue the following additional ordinary fully paid shares:

453,933
Issued to eligible employees under the Employee Share Plan for no consideration on 15 June 2001.

44,196,526
Issued to institutional investors by private placement as selected by Macquarie Bank Limited for \$2.83 per share on 18 July 2001.

17,921,146
Up to 17,921,146 shares expected to be issued to shareholders under the Share Purchase Plan at a price of \$2.79 per share on 28 September 2001.

62,571,605
Total up to 62,571,605 shares

The funds raised from these issuances will be used to fund the Company's future developments.

The issue of these securities by Directors complies with the Constitution and the ASX Listing Rules. However, the issuance of these securities would limit the ability of the Directors to issue additional securities up to the maximum allowable under Listing Rule 7.1 over the 12 month period to 28 September 2002.

Accordingly, approval of shareholders is sought which will enable Directors to issue additional securities up to 15% of the shares currently on issue together with up to 17,921,146 shares to be issued on or about 28 September 2001 under the Share Purchase Plan as permitted by ASX Listing Rules over the 12 months from the Annual General Meeting.

The Directors will advise the General Meeting of the number of shares issued under the Share Purchase Plan.

Other than under the Employee Share Plan and the Share Purchase Plan, there is no present intention of the Directors to issue additional securities. The passing of the resolution will however, give the Directors flexibility to enable additional securities to be issued should an opportunity arise that requires the issue of additional share capital over the next 12 months.

DIRECTORS' INTERESTS

None of the Directors has any interest in the outcome of the resolution other than to assist the capital management of the Company.

The Directors unanimously recommend that shareholders approve the resolution.