



March 2010 Quarterly Production Report

Origin Energy Limited: Exploration and Production business report for the Quarter ended 31 March 2010

Summary Table

Comparative performance at a glance - Origin's total proportional interests			
YTD Comparison	July 2009 - March 2010	July 2008 - March 2009	Change %
Production (PJe)	73.5	79.2	(7)
Revenue (A\$m)	428.5	436.6	(2)
Quarterly Comparison	Mar Quarter 2010	Dec Quarter 2009	Change %
Production (PJe)	24.0	23.8	1
Revenue (A\$m)	142.4	135.4	5
Corresponding Period Comparison	Mar Quarter 2010	Mar Quarter 2009	Change %
Production (PJe)	24.0	22.1	9
Revenue (A\$m)	142.4	119.9	19

Note: Information presented in the table above and throughout this report relates only to hydrocarbon exploration and production activities undertaken by Origin Energy Limited (Origin), its subsidiaries and the incorporated joint ventures in which it has interests. It includes Origin's proportional interest in production and revenue from its 50% interest in the Australia Pacific LNG Pty Limited (Australia Pacific LNG or APLNG) incorporated joint venture. The report does not cover other business activities of Origin such as electricity generation or energy retailing.

Highlights

- Production and Sales Revenues for the year to date to March 2010 were 7% and 2% respectively lower than in the year to date to March 2009 primarily due to the 50% dilution of Origin's interest in Australia Pacific LNG.
- Production and Sales Revenue for the March Quarter 2010 were 9% and 19% respectively higher than in the March Quarter 2009 primarily due to increased production from New Zealand, the Otway Gas Project and the coal seam gas fields and higher liquids prices.
- The Kupe Gas Project in the Taranaki Basin, New Zealand was officially opened and commenced supplying gas under long term contracts.
- Origin completed a transaction to acquire an additional 36.48% interest in the Otway Gas Project in the offshore Otway Basin for \$520 million on 16 March 2010.
- Australia Pacific LNG and QGC have agreed a framework for the development of jointly owned coal seam gas tenements ATP 648P and ATP 620P in South East Queensland and entered into conditional gas sales agreements to support the development of both Australia Pacific LNG and QGC's LNG projects.
- The Queensland Coordinator General has released Australia Pacific LNG's Environmental Impact Statement (EIS) for its CSG to LNG project for public comment.
- In the Bass Basin, the Rockhopper 1/ST1 well appraised the southern extension of the oil and gas field discovered by Rockhopper 1. The commercial significance of the discovery is being evaluated.
- Origin reached agreement with Anadarko Petroleum Corporation whereby that company will earn a 50% interest in PEP38262 in the offshore Canterbury Basin, New Zealand, by contributing to the drilling of a well.

Significant events and influences during the Quarter included:

- **Kupe Gas Project:** The Kupe production station was officially opened on 18 March 2010 with the long-term gas supply arrangements with Genesis Energy taking effect four days later. During the Quarter, the project produced 4.0 PJe (Origin's share) in gas, light crude (condensate) and LPG.
- **Australia Pacific LNG:** Origin's interest in existing CSG operations (with the exception of ATP 788P) is held through Australia Pacific LNG in which Origin has a 50% interest.
 - The Environmental Impact Statement (EIS) prepared by Australia Pacific LNG for the multi-train CSG to LNG project was released by the Queensland Coordinator General on 29 March 2010 for public comment. Submissions close on 4 May 2010.
 - An active drilling program has continued to mature reserves and add to production capabilities. Production capacity has continued to increase in preparation for supply to the Darling Downs and Rio Tinto contracts, with low pressure and high pressure compressors now operational at the Talinga plant allowing for direct export of gas from this facility. Australia Pacific LNG's production capacity now exceeds 275 TJ/d.
- **Otway Gas Project:** The sale of Woodside Energy's 51.55% interest in the Otway asset to Origin and Benaris was completed on 16 March 2010. The sale resulted in Origin increasing its interest by 36.48% to 67.23% in the production licences T/L2, T/L3 and Vic/L23 and the exploration permits T/30P and Vic/P43 and by 51.55% to 82.30% in exploration permit T/34P. Operatorship will pass to Origin over the next few months subject to regulatory approvals. The purchase price, adjusted for the estimated net impact of capex costs and earnings between the effective date and completion, was \$520 million.
- **BassGas Project:** A scheduled shut-down for well workovers and plant maintenance continued through the entire Quarter. Adverse weather conditions caused the shutdown to be extended with start up of the gas plant beginning on 2 April 2010.
- **Cooper Basin:** Wet weather and flood events have significantly impacted Cooper Basin activities and the production of hydrocarbons, particularly oil, during the Quarter.
- **Drilling Activities:**
 - **Offshore Drilling Program:** Operations on the Rockhopper 1 gas and oil discovery well were completed. A sidetrack well, Rockhopper 1/ST1, was drilled to a location approximately 1.3 km to the south to test the extent of the field in that direction. Rockhopper 1/ST1 also intersected a number of hydrocarbon bearing zones and the results of the two wells are being evaluated.
 - **Australia Pacific LNG:** During the Quarter, Australia Pacific LNG participated in 52 wells including 9 development wells (all in Fairview) and 43 exploration/appraisal wells (including 30 in Australia Pacific LNG operated areas).
 - **Cooper Basin:** Origin participated in 3 wells (1 oil development well and 2 gas development wells). The oil development well has been cased and suspended as a future producer but the drilling of the other wells have been suspended due to flooding.
 - **Perth Basin:** The Weatherford 826 drilling rig has been contracted to drill up to 3 wells as a follow-up to the Redback South 1 discovery, commencing in April 2010.
 - **Khorat Basin (Thailand and Lao PDR):** Bang Nouan-1, a farmin well under the agreement with Salamander Energy, commenced drilling in the Savannakhet PSC (Lao PDR) in late February 2010.

Acquisitions/Divestments:

- On 24 February 2010, Origin and Anadarko Petroleum Corporation executed an agreement for the latter to farm in to a 50% interest in PEP 38262 in the offshore Canterbury Basin, New Zealand, by contributing to an exploration well. On 4 March 2010, Anadarko also advised they would exercise the option to purchase a 50% interest in the neighbouring permit, PEP 38264. The terms of both transactions require the transfer of operatorship in each permit to Anadarko.

Post Report Date Events:

Production ramp up at the BassGas facility continued until the 8 April 2010. Production is initially from Yolla-4 only, which is currently producing at a rate of around 50 TJ/d. Wireline operations have resumed at Yolla-3 where equipment used to isolate the well during the maintenance operations needs to be retrieved before production can recommence.

Origin Energy, on behalf of the L11 Joint Venture, advises that it has commenced operations for the drilling of the Redback 2 exploration well on 23 April 2010.

1. PRODUCTION, SALES AND REVENUE

In late October 2008 Origin completed a transaction with ConocoPhillips (COP) whereby that company acquired a 50% interest in an incorporated CSG to LNG joint venture known as Australia Pacific LNG. The upstream interests included in this incorporated joint venture included all the CSG exploration and production tenements held at that time by Origin, together with its interests in conventional oil and gas tenements in the Denison Trough. Origin is the operator of all the upstream activities undertaken by Australia Pacific LNG.

In the tables below Origin's historical production from its CSG and Denison Trough assets to the end of October 2008 is included in the lines *Coal Seam Gas* and *Denison Trough* respectively. From November 2008 Origin's 50% proportional interest in production from those assets is reported in the line *APLNG (CSG and Denison Trough)*. A separate table (Table 1.3.3) is also provided which shows the aggregated production, sales and revenue across all products for Origin's proportional interest in Australia Pacific LNG.

1.1 Production by Product and Area (including 50% interest in APLNG)

Natural Gas and Ethane	Unit	This Quarter	Previous Quarter	Mar		YTD 2009/10	YTD 2008/09
				% Change	Quarter 2009		
Natural Gas	PJ						
Coal Seam Gas		-	-	-	-	-	17.0
Denison Trough		-	-	-	-	-	1.6
APLNG (CSG and Denison Trough)		8.3	7.8	6	7.4	25.2	11.7
SA Cooper & SWQ		3.3	4.0	(18)	4.3	11.5	13.9
Otway Basin (offshore)		4.8	3.7	30	3.5	13.6	12.7
Bass Basin		-	1.2	(100)	1.8	3.5	5.4
Surat Basin		0.4	2.6	(83)	0.1	3.1	1.3
Perth Basin		0.5	0.5	(13)	0.7	1.8	2.7
Taranaki Basin (onshore)		0.2	0.3	(30)	0.4	0.8	1.2
Taranaki Basin (offshore)		2.2	0.4	507	-	2.6	-
Otway Basin (onshore)		-	-	-	-	-	0.1
Ethane	PJ						
SA Cooper & SWQ		0.4	0.2	49	0.3	0.9	0.9
Total Production		20.1	20.7	(3)	18.5	63.0	68.5
Total Sales Volume		21.9	21.8	1	19.8	67.8	70.8
Total Sales Revenue	\$M	77.0	76.2	1	65.4	241.3	244.1
Average Gas Price	\$/GJ	3.52	3.50	0	3.30	3.56	3.45
Crude Oil	Unit	This Quarter	Previous Quarter	Mar		YTD 2009/10	YTD 2008/09
				% Change	Quarter 2009		
Crude Oil	kbbls						
SA Cooper & SWQ		61.4	100.7	(39)	112.9	255.4	335.1
Surat Basin		8.8	9.2	(5)	9.3	27.5	30.7
Perth Basin		45.3	52.4	(13)	67.0	151.2	244.0
Taranaki Basin (onshore)		30.1	37.9	(18)	32.0	94.7	71.1
Total Production		145.6	200.2	(27)	221.2	528.8	680.9
Total Sales Volume		230.2	352.2	(35)	325.9	924.7	1004.6
Total Sales Revenue	\$M	19.4	32.6	(40)	24.1	82.4	90.7
Average Crude Price	\$/bbl	84.35	92.55	(9)	73.95	87.22	90.28

Condensate/Naphtha	Unit	This Quarter	Previous Quarter	Mar % Change	Quarter 2009	YTD 2009/10	YTD 2008/09
Condensate/Naphtha	kbbls						
Denison Trough		-	-	-	-	-	1.0
APLNG (Denison Trough)		0.3	0.2	77	0.2	0.8	1.0
SA Cooper & SWQ		49.0	62.7	(22)	61.9	170.1	213.0
Otway Basin (offshore)		50.8	39.4	29	37.9	137.2	138.1
Bass Basin		-	49.6	-	73.4	141.7	224.9
Surat Basin		6.1	7.7	(21)	13.6	22.6	36.0
Perth Basin		0.7	0.6	7	1.1	2.3	4.6
Taranaki Basin (onshore)		-	-	-	-	-	4.6
Taranaki Basin (offshore)		248.2	46.7	531	-	294.9	-
Otway Basin (onshore)		-	-	-	-	-	0.9
Total Production		355.1	206.9	72	188.1	769.6	624.1
Total Sales Volume		344.9	185.2	86	206.1	772.2	634.6
Total Sales Revenue	\$M	28.0	13.1	114	13.5	57.3	47.7
Average Condensate Price	\$/bbl	81.20	70.82	15	65.50	71.43	75.17

LPG	Unit	This Quarter	Previous Quarter	Mar % Change	Quarter 2009	YTD 2009/10	YTD 2008/09
LPG	Kt						
SA Cooper & SWQ		7.2	8.0	(10)	8.4	24.2	26.6
Otway Basin (offshore)		6.1	4.9	25	4.3	16.8	15.8
Bass Basin		0	3.6	-	4.5	10.4	14.8
Surat Basin		1.2	1.6	(22)	2.7	4.5	6.9
Taranaki Basin (onshore)		0.3	0.4	(27)	0.5	1.3	1.6
Taranaki Basin (offshore)		6.1	0.5	1,220	-	6.6	-
Total Production		20.9	19.0	10	20.4	63.8	65.7
Total Sales Volume		22.0	18.3	20	27.9	63.8	70.2
Total Sales Revenue	\$M	18.0	13.6	33	16.8	47.7	54.0
Average LPG Price	\$/t	819.5	743.0	10	602.2	746.9	769.2

1.2 Production by Basin (including 50% of APLNG production)

Production by Basin (All products, PJe)	Unit	This Quarter	Previous Quarter	Mar		YTD 2009/10	YTD 2008/09
				% Change	Quarter 2009		
Production by Basin	PJe						
Coal Seam Gas		-	-	-	-	-	17.0
Denison Trough		-	-	-	-	-	1.6
APLNG (CSG and Denison Trough)		8.3	7.8	6	7.4	25.2	11.7
SA Cooper & SWQ		4.6	5.5	(17)	6.0	15.9	19.3
Otway Basin (offshore)		5.4	4.1	32	4.3	15.2	14.2
Bass Basin		-	1.6	-	2.4	4.8	7.4
Surat Basin		0.6	2.8	(79)	0.3	3.6	2.0
Perth Basin		0.7	0.8	(13)	1.1	2.7	4.2
Taranaki Basin (onshore)		0.4	0.5	(25)	0.6	1.4	1.7
Taranaki Basin (offshore)		4.0	0.7	471	-	4.7	-
Otway Basin (onshore)		-	-	-	-	-	0.1
Total		24.0	23.8	1	22.1	73.5	79.2

1.3 Production, Sales Volumes and Revenue Summaries

1.3.1 Origin including 50% interest in APLNG

Total All Products	Unit	This Quarter	Previous Quarter	Mar		YTD 2009/10	YTD 2008/09
				% Change	Quarter 2009		
Production (all products)	PJe	24.0	23.8	1	22.1	73.5	79.2
Sales (all products)	PJe	26.3	25.7	2	24.2	80.6	83.5
Total Revenue	\$M	142.4	135.4	5	119.9	428.5	436.6

1.3.2 Origin excluding 50% interest in APLNG

Total All Products	Unit	This Quarter	Previous Quarter	Mar		YTD 2009/10	YTD 2008/09
				% Change	Quarter 2009		
Production (all products)	PJe	15.7	16.0	(2)	14.7	48.3	67.5
Sales (all products)	PJe	18.5	17.2	7	16.2	54.2	70.6
Total Sales Revenue	\$M	118.8	109.3	9	94.0	344.4	395.6

1.3.3 Origin's 50% interest in APLNG

Total All Products	Unit	This Quarter	Previous Quarter	Mar		YTD 2009/10	YTD 2008/09
				% Change	Quarter 2009		
Production (all products)	PJe	8.3	7.8	6	7.4	25.2	11.7
Sales (all products)	PJe	7.8	8.5	(8)	8.0	26.4	12.8
Total Sales Revenue	\$M	23.7	26.2	(10)	25.9	84.2	41.0

1.4 Internal and External Purchase and Sales Summary

1.4.1 Internal and External Sales (Origin excluding 50% interest in APLNG)

Internal & External Sales Volumes	Unit	This Quarter	Previous Quarter	Mar % Change	Mar Quarter 2009	YTD 2009/10	YTD 2008/09
Total Sales Volume	PJe						
Internal		7.1	8.8	(19)	7.7	24.8	30.4
External		11.3	8.4	35	8.5	29.4	40.4
Total		18.5	17.2	7	16.2	54.2	70.6

1.4.2 External Purchases

Product Purchases included in above sales	Unit	This Quarter	Previous Quarter	Mar % Change	Mar Quarter 2009	YTD 2009/10	YTD 2008/09
Origin (excluding 50% interest in APLNG)		1.3	1.7	(22)	1.7	4.3	2.9
Origin's 50% interest in APLNG		0.2	0.9	(77)	0.9	2.1	1.5
Total		1.5	2.6	(42)	2.6	5.4	4.4

Note: Current Quarter production figures for some non-operated areas may include preliminary production data for the last month of the Quarter. Where actual production volumes only became available after the report date for that Quarter, previous Quarter figures have been amended to reflect this.

1.5 Production and Sales Summary

Year to date to 31 March 2010 compared with the year to date to 31 March 2009

On a proportional interest basis, Total Production from upstream ventures in which Origin has an economic interest decreased by 7% from 79.2 PJe to 73.5 PJe. This was primarily attributable to the dilution of Origin's share of CSG and Denison Trough production as a result of the Australia Pacific LNG transaction. The planned maintenance outage at the BassGas facilities and the combined impact of field decline and extensive flooding in the Cooper Basin were the other main contributing influences. These declines were somewhat offset by production from the new Kupe Gas Project and continuing increases in CSG production.

Sales Volumes and Revenue fell by only 3% and 2% respectively reflecting increased third party product purchases and improved natural gas pricing. Liquids prices were generally marginally lower.

March Quarter 2010 compared with March Quarter 2009

Total Production in the March Quarter 2010 increased 9% from 22.1 PJe to 24.0 PJe compared with the March Quarter 2009. The main increases were attributable to the Kupe Gas Project (+4.0 PJe), the Otway Gas Project (+ 1.1 PJe) and Australia Pacific LNG (+0.9 PJe Origin share). The increases were partially offset by the planned shutdown and maintenance at the BassGas Project (-2.4 PJe), the combined impact of field decline and extensive flooding in the Cooper Basin (-1.4 PJe), and declining production in the Perth Basin (-0.4 PJe) and onshore Taranaki Basin (-0.2 PJe).

Sales Volumes and Revenues increased by 9% and 19% respectively with the revenues reflecting much stronger product prices for crude oil and gas liquids.

March Quarter 2010 compared with December Quarter 2009

Total Production was 1% higher in the March Quarter 2010. This included increased production from Australia Pacific LNG (+0.5 PJe) and the Kupe Gas Project (+3.3 PJe) and a greater interest and overlifting in the Otway Gas Project (+1.3 PJe). The increase was achieved despite the BassGas Project being off line throughout the Quarter (-1.6 PJe), the combined impact of field decline and extensive flooding in the Cooper Basin (-0.9 PJe) and a fall in recorded production in the Surat Basin (-2.2 PJe) where the figures in the previous Quarter included the sale of 2.6 PJ of stored gas.

Sales Volumes and Revenue increased by 2% and 5% respectively. The Sales Volumes were largely in line with production while the increase in Revenue reflected improved LPG and condensate prices and the significant lift in condensate sales.

2. DEVELOPMENT

2.1 Coal Seam Gas (Interests held through Australia Pacific LNG)

All of Origin's producing interests in CSG are held through Australia Pacific LNG.

Australia Pacific LNG has awarded two key contracts for upstream activities for its CSG to LNG project. The contract for design, engineering, procurement and early works activity during the planning stages in respect to the 450 km main pipeline was awarded to McConnell Dowell Constructors and the upstream facilities contract was awarded to the Boulderstone Bilfinger Berger Services Joint Venture. Both these agreements include key engineering, procurement and construction contract terms and are scalable to include the entire pipeline and a portion of the gas production facilities.

On 29 January Australia Pacific LNG lodged its draft Environmental Impact Statement (EIS) for its CSG to LNG project with the Queensland Government. The EIS was assessed for compliance with the Terms of Reference set by the Coordinator General and released for public consultation. Submissions close on 4 May 2010.

On 25 February Australia Pacific LNG and QGC announced a framework agreement for the development of jointly owned CSG tenements ATP 648P and ATP 620P in South East Queensland and entered into conditional gas sales agreements to support the development of both Australia Pacific LNG and QGC's LNG projects.

The field development framework provides mechanisms to progress the technical design and conditions for field development for the jointly owned resources in permits ATP 648P (Australia Pacific LNG interest 31.25%) and ATP 620P (Australia Pacific LNG interest 40.625%).

The gas sales agreements will assist in the efficient development of reserves and management of gas production to support the development of both Australia Pacific LNG and QGC's LNG projects. They also open an export channel for part of Australia Pacific LNG's gas resource and bring forward its monetisation.

Australia Pacific LNG expects to sell around 190 PJ to QGC over an initial period of around 2 years. Annual volumes sold to QGC will reduce to an average of around 25 PJ for the remainder of the initial 20 year contract period, with the balance of Australia Pacific LNG's share of production from the permits expected to supply its own LNG development. QGC holds two contract extension options, each with a 5 year term. The agreement remains conditional on QGC making a Final Investment Decision on the QCLNG project.

During the March 2010 Quarter, total production averaged 184 TJ/d. At the end of

the period, the production capacity exceeded 275 TJ/d. As the Darling Downs Power Station continues its commissioning phase, the supply of gas from the CSG fields is expected to progressively increase during the June 2010 Quarter.

2.1.1 *Spring Gully*

The Spring Gully gas plants achieved gross peak gas sales of 128 TJ/d during the Quarter with 149 wells contributing to production.

No new wells were brought online during the Quarter. Six wells remain to be brought online to complete Phase 5 of the Spring Gully development at which time total project deliverability is expected to exceed the targeted 150 TJ/d.

The Phase 6 development of the Spring Gully field, which includes the drilling of a further 31 wells and a new export gas pipeline and is designed to increase the overall Spring Gully capacity to 180 TJ/d, is progressing.

2.1.2 *Fairview*

The field has achieved gross peak sales of 126 TJ/d (Australia Pacific LNG share 30 TJ/d) as a result of the Phase 2 infrastructure expansion.

Nine development wells were drilled in the Fairview field.

2.1.3 *Peat*

No significant activity during the Quarter.

2.1.4 *Talinga/Orana*

During the Quarter, a further 14 development wells were brought online (31 online to date) and peak gas sales from Talinga has now increased to 31 TJ/d. A total of 56 development wells have been drilled to date of a planned development program of 98 wells.

The second stage of the Talinga gas sales plant was commissioned meaning that both low pressure and high pressure compressors are on line and the plant is exporting sales gas directly to the Wallumbilla pipeline. The Talinga gas plant now has a sales capacity of 90 TJ/d which will be fully utilised once the planned development wells are drilled and tied in. The development also includes a reverse osmosis water treatment plant and supporting infrastructure capable of processing 20 megalitres of water per day.

2.1.5 *Argyle/Kenya/Lauren/Bellevue*

No new development wells were drilled in the ATP 620P fields during the Quarter.

The Kenya sales gas plant continued to achieve gross peak sales of around 53 TJ/d (Australia Pacific LNG share 22 TJ/d).

2.2 Denison Trough (Conventional) (Interests held through Australia Pacific LNG)

A planned Yellowbank CTP shutdown was completed in March 2010 for scheduled maintenance and safety inspections.

Water production from the Glentulloch wells has increased significantly and, as a result, Glentulloch-Merivale pipeline pigging was performed daily to maintain production.

Well workovers initially planned for March 2010 were delayed due to heavy rain and

subsequent floods and are now scheduled for May 2010.

2.3 Cooper/Eromanga Basin (South Australia/Queensland)

Several major wet weather and flood events have significantly impacted Cooper Basin activities and hydrocarbon production during the Quarter. The impact has been geographically widespread with a majority of field infrastructure and leases inundated by water.

Origin participated in the drilling of one oil development well, which was cased and suspended as a future producer. Oil production was impacted by extensive flooding and as a result, the implementation of any projects to arrest natural oil decline are expected to be delayed until late in the June 2010 Quarter.

Drilling operations on two gas development wells were commenced during this Quarter but are currently suspended due to flooding.

2.4 Offshore Otway Basin (Victoria/Tasmania)

Gross natural gas production from the Otway Gas Project was 11.7 PJ for the Quarter, of which Origin lifted 4.85 PJ. Origin's lifted share of production equates to 41% of total production for the period.

The inlet compression project remains on track for start up in the first Quarter of 2011. Factory acceptance testing of the compressor package was completed and at time of this report the package was in transit to Australia. The turbine package was received into Melbourne storage.

Following the completion of the transaction with Woodside on 16 March 2010, Origin's interest in the project increased to 67%.

2.5 Bass Basin (Tasmania)

A planned shutdown of the BassGas facilities commenced on 22 November 2009 and maintenance activities were undertaken on the onshore gas plant, the offshore production platform and producing wells. The shutdown was extended due to adverse weather conditions and is expected to be completed by early April 2010 (the gas plant has recommenced production on 2 April 2010.) The wireline work on Yolla 3 could not be completed prior to start up and consequently production began with Yolla 4 only. Wireline work on Yolla 3 is expected to begin in late April or early May 2010 to bring the second well back into production.

The \$345 million Yolla Mid-Life Enhancement (MLE) project was progressed during the Quarter with review and planning in respect of long lead time items. The MLE project will involve the upgrade of the offshore production facilities and will include conversion of the platform to a manned facility and the drilling of two additional development wells, Yolla 5 and 6.

2.6 Taranaki Basin (New Zealand)

2.6.1 *Kupe Gas Project*

The Kupe gas and oil field began production in December 2009 and the product sales have been recognised as revenue since 1 January 2010. The Kupe production station was officially opened on 18 March 2010 and on 22 March the long-term gas supply arrangements with Genesis Energy took effect. Sales gas, LPG and light crude (condensate) are now being produced and marketed. Three tanker liftings of Kupe light crude from Port Taranaki were completed during the Quarter.

2.6.2 *Tariki/Ahuroa/Waihapa/Ngaere (TAWN) and Rimu/Kauri*

The drilling of Kauri F4 commenced on 30 March 2010. Kauri F4 is the first of a three development well drilling program targeting the Manutahi oil reservoir. The three wells will all be drilled from the Kauri F site with deviated well paths to different reservoir target locations. The wells will be completed with gravel pack completions for sand control.

Work on the Ahuroa Gas Storage project, being developed on behalf of Contact Energy, continued during the Quarter. Ahuroa 5 was sidetracked to a new bottom hole location and became Ahuroa 5 ST1. The Ahuroa 3 well was connected and the injection/withdrawal wells, Ahuroa 4 (completed having been commenced in the previous Quarter) and Ahuroa 5 ST1, were drilled, cased and completed. Front end engineering and design (FEED) progressed on the next stage of development of the project.

2.7 Surat Basin (Queensland)

The majority of the gas produced from Origin's Surat Basin fields continues to be re-injected to storage reservoirs after stripping of gas liquids. Severe local flooding during this Quarter has impacted production, sales, and scheduled development work activities.

2.8 Onshore Perth Basin (Western Australia)

2.8.1 *Beharra Springs*

Gas production during the Quarter averaged 6.5 TJ/d gross (4.3 TJ/d net to Origin). The gas market has softened in the last month and this has reduced nominations.

2.8.2 *Hovea/Eremia/Xyris*

Production averaged 512 bopd gross for the March 2010 Quarter (256 bopd net to Origin). The Hovea 8 well's water-cut has significantly increased over the Quarter and may impact the overall field recovery.

Gas production from the Xyris plant has declined to an average 1.7 TJ/d gross (0.9 TJ/d net to Origin). The Xyris plant will be shut-in from 1 April 2010 due to low gas demand.

2.8.3 *Jingemia*

Jingemia produced at an average of 503 bopd (248 bopd net to Origin) and continued to experience natural production decline during the Quarter.

3. EXPLORATION

3.1 Coal Seam Gas (Interests held through Australia Pacific LNG)

All of Origin's interests in CSG (with the exception of the ATP 788P) are held through Australia Pacific LNG.

3.1.1 *Surat Basin CSG*

Thirty exploration/appraisal wells (17 pilot wells, 6 production/DST wells and 7 core wells) were drilled in Australia Pacific LNG's operated Walloons permits during the Quarter. This strategic drilling of exploration and appraisal wells was undertaken to mature (in conjunction with production pilots) reserves across the

Walloons project area.

In addition to drilling, Australia Pacific LNG's pilot production testing programme continued throughout the Quarter within several of the operated Walloons permits.

The Ramyard six-well pilot (ATP 972P) and the Pine Hills six-well pilot (ATP 606P) were brought into production during the Quarter with dewatering ongoing.

Facilities for the Horse Creek 8 (ATP 972P) and Woleebee East 2 (PL 209) single-well pilots were also completed with both projects commissioned and performance is being monitored.

Production from the two well Combabula pilot (ATP 606P) is ongoing with an expanded pilot due to be drilled in the June 2010 Quarter comprising an additional ten wells.

The Lucky Gully pilot pond (ATP 606P) has been completed with work continuing on the gathering system. Fracture stimulation of selected wells and completion of all the wells is expected some time during the next two Quarters.

Drilling of the Zig Zag (ATP663P), Waar Waar (ATP 633P) and Reedy Creek (ATP 606P) seven-well pilots was completed during the Quarter with completion of the wells due in the September 2010 Quarter.

Fracture stimulation activities were also performed within the Dalwogan pilot (PL 216(A)) to improve coal permeabilities for enhanced water and gas production. Continuation of the fracture stimulation programme is planned to continue across all of Australia Pacific LNG's Walloons permits throughout the remainder of 2010 and into 2011.

In Australia Pacific LNG's non-operated Walloon ATP 648P permit area, seven pilot wells were drilled. In addition, the non-operated ATP 631P had one exploration corehole drilled within it.

The Pathfinder 2D seismic survey is in the final stages of interpretation with the results expected to assist in understanding the geological elements of ATP 606P, ATP 972P and ATP 973P permit areas.

3.1.2 *Bowen Basin CSG*

There was no exploration activity in Australia Pacific LNG's operated permits in the Spring Gully field and associated areas during the Quarter.

In Australia Pacific LNG's non-operated Comet Ridge permits, five exploration/appraisal core holes were drilled.

3.1.3 *Denison Trough CSG*

No exploration activity to report in this Quarter.

3.1.4 *Galilee Basin CSG*

Desorption and coal analysis work continued on cores obtained in drilling in the previous Quarter.

3.2 CSG - Interests held directly by Origin (ATP 788P)

A total of 22 well sites were scouted during the Quarter with the expectation of the drilling and production testing of 3 multi-well pilots and one single-well pilot across the permit commencing in May 2010.

3.3 Cooper/Eromanga Basin (South Australia/Queensland)

No exploration activities were undertaken in this Quarter.

3.4 Offshore Otway Basin (Victoria/Tasmania)

No significant activity to report. Origin will assume the operatorship from Woodside Energy subject to regulatory approvals.

3.5 Bass Basin (Tasmania)

Wireline logging operations were completed on the Rockhopper 1 exploration well drilled to total depth in the previous Quarter. The well was then sidetracked to a total depth of 3,482m MD to intersect the hydrocarbon bearing reservoir sections approximately 1.3 km south and down-dip from their penetration in Rockhopper 1 and to assess the potential volume of oil and gas discovered.

In Rockhopper 1/ST1, the prospective target reservoirs were encountered between 40m and 60m deeper than in Rockhopper 1. Consistent with the results in Rockhopper 1, these sands varied in thickness between 1m and 9m. An extensive wireline probe sampling program was undertaken and recovered oil from 2 sandstones and formation water from another. Dual packer testing confirmed that several of the sands are of low permeability and it was not possible to obtain formation fluids from them. However, reliable pressures were obtained from other sands and a mixture of filtrate and formation water was recovered from two. All data gathered in the two wells will now be analysed and integrated with seismic mapping to derive volumes of oil and gas in the Rockhopper structure. This process is expected to take some months. It remains too early to comment on the commercial significance of this new field discovery.

The Silvereve prospect has been approved to be drilled by the T/44P Joint Venture. The well will be drilled using the Kan Tan IV semi-submersible drilling rig later in 2010.

3.6 Taranaki Basin (New Zealand)

A comprehensive seismic reprocessing project covering the TAWN area has been progressed. Reprocessing of some 90 sq km of 3D seismic data over the Waihapa-Ngaere area has been completed. Reprocessing of approximately 580 km of 2D seismic data in the Tarihi, Ahuroa and Ngaere areas is in progress. This new data will be used to better define the fields and to assess the near-field opportunities.

A review of the exploration and appraisal potential of the Kupe permit, PML 38416, is being undertaken.

3.7 Surat Basin (Queensland)

During the Quarter, depth structure maps of the Mardi 2D seismic survey data in the Mardi-Eluanbrook area of ATP 754P were completed to delineate possible drilling opportunities.

3.8 Onshore Perth Basin (Western Australia)

A contract has been signed with Weatherford for 2 wells (Redback 2 and Wolf 1) with an option for a third well. Redback 2 is expected to spud late April 2010.

3.9 Bonaparte Basin, Western Australia/Northern Territory

No significant activity to report.

3.10 Offshore Northland Basin (New Zealand)

Preparations for a drilling campaign in PEP 38619 continued. Various delays in the drilling campaign by the Kan Tan IV semi-submersible drilling rig means that the two wells are now scheduled to be drilled in June-July 2010.

3.11 Offshore Canterbury Basin (New Zealand)

The full prestack depth migration of the 1,150 sq km Waka 3D Marine Seismic Survey in PEP 38262 was completed.

3.12 Offshore Lamu Basin (Kenya)

Processing of the 800 sq km Mbawa 3D marine survey, which was acquired in December 2009, is being undertaken.

3.13 Song Hong Basin (Vietnam)

Interpretation of recently reprocessed 2D seismic data in Block 121 is in progress. A contract has been awarded for the acquisition of 1,964 km of 2D seismic data. This survey is planned to be conducted in June 2010 Quarter. Planning is also in progress for the acquisition of a 3D seismic survey in the second half of 2010.

3.14 Vinh Chau Graben (Vietnam)

Planning is in progress for the drilling of 2 farmin wells in Blocks 31 and DBSCL-01 in the September Quarter 2010 following the farmin agreement with Salamander Energy.

3.15 Khorat Basin (Thailand and Lao PDR)

Bang Nouan-1, a farmin well under the agreement with Salamander Energy, commenced drilling in the Savannakhet PSC (Lao PDR) and was approaching the primary objective at end of the Quarter.

Interpretation of 3D seismic data is in progress in Block L15/50 (Thailand) and it is anticipated that 2 additional farmin wells will be drilled in late 2010/early 2011.

4. DRILLING ACTIVITY

4.1 Exploration/Appraisal

The tables below summarises the exploration and appraisal drilling undertaken during the Quarter:

Well	Basin/Area	Target	Origin effective Interest %	Well Status
Condabri 12	Surat Basin - Qld	CSG	50.00	Prod/DST
Condabri 13	Surat Basin - Qld	CSG	50.00	Prod/DST
Gilbert Gully 3	Surat Basin - Qld	CSG	50.00	Pilot
Gilbert Gully 7	Surat Basin - Qld	CSG	50.00	Pilot
Gilbert Gully 8	Surat Basin - Qld	CSG	50.00	Core
Meeleebee 5	Surat Basin - Qld	CSG	46.36	Core
Muggleton 4	Surat Basin - Qld	CSG	46.36	Prod/DST
Muggleton 6	Surat Basin - Qld	CSG	46.36	Prod/DST
Ramyard 7	Surat Basin - Qld	CSG	46.36	Prod/DST
Reedy Creek 3	Surat Basin - Qld	CSG	46.36	Pilot
Reedy Creek 6J	Surat Basin - Qld	CSG	46.36	Pilot
Reedy Creek 6T	Surat Basin - Qld	CSG	46.36	Pilot
Reedy Creek 7	Surat Basin - Qld	CSG	46.36	Pilot
Reedy Creek 8	Surat Basin - Qld	CSG	46.36	Pilot
Waar Waar 11	Surat Basin - Qld	CSG	50.00	Prod/DST
Waar Waar 14	Surat Basin - Qld	CSG	50.00	Pilot
Waar Waar 15	Surat Basin - Qld	CSG	50.00	Pilot
Waar Waar 16J	Surat Basin - Qld	CSG	50.00	Pilot
Waar Waar 16T	Surat Basin - Qld	CSG	50.00	Pilot
Waar Waar 17	Surat Basin - Qld	CSG	50.00	Pilot
Waar Waar 18	Surat Basin - Qld	CSG	50.00	Pilot
Waar Waar 19	Surat Basin - Qld	CSG	50.00	Core
Waar Waar 5	Surat Basin - Qld	CSG	50.00	Core
Waar Waar 7	Surat Basin - Qld	CSG	50.00	Core
Zig Zag 10	Surat Basin - Qld	CSG	50.00	Pilot
Zig Zag 11J	Surat Basin - Qld	CSG	50.00	Pilot
Zig Zag 13	Surat Basin - Qld	CSG	50.00	Pilot
Zig Zag 14	Surat Basin - Qld	CSG	50.00	Core
Zig Zag 7	Surat Basin - Qld	CSG	50.00	Core
Zig Zag 9	Surat Basin - Qld	CSG	50.00	Pilot
Basalt Creek North 1A	Bowen Basin - Qld	CSG	11.965	Core
Clematis Creek 4	Bowen Basin - Qld	CSG	11.965	Core
Fairview 119 OB1	Bowen Basin - Qld	CSG	11.965	Core
Fairview 149 OB1	Bowen Basin - Qld	CSG	11.965	Core
Fairview 208 OB1	Bowen Basin - Qld	CSG	11.965	Core
Glendower 7	Surat Basin - Qld	CSG	15.625	Pilot
Kenya East 25	Surat Basin - Qld	CSG	15.625	Pilot
Kenya East 28	Surat Basin - Qld	CSG	15.625	Pilot
Sean 10	Surat Basin - Qld	CSG	15.625	Pilot
Sean 12	Surat Basin - Qld	CSG	15.625	Pilot
Sean 8	Surat Basin - Qld	CSG	15.625	Pilot
Sean 9	Surat Basin - Qld	CSG	15.625	Pilot
Tchanning 2	Surat Basin - Qld	CSG	9.048	Core
Rockhopper 1	Bass Basin - Tas	Gas	39.00	P&A, Oil & Gas
Rockhopper 1/ST1	Bass Basin - Tas	Gas	39.00	P&A, Oil & Gas
Bang Nouan 1	Khorat Plateau - Lao PDR	Gas	30.00	In progress

4.2 Development

The tables below summarises the development drilling undertaken during the Quarter:

Well	Basin/Area	Target	Origin effective Interest %	Well Status
Ahuroa 5	Onshore Taranaki - NZ	Gas	0*	Gas inj. - sidetracked
Ahuroa 5 ST1	Onshore Taranaki - NZ	Gas	0*	C&S, Gas inj.
Kauri-F4	Onshore Taranaki - NZ	Oil	100	In progress
Narcoonowie 10	Cooper/Eromanga - SA	Oil	10.536	C&S, Oil
Coonatie 16	Cooper/Eromanga -SA	Gas	10.536	Suspended - (flooding)
Coonatie 17	Cooper/Eromanga - SA	Gas	10.536	Suspended - (flooding)
Fairview 51A	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 178 RE	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 340	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 341	Bowen Basin - Qld	CSG	11.965	P&A
Fairview 341 ST1	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 497	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 498	Bowen Basin - Qld	CSG	11.965	P&A
Fairview 498 ST1	Bowen Basin - Qld	CSG	11.965	C&S
Fairview 500	Bowen Basin - Qld	CSG	11.965	C&S

* Drilled by Origin on behalf of Contact Energy

5. ACQUISITIONS/DIVESTMENTS

During the Quarter:

- On 24 February 2010, Origin and Anadarko Petroleum Corporation executed an agreement for the latter to farm in to a 50% interest in PEP 38262 in the offshore Canterbury Basin, New Zealand by contributing to the drilling of an exploration well. On 4 March 2010, Anadarko also advised they would exercise the option to purchase a 50% interest in the neighbouring permit PEP38264. The terms of both transactions require the transfer of operatorship in each permit to Anadarko.
- On 16 March 2010, Origin completed its transaction with Woodside Energy Limited in which it acquired a 36.48% interest in the production licences T/L2 (Thylacine), T/L3 (Thylacine South) and Vic/L23 (Geographe) and the exploration permits, T/30P and Vic/P43 and a 51.55% interest in the exploration permit, T/34P. The adjusted price was A\$520 million.
- The transaction with AusAm Resources whereby Origin has acquired a 24.748% interest in the Bainbilla Block of ATP471P has completed. The purchase price was A\$412,500
- Origin has sold its 49.189% interest in EP413, onshore Perth Basin, to Norwest Energy NL for A\$87,500, subject to Government approval.
- Applications have been made for PLA 279 (ex ATP648P) in which APLNG will hold a 31.25% title interest and for PLAs 281 and 282 (ex ATP631P) in which APLNG will hold an 18.0965% beneficial interest.

6. EXPLORATION AND DEVELOPMENT EXPENDITURE

E & D

Expenditure

Australian

Operations

A\$'000	This Quarter	Previous Quarter	% Change	Mar Quarter 2009	YTD 2009/10	YTD 2008/09
Exploration/ Appraisal	37,290	47,860	22	11,158	92,096	37,787
Development/ Plant	21,884	52,840	59	48,079	100,187	272,179
Total	59,174	100,700	41	59,237	192,283	309,966

The above expenditure includes Origin's contribution to the exploration and development of its CSG interests up until completion of the Australia Pacific LNG transaction in October 2008. Following completion of this transaction, ConocoPhillips is funding the capital expenditure within the Australia Pacific LNG joint venture up to a cumulative total of A\$2.3 billion leading up to a final investment decision in the proposed LNG development. Origin has therefore not contributed to this stage of the extensive ongoing CSG capital expenditure program since completion of the Australia Pacific LNG transaction.

E & D Expenditure

New Zealand

Operations

NZ\$'000	This Quarter	Previous Quarter	% Change	Mar Quarter 2009	YTD 2009/10	YTD 2008/09
Exploration/ Appraisal	245	609	60	42,517	854	59,257
Development/ Plant	18,385	27,322	33	47,989	89,334	121,494
Total	18,630	27,931	33	90,506	90,188	180,751

E & D Expenditure

International

A\$'000	This Quarter	Previous Quarter	% Change	Mar Quarter 2009	YTD 2009/10	YTD 2008/09
Exploration/ Appraisal	14,606	6,761	(116)	15	21,838	15
Development/ Plant	-	-	-	-	-	-
Total	14,606	6,761	(116)	15	21,838	15

includes all expenditure outside Australia and New Zealand, including Origin's interests in Kenya and South East Asia

Note: E&D Expenditure excludes acquisitions.

7. ORIGIN'S INTERESTS

7.1 Origin held interests in the following permits during the Quarter:

Basin/Project Area	Permits (Origin current interest) (* Denotes Operatorship)
Australia	
<i>Surat Basin (Qld)</i>	PL 14 (100%*); PLs 56 and 74 (69%*); PL 30 (75%*); PLs 21, 22, 27 and 64 (87.5%*); PLs 53, 174 and 227 (100%*); ATP 470P Redcap (90%*); ATP 470P Formosa Downs (42.7192%*); PL 71 (Production) (90%*); PL 71 (Exploration) (72%*); PL 70 (100%*) and PL 264 (90%*); ATP 471P Weribone Pooling Area (50.64%*); ATP 336P and PLs 10W, 11W, 12W, 28, 69 and 89 (46.25%); PL 11W Snake Creek East 1 Exclusion Zone (25%); ATP 647P (Block 2656 only) (50%*); ATP 754P (50%*); ATP788P Deeps (25%*); and ATP471P Bainbilla (24.748%)
<i>CSG (Qld)</i>	ATP788P Shallows (100%*)
<i>Onshore Otway Basin</i>	
- SA	PRL 13 (50%) (subject to transfer to Adelaide Energy Ltd)
- Victoria	PPLs 6 and 9 and PRL 1 (90%*); PPLs 4, 5, 7, 10 and 12 (100%*); PPL 2 (Ex. Iona) (100%*); PPL 8 (100%*)
<i>Offshore Otway Basin</i>	
- Victoria	VIC/L23 and VIC/P43 (67.23%*); VIC/RL2(V) (100%*)
- Tasmania	T/L2, T/L3 and T/30P (67.23%*); T/34P (82.3%*)
<i>Bass Basin (Tasmania)</i>	T/L1 and T/RL1 (42.5%*); T/18P (39.0%*); and T/44P (60%*)
<i>Onshore Perth Basin (WA)</i>	EP 320 and L11 (67%*); L14 (49.189%*); EP 413 (49.189%*) (sale to Norwest Energy NL pending); and L1/L2 (excluding Dongara, Mondarra and Yardarino) (50%)
<i>Offshore Bonaparte (WA/NT)</i>	NT/RL1 and WA6R (5%)
<i>Cooper Basin</i>	
- Qld	SWQ Unit Subleases (16.7375%); Aquitaine A & B Blocks and associated PLs (25%); Aquitaine C Block and associated PLs (27%); and Wareena Block and associated PLs (10%)
- SA	SA Unit PPLs (13.19%); Patchawarra East Block PPLs (10.536%); Reg Sprigg West Unit (PPLs 194 and 211) (7.902%)
New Zealand	
Taranaki Basin	PMP 38151, PMP 38155, PML 38138, PML 38139, PML 38140 and PML 38141 (100%*) and PML 38140 (below base of Tikorangi Formation) and PML 38141 (below base of Tikorangi Formation) (50%*); PML 38146 (50%*) and PEP 38485 (33.333%)
Northlands Basin	PEP 38619 (100%*)
Canterbury Basin	PEP 38262 and 38264 (50%*) (subject to farmin by Anadarko)
Kenya	
Lamu Basin	L8 and L9 (75%*)
Vietnam	
Song Hong Basin	Block 121 (100%*)
Vinh Chau Graben	Block 31 (25%) and Block DBSCL-01 (25%) (subject to farmin agreement with Salamander)
Thailand	
Khorat Plateau	L15/50 and L26/50 (40%) (subject to farmin agreement with Salamander)
Laos	
Khorat Plateau	Savannahket PSC (30%) (subject to farmin agreement with Salamander)

7.2 Australia Pacific LNG held interests in the following permits during the Quarter:

Australia Pacific LNG (formerly known as Origin Energy CSG Limited) holds interests in the permits listed below. The interests denote Origin's effective interest in the permits - being 50% of the interest held by Australia Pacific LNG.

Basin/Project Area	Permits (Origin current effective interest) (* Denotes Operatorship)
Australia	
<i>Denison Trough (Qld)</i>	PLs 41, 42, 43, 44, 45, 54, 67, 173, 183 and 218 (25%*); ATP 337P (25%); ATP 337P Mahalo (15%); and ATP 553P (25%)
<i>Galilee Basin (Qld)</i>	ATPs 666P, 667P and 668P (50%*)
<i>CSG (Qld)</i>	
- <i>Spring Gully</i>	PLs 195 and 203 and ATP 592P (47.25%*); PL 204 (49.8625%*); and PL 200 (47.8552%*)
- <i>Fairview</i>	PLs 90, 91, 92, 99, 100, 232, 233, 234, 235 and 236 and ATP 526P (11.965%)
- <i>Peat</i>	PL 101 (50%*)
- <i>Argyle/Kenya/Lauren/Bellevue</i>	PLs 179, 180, 228, 229 and 263(A) and ATP 620P Shallows (20.3125%); ATP 610P Shallows and PL 247 (14.6875%); and ATP 648P Shallows, PL 257(A), PL 273(A), PL 274(A), PL 275(A), PL 278(A) and PL 279(A) (15.625%)
- <i>Talinga/Orana</i>	PLs 209, 215, 226, 216(A), 225(A), 272(A) and 289(A) and ATP 692P (50%*)
- <i>Other(Bowen Basin)</i>	PLs 219 and 220 (50%*); ATP 653P and ATP 745P (11.925%); and ATP 804P (14.6491%)
- <i>Other (Surat Basin)</i>	ATP 606P and PL 297(A)(46.3581%*); ATP 631P and PL 281(A) and PL 282(A) (9.04825%); ATP 663P (50%*); ATP 702P, PLs 265(A), 266(A) and 267(A) (50%*); ATP 972P (46.3581%*) and ATP 973P (50%*) (ATP 847P has been split into ATPs 972P and 973P, subject to EA approval)

8. CONVERSION FACTORS AND ABBREVIATIONS

8.1 Conversion Factors

Crude oil	0.00583	PJ/kbbls
Condensate	0.00541	PJ/kbbls
LPG	0.0493	PJ/ktonnes
Ethane	0.0517	PJ/ktonnes

8.2 Abbreviations

APLNG	Australia Pacific LNG - a 50:50 incorporated Joint Venture between Origin Energy and ConocoPhillips
barrels	an international measure of oil production. 1 barrel = 159 litres
bopd	barrels of oil per day
bwpd	barrels of water per day
C&C	cased and completed
C&S	cased and suspended
CSG	coal seam gas
CTU	coiled tubing unit
DA	designated authority
EA	environmental authority
GJ	Gigajoule = 10 ⁹ joules
joule	a measure of energy
Kbbls	Kilo barrels = 1,000 barrels

Ktonnes	Kilo tonnes = 1,000 tonnes
LNG	liquefied natural gas
LPG	liquid petroleum gas
mmscfd	million standard cubic feet per day
P&A	plugged and abandoned
P&S	plugged and suspended
PCA	potential commercial area
PSC	production sharing contract
PSDM	post stack depth migration (seismic processing)
PJ	petajoule = 10^{15} joules
PJe	petajoule equivalent, a measure used to express the volume of different petroleum products on the basis of the energy contained in the product
Spudding	to commence drilling a well
TD	total depth
TJ	terajoule = 10^{12} joules
TJ/d	terajoules per day
Water Inj	water injection well