

Report for the Quarter ended 30 June 2004 To the Australian Stock Exchange

Origin Energy Limited (Origin) hereby submits this Quarterly report to the Australian Stock Exchange which covers the activities of wholly owned subsidiaries Origin Energy Resources Limited and Origin Energy CSG Limited.

Total Sales Volumes for the Quarter were 21.03 petajoules equivalent (PJe), up 3.8 PJe from the March quarter but 0.6 PJe or 3% lower than sales in the corresponding Quarter last year. The main factors impacting sales have been:

- Constrained production from the Cooper Basin following the fire in the Moomba Liquids Recovery Plant in January. Gas production capabilities have now returned to normal levels while production and sales of liquid hydrocarbons are expected to return to normal levels in early August.
- Oil sales from the Perth Basin were essentially flat between the June and March Quarters at around 3800 barrels of oil per day (bopd) net to Origin due to delays in drilling and connecting Jingemia 4, and the shut-in of Eremia due to high water cut and temporary usage of the facilities for gas production testing. Oil sales from the Perth Basin were, however, 66% higher than the corresponding period last year

Significant events and influences during the Quarter included:

- Following the fire in the Moomba Liquids Recovery Plant (LRP), the LRP Train-A was reinstated on 1 June 2004 enabling production of ethane, propane and butane to resume at approximately 70% of normal capacity. Full liquids production is expected to be achieved with the reinstatement of the LRP Train-B in early August 2004. Since the incident, crude and condensate have been commingled and sold as light crude oil.
- Fifteen wells (6 exploration, 1 appraisal, 8 development) were drilled in the Cooper Basin. Twelve of these were successful and were cased and suspended as future producers (7 gas, 3 oil and 2 oil and gas).
- In the Perth Basin, the appraisal well, Jingemia 4, was drilled on the Jingemia field. On clean-up, a flow rate of around 3500 bopd was indicated. When fully commissioned Jingemia 4 is expected to lift the production from the Hovea, Eremia and Jingemia fields towards 10,000 bopd (Origin share 5000 bopd). A production licence was granted over the Jingemia field.
- The exploration program in the Perth Basin brought further success with Apium 1 (2.4 MMscfd) and Tarantula 1 (rate not determined) both recording gas flows. The Xyris 1 well which was drilled in the previous Quarter flowed at an estimated rate of 15.5 MMscfd.
- The Tarantula 1 well experienced an uncontrolled gas flow on 10 June, 2004, which was eventually contained by well control experts on 23 June, 2004. Emergency response procedures were in place throughout the incident. The site was successfully secured and water deluge equipment was deployed to ensure the gas

stream did not ignite. In the process of securing the site four contractor personnel received scalding injuries from hot mud and required first aid treatment.

- Activities were commenced during the Quarter for the permanent shut down of gas production from the Tubridgi field. This is expected to occur during third Quarter of 2004. Total production for the year ended 30 June 2004 was 1.1 PJ, with an additional 3.8 PJ bought and on-sold from the offshore Griffin field. Sales of Griffin gas will not be impacted by closure of the Tubridgi field.
- In total Origin participated in 21 CSG wells in its Queensland permits during the Quarter. This included 15 development wells on the Spring Gully Project, two non-operated appraisal wells on the Fairview field, two slimhole exploration wells in ATP 337P (Bandanna play) and one slimhole exploration well in ATP 663P (Walloons play). Drilling operations on a well in ATP 653 were also completed. Production testing at the Spring Gully Project and Talinga Project continued during the Quarter. Origin increased its interest in the Spring Gully project and a number of CSG exploration permits.
- In the Surat Basin, Queensland, Horseshoe 3 recorded a flow rate of 3.5 MMscfd from the Rewan Formation. Two other wells, Weribone 2 and Palmerston 1, flowed gas at sub-commercial rates.
- In May 2004, the Otway Joint Venture approved the program and budget for Phase 1 of the Thylacine/Geographe field development (initially involving the Thylacine field only). Contracts were awarded in respect of the platform, subsea pipeline, shore crossing and gas plant.
- Development drilling on the Yolla field commenced in June 2004. Some delays are being experienced with the electrical and instrumentation system connections at the onshore gas processing plant at Lang Lang. It is likely that this work will not be completed by the end of September as planned, but will be completed early in the following quarter in readiness for acceptance of hydrocarbons from the offshore facilities.
- The contract to perform Front End Engineering Design for the offshore platform, raw gas pipeline and onshore gas plant for the Kupe field, New Zealand, was awarded to Worley.
- Planning is at an advanced stage in respect of drilling a number of key offshore exploration wells in T/18P (Trefoil 1) WA-226-P (Fiddich 1) and Vic/P37(V) (two wells) in the latter half of 2004.
- Agreement was reached with a number of companies on the sale of Origin's interests in four permits in the onshore Otway Basin. Origin has withdrawn from a further two permits in this area and will farm down its interest in another permit.

Post Report Date Events

- On 21 July 2004 Origin announced that it had entered into an agreement to acquire interests in a number of exploration and production tenements in the onshore Otway Basin near Port Campbell in Victoria. Certain assets within the agreement are subject to pre-emptive rights by joint venture parties. For further information refer to the ASX release by Origin Energy dated 21 July 2004 “Origin acquires interests in onshore Otway permits from Santos”.
- As prognosed the Yolla 4 development well encountered three main gas zones in the Paleocene Eastern View Coal Measures (EVCM). A new hydrocarbon-bearing sand was encountered above these gas zones and wireline logs and pressures indicate the presence of a 10 metre oil column with 5 metres of net sand.
- The Agonis 1 gas exploration well, located midway between the Xyris and Mondarra gas fields commenced drilling on 1 July 2004. The well has encountered elevated gas readings in the Dongara Sandstone which will be further evaluated once the well has reached total depth.

Report for the Quarter ended 30 June 2004

1. SALES

The share of product sold during the Quarter is summarised as follows:

Sales Volumes

Product	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2002/03	YTD 2003/04	YTD 2002/03
Natural Gas		PJ					
SA Cooper & SWQ		8.52	6.05		9.55	33.62	37.80
Otway Basin		1.65	1.13		1.26	5.88	6.61
Perth Basin		0.52	0.52		0.60	2.17	2.78
Carnarvon Basin		0.97	0.75		1.49	4.88	6.69
Coal Seam Gas		2.45	2.24		2.22	9.22	9.04
Surat / Denison		2.98	2.86		2.90	11.49	11.05
USA		-	-		0.01	-	0.03
Total		17.09	13.55	26%	18.03	67.26	73.99
Crude Oil		kbbls					
SA Cooper & SWQ		202.52	120.01		113.58	572.57	408.42
Surat / Denison		15.40	15.82		10.67	88.95	47.28
Perth Basin		348.62	347.37		210.93	1,237.81	396.73
USA		-	-		(0.24)	-	1.34
Total		566.54	483.19	17%	334.94	1,899.32	853.77
Condensate/naphtha		kbbls					
SA Cooper & SWQ		-	19.27		120.54	344.69	564.23
Otway Basin		7.17	6.97		7.33	29.26	29.90
Perth Basin		0.86	0.87		1.13	3.65	5.70
Surat / Denison		14.73	19.70		12.26	56.01	44.42
Total		22.76	46.81	-51%	141.26	433.61	644.25

Product	Unit	This Quarter	Previous Quarter	% Change	4th Quarter 2002/03	YTD 2003/04	YTD 2002/03
LPG	ktonnes						
SA Cooper & SWQ		1.78	3.96		8.65	39.74	53.74
Surat / Denison		2.14	2.85		1.94	9.18	8.59
Total		3.93	6.81	-42%	10.59	48.92	62.33
Ethane	ktonnes						
SA Cooper & SWQ		6.25	5.04		7.27	35.18	35.46
Total		6.25	5.04	24%	7.27	35.18	35.46
Total Sales	PJE						
Internal		6.08	4.23		3.47	18.41	15.72
External		14.95	12.99		18.17	66.50	71.65
Total		21.03	17.22		21.64	84.91	87.36
Sales Revenue	A\$'000						
External		64,836	54,284	19%	69,659	281,418	286,313
<u>Sales Volume by Basin (PJE)</u>							
SA Cooper & SWQ		10.11	7.31		11.68	42.60	47.71
Otway Basin		1.69	1.18		1.30	6.04	6.77
Perth Basin		2.56	2.55		1.84	9.40	5.11
Carnarvon Basin		0.97	0.75		1.49	4.88	6.69
Coal Seam Gas		2.45	2.24		2.22	9.22	9.04
Surat / Denison		3.26	3.21		3.12	12.77	11.98
USA		-	-		0.00	-	0.03
Total		21.03	17.22	22%	21.64	84.91	87.36

Conversion factors :

Crude oil	5.83	PJ/million bbls
Condensate	5.41	PJ/million bbls
LPG	49.3	PJ/million tonnes
Ethane	51.7	PJ/million tonnes

2. MARKETING AND DEVELOPMENT ACTIVITIES

2.1 South Australia

2.1.1 Cooper/Eromanga Basin

SA Unit Area (Interest 13.19%)

Production of crude, condensate, ethane and LPG during the Quarter continued to be constrained as a result of the fire that occurred in the Moomba Liquids Recovery Plant processing plant on 1 January 2004.

Since the 1 January 2004 incident, crude and condensate had been commingled and sold as a light crude oil. On 1 June 2004, Santos announced that it had successfully reinstated LRP Train-A, one of two liquids recovery plants at the Moomba plant. Both the A and B liquids recovery trains had not been operating since being damaged in the 1 January 2004 fire.

The reinstatement of LRP Train-A enabled the resumption of production of ethane, propane and butane to around 70% of normal capacity. The reinstatement of LRP-B is expected to be completed by early August and this will enable full liquids production to resume.

Two oil development wells, Merrimelia 47 and 51, were drilled during the Quarter. Both were cased and suspended as future Murta oil producers. These are the first two wells of a five well program to develop the Murta oil reservoir in the Merrimelia field.

Four gas development wells, Raven 3, Kidman North 3, Nephrite South 4 and Strzelecki 29 were drilled during the Quarter and all were cased and suspended as future Permian gas producers. The Strzelecki 14 well was deepened to the top of the Toolachee Formation. The basal Toolachee reservoir will be drilled during the fourth Quarter 2004 underbalanced with a coiled tubing unit.

Patchawarra East Block (Interest 10.536%)

The Moolion 3 gas development well was drilled during the Quarter. The well was cased and suspended as a future Toolachee and Epsilon formation gas producer.

Reg Sprigg 3, a Patchawarra East Block oil appraisal well, which was cased and suspended as a Tinchoo and Panning oil producer during March 2004, was completed during the Quarter and has free flowed oil to surface at up to 1500 barrels of oil per day into a temporary tank facility.

2.1.2 Otway Basin

**PPL 62 (Interest 75.7143%, Katnook area gas fields (Operator)),
PPL 168, PPL 202 (Interest 75.7143%, Redman gas field (Operator))**

No significant activity during the Quarter.

2.2 Queensland

2.2.1 Cooper/Eromanga Basin

ATP 259P - SWQ Unit (Interest 16.7375%)

No significant activity during the Quarter.

ATP 259P (Block Interests 10-27%)

No significant activity during the Quarter.

2.2.2 Surat Basin

PLs 30, 56 & 74 (Interest 69% (Operator) in PLs 56 and 74; and 75% (Operator) in PL 30)

No significant activity during the Quarter.

PLs 53 and 174 (Interest 100% (Operator))

A 3D seismic survey covering the majority of PL 174 and the eastern ATP 375P continued during the Quarter. This project is aimed at assessing the potential of the Rewan and Tinowon plays in this area. Acquisition of the 3D seismic survey should be completed during third Quarter of 2004. There have been numerous delays on this project due to wet weather.

PLs 70 & 71 (Interest 90% (Operator) in PL 71; and 100% (Operator) in PL 70)

No significant activity during the Quarter.

PLs 10W, 11W, 12W, 28, 69 & 89 (Interest 46.25%); Snake Creek East Exclusion Zone (Interest 25.0%)

No significant activity during the Quarter.

PLs 21, 22, 27 & 64 (Interest 87.5% (Operator))

No significant activity during the Quarter.

PL 14 (Interest 100% (Operator))

No significant activity during the Quarter.

2.2.3 Bowen Basin (* denotes CSG permit(s))

PLs 41, 42, 43, 44, 45, 54, 67, 173 & 183 Interest 50% (Production Operator)

No significant activity during the Quarter.

PL 94 * (Interest 100% (Operator))

PL 94 Sublease * (north of latitude 24°37'20"S) (Interest 50% Operator)

No significant activity to report.

PL 101 * (Interest 100% (Operator))

No significant activity to report.

PLs 90, 91, 92, 99, 100 (Fairview) * (Interest 23.93%)

Two appraisal wells were drilled during the Quarter. Both were suspended awaiting future operations to stimulate the coal production zones.

PLs 195, 200, 203 and 204* Spring Gully (Interest 94.505% in PL 195 and PL 203 (Operator); 95.7097% in PL 200 (Operator); 99.725 % in PL 204 (Operator))

During the Quarter two new Petroleum Leases were granted over the southern portions of the Spring Gully field. PL 203 was granted from within ATP 592P and PL 200 was granted covering the whole of ATP 623P.

The current pre-production drilling program continued with a further fifteen wells drilled. Approximately half of these wells are yet to have the target coal zone drilled out prior to cavitation. Cavitation operations resulted in favourable well final flow rates ranging from 2.01 MMscfd and 2652 barrels of water a day from Durham Ranch 48 to 5.69 MMscfd and 720 barrels of water a day from Durham Ranch 25.

Construction of infield development pipelines commenced during the Quarter. Contracts for major long lead items and construction contracts for pipeline and civils progressed. The field is due to be commissioned in July 2005.

Origin increased its equity in these PLs by between 0.2% and 5.1% by purchasing minor parties' interests.

2.3 Western Australia

2.3.1 Perth Basin

L11 (Interest 67.0%, Beharra Springs gas field (Operator))

No significant activity during the Quarter.

L1/L2 (Excluding Dongara, Mondarra and Yardarino gas fields) (Interest 50%, Hovea and Eremia oil fields)

At the end of the Quarter the Hovea Production Facility was producing at approximately 6000 to 6500 barrels of oil per day. The production was from Hovea 4, 7 and 8 with the Eremia field having been temporarily shut-in during May 2004 due to high water cut and temporary usage of the facilities for gas production testing. Production from the Hovea field was subsequently increased to offset the loss of Eremia production. At the end of the Quarter artificial lift was being installed which, in conjunction with the recently commissioned water handling system and increases in reservoir pressure from water injection, is expected to enable recommencement of production from the Eremia field and Hovea 3 in the short term.

Planning is continuing for the drilling of a Hovea 11 appraisal/development well in the south of the field during the third Quarter of 2004.

L14 (Interest 49.189%, Jingemia oil field (Operator))

A Production Licence over the Jingemia Field (L14) was awarded effective 18 June 2004 for an initial period of 21 years.

The appraisal / development well, Jingemia 4, commenced on 23 April 2004 and reached a total depth of 2522 metres on 9 May 2004. Three cores were successfully cut through the entire Dongara Sandstone and Wagina Formation section, with 100% recovery. Interpretation of the cores and wireline logs indicate that Jingemia 4 intersected the Dongara Sandstone approximately 16 metres updip of Jingemia 1. At least 29 metres of oil saturated Dongara Sandstone, with good to excellent reservoir characteristics, are interpreted in the well. The underlying Wagina Formation contains minor fluorescence and is considered likely to possess low permeability, potentially forming a basal seal to the oil column.

During clean up of the well an indicative flow rate of 3500 barrels of oil per day was recorded.

During the Quarter, water was produced from Jingemia 1. As a result the water injection system was shutdown pending commissioning of the water handling facilities and connection of Jingemia 4. As a result of the shutdown of the water injection system, oil production at the end of the Quarter was approximately 1000 barrels of oil per day.

Design of the Jingemia facilities for permanent, long term production continued with construction ongoing at the end of the Quarter. The water handling system is forecast to be on line and Jingemia 4 connected in July 2004 which is expected to result in increased oil production from the field.

Oil produced is being trucked and sold to the BP Refinery at Kwinana, south of Perth.

2.3.2 Carnarvon Basin

L9 (Interest 56.65%, Tubridgi gas field (Operator))

Following tropical cyclone Monty in early March 2004 production from the Tubridgi field has reduced due to an inability to restart production from some wells.

As a consequence, activities were commenced during the Quarter for the permanent shut down of the Tubridgi field production. This is expected to occur during third Quarter of 2004.

Sales of gas produced from Tubridgi amounted to 1.1 PJ for the year ended June 2004. The remaining sales reported from this area (3.8 PJ) represent the onsale of gas from the Griffin Field. Gas gathering activities related to the purchase and on sale of gas production from the offshore Griffin field will not be impacted by the shut down of production from the Tubridgi field.

2.4 Victoria

2.4.1 Otway Basin

PPL 8 (Interest 100%, Dunbar gas field (Operator))

No significant activity during the Quarter.

PPL 2 (Interest 100%, Iona gas field excluding Iona gas reservoir (Operator))

No significant activity during the Quarter.

VIC/P43 (Interest 29.75%, Geographe and Thylacine Development)

Development activity continued for the Geographe (Vic/P43) and Thylacine (T/30P) fields.

Commonwealth environmental approval for the proposed development was received during April 2004, together with offers of Production Licences over the Thylacine and Geographe fields. The offers of T/L2 and Vic/L23 have been accepted and grant of the PLs is awaited (subsequently awarded with effect from 1 July 2004).

On 22 May 2004, the Otway Joint Venture unanimously approved the program and budget for Phase 1 of field development. Separate Exploration and Development Joint Operating Agreements were executed simultaneously, together with a Gas Balancing Agreement and a Tie-in and Access Agreement.

Subsequently, contracts for the production facilities were awarded, and detailed design and procurement activity has commenced on the platform, subsea pipeline, shore crossing and gas plant.

Condensate marketing activity continued through the Quarter.

2.5 Tasmania

2.5.1 Otway Basin

T/30P (Interest 29.75%)

Development activity continued for the Thylacine (T/30P) and Geographe (Vic/P43) fields. (Refer Vic/P43 in 2.4.1 above.)

2.5.2 Bass Basin

T/L1 (Interest 37.5% (Operator))

Drilling of the first development well, Yolla 4, was commenced in June 2004. Testing of this well is expected to be completed in late July 2004 and will be followed by the drilling of the Yolla 3 well.

Construction activities relating to the BassGas Project are nearing completion. Some rectification work on the offshore platform pipework is being actioned in readiness for the introduction of hydrocarbons from the Yolla 4 well.

Some delays are being experienced with the electrical and instrumentation system connections and final loop-testing at the onshore gas processing plant at Lang Lang. This is primarily due to weather related factors affecting productivity of the workforce. It is likely that this work will not be completed as planned in the September quarter, but will be completed early in the following quarter in readiness for acceptance of hydrocarbons from the offshore facilities.

2.6 Northern Territory/Western Australia

2.6.1 Bonaparte Basin

WA-6-R, NT/RL1 (Interest 5%)

The Operator (Santos) continues with marketing efforts to commercialise the Petrel field. Discussions have continued with potential customers and the Designated Authority during the Quarter.

2.7 New Zealand

2.7.1 Offshore Taranaki Basin

PML 38146 (Interest 50% (Operator))

Following a competitive tender process, Worley has been awarded the contract to perform the Front End Engineering Design for the offshore platform, raw gas pipeline and onshore gas plant.

A sea-bed survey for the offshore pipeline route has been successfully completed.

Offers have been received from organizations that may be able to process the raw Kupe gas using existing facilities which would remove the need to construct a new onshore gas processing facility. These offers are being evaluated.

3. EXPLORATION ACTIVITIES

3.1 South Australia

3.1.1 Cooper/Eromanga Basin

SA Unit Area (Interest 13.19%)

No gas exploration wells were drilled during the Quarter.

The Millswood 1 near field exploration (NFE) oil well was drilled with the primary objectives being the Namur Sandstone and the basal Birkhead/Hutton sandstone, and was later deepened into the Permian section where net gas pay was interpreted in the Patchawarra Formation. The well was cased and suspended and a testing program is being considered by the Operator prior to the well being connected for production from the Patchawarra Formation.

The Caladan 4 NFE oil well was drilled during April/May 2004. The primary objective of the well was the Hutton Sandstone. No significant shows were recorded and no resistivity anomalies observed. The well was plugged and abandoned.

The Merrimelia 45, 46 and 52 NFE oil wells were drilled during June 2004 with primary objectives in the Namur Sandstone and basal Birkhead/Hutton Sandstone.

Merrimelia 45 was cased and suspended as a potential Westbourne and basal Birkhead oil producer, while a small gas zone interpreted in the Poolowanna Formation may be perforated after oil production has ceased.

Well log analysis of the Merrimelia 46 well in the northern region of the Merrimelia field indicates approximately 4 metres and 6 metres of net oil pay in the McKinlay/Namur and basal Birkhead sandstones respectively. The well was cased and suspended as a future oil producer.

Oil shows were observed in the Merrimelia 52 well over the Murta Member, but a DST indicated the Murta Member is tight in this region of the field. The well was subsequently plugged and abandoned.

Patchawarra East Block (Interest 10.536%)

The Reg Sprigg West 1 oil exploration well was drilled during the Quarter, straddling the boundary with PEL 90. DST 1 tested a gas sandstone in the Panning Member, which flowed at an estimated 5-10 MMscfd of condensate rich gas, while DST's over the Wimma Sandstone, recovered 26 barrels of oil and 3 barrels water cushion and 39 barrels of formation water. The well was cased and suspended as a future Tinchoo oil producer and may also be completed as a Wimma/Panning oil/gas/liquids producer in the future.

The Coonatie 5 gas appraisal well was drilled during June 2004 to appraise the 3P gas reserves in the Patchawarra Formation and the Tirrawarra Sandstone. As expected the Permian section was gas saturated with approximately 15 metres of conventional log pay. The well was cased and suspended and is proposed to be part of the fracture stimulation program to be carried out in the second half of the year.

3.1.2 Otway Basin

PEL 27 (Interest 100% (Operator))

Agreement was reached to assign 50% equity to Beach Petroleum Ltd in consideration for a contribution to the cost of drilling the Nampara South 1 well. Beach will also become the Operator.

PEL 32 (Interest 75.7143% (Operator))

No significant activity during the Quarter.

PEL 57 (Interest 50% (Operator))

Origin sold its equity in this permit to Lakes Oil NL.

PEL 66 (Interest 70% (Operator))

Origin has accepted an offer from Lakes Oil NL for its equity in this permit, subject to the necessary Government approvals and to the parties entering into a sale and purchase agreement.

PEL 83 (Interest 60% (Operator))

The authorities have accepted the Joint Venture's application to surrender the permit.

3.2 Queensland

3.2.1 Cooper/Eromanga Basin

ATP 259P - SWQ Gas Unit (Interest 16.7375%)

No drilling activities were conducted during the Quarter.

The Roseneath-Tickalara 3D (delineation) seismic survey commenced recording during March 2004. This project is aimed at assessing the potential of Permian gas plays in the region. The survey was completed on the 9 May 2004 with 427 km² recorded (programmed 429 km²). This is a joint SWQ Unit/Total 66 Block project

ATP 259P (Block Interests 10-27%)

No significant activity during the Quarter.

ATP 633P (Interest 50%)

The Right-to-Negotiate (RTN) process is continuing in order to effect grant of this title.

3.2.2 Surat Basin (* denotes CSG permit(s))

ATP 336P (Waldegrave) (Interest 46.25%)

No significant activity during the Quarter.

ATP 375P (Interest 100% (Operator))

The exploration well, Horseshoe 3, flowed gas at 3.6 MMscfd from the Rewan Formation.

A 3D seismic survey covering the majority of PL 174 and the eastern ATP 375P was continued during the Quarter but was delayed by wet weather. This project is aimed at assessing the potential of the Rewan and Tinowon plays in this area. Acquisition should be completed in the third Quarter of 2004.

ATP 470P Redcap & Rolston (Interest 90.0% (Operator) in ATP 470P Redcap; and 100% (Operator) in ATP 470P Rolston)

The Showgrounds and Rewan sections in Weribone 2 were drilled underbalanced with nitrogen using a coiled tubing unit. The well recorded subcommercial gas flows. The well was drilled as part of a farmin program under which AusAm Resources Ltd will earn an interest in the eastern part of ATP 470P Redcap.

ATP 471P Weribone Pooling Area (Interest 50.64% (Operator))

No significant activity during the Quarter.

ATP 606P * (Interest 92.716% (Operator))

Scouting and route selection for a seismic survey over the area about the successful Combabula core hole commenced during the Quarter. Seismic acquisition is expected to be completed in the third Quarter of 2004.

Origin increased its equity in this permit by 5.7% by purchasing minor parties' interests.

ATP 631P * (Interest 95.7104% (Operator))

No significant activity to report. Origin increased its equity in this permit by 2% by purchasing a minor party's interest.

ATP 647P (Block 2656) (Interest 50% (Operator))

No significant activity to report.

ATP 663P * (Interest 100% (Operator))

Waar Waar-1, a cored slimhole, was drilled during the Quarter to assess the CSG potential of the Walloon Subgroup within the tenure. The coals are currently undergoing desorption with measurements expected to be completed in the next Quarter.

ATP 680P * (Interest 100% (Operator))

No significant activity to report.

ATP 682P (Interest 55% (Operator))

A cased hole test of the lower Tinowon Formation in Palmerston 1 failed to flow at commercial rates.

ATP 692P * (Interest 100% (Operator))

Laboratory testing of the core continued for the two exploration cored slim holes, Orana 1 and Kainama 1, which were drilled during the previous Quarter.

Production testing of two of the wells in the nine well pilot at Talinga was undertaken. Production testing of the remainder of the wells is expected to commence in the third Quarter of 2004 following construction of an evaporation pond.

ATP 702P * (Interest 100% (Operator))

No significant activity to report.

ATP 754P (Interest 50% (Operator))

Seismic reprocessing of available lines in the permit has commenced.

3.2.3 Bowen Basin (* denotes CSG permit(s))

ATP 337P (Interest 50%)

Two slimholes, Somerby 1 and Mahalo 1, were drilled during the Quarter as part of a farmin to the Mahalo block by Comet Ridge Ltd. The holes were designed to evaluate the CSG potential of coals in the Bandanna Formation. Both were deepened to the Mantuan Formation to assess the coal in the upper part of that formation. Laboratory desorption testing of core from both wells continues.

ATP 526P * (Interest 23.93%)

Planning of a 400 km seismic program has continued and has been impacted by a decision of the Queensland Government to prohibit operations within National Parks.

Production testing of Dawson Bend 1, New Country 1 and Bedourie 1 was undertaken during the Quarter, although the sporadic nature of the testing has not provided

sufficient information to assess the viability of these wells.

ATP 553P (Interest 50%)

No significant activity during the Quarter.

ATP 564P * (Interest 50% (Operator))

No significant activity during the Quarter.

ATP 584P * (Interest 29.29825%)

No significant activity to report. Origin reassigned a 65.188% interest to Tri-Star Petroleum Company (together with the Operatorship) but acquired a further 5.13784% interest from minor parties.

ATP 592P * (Interest 94.505% (Operator))

A Petroleum Lease (PL) 203 was granted covering a southern part of the Spring Gully field. During the Quarter Origin increased its equity in this permit by 5.1% by purchasing minor parties' interests.

ATP 602P * (Interest 50% (Operator))

Production testing of the Timmy exploration wells remained suspended awaiting lining of the lateral well.

ATP 623P * (Interest 95.7097% (Operator))

A Petroleum Lease (PL) 200 covering the entire ATP was granted during the Quarter. This area also covers a southern part of the Spring Gully field. During the Quarter Origin increased its equity in the permit by 2% by purchasing a minor party's interest.

ATP 653P * (Interest 23.85%)

Production testing of Cattle Creek 1 was conducted during the Quarter. Due to the sporadic nature of the testing to date insufficient data has been obtained to assess the viability of the well.

The drilling of Arcadia Valley 1, which spudded during the previous Quarter, was completed in mid-April 2004. The well was cased awaiting stimulation and testing.

ATP 698P * (Interest 100% (Operator))

No significant activity to report.

ATP 745P * (Interest 23.85%)

No significant activity to report.

3.3 Victoria

3.3.1 Otway Basin

PEP 150 (Interest 50% (Operator))

Origin agreed to sell its equity in this permit (when granted) to Essential Petroleum Resources Ltd and Mawson Petroleum Pty Ltd, subject to the necessary Government approvals and the parties entering into sale and purchase agreements. Essential has entered into such a sale and purchase agreement.

PEP 152 (Interest 50.51% (Operator))

Origin sold its equity in this permit to Essential Petroleum Resources Ltd.

PEP 160 (Interest 40%)

Evaluation of the prospectivity of the permit continued.

VIC/P43 (Interest 29.75%)

Evaluation of the prospectivity of the permit continued.

VIC/P37(V) (Interest 37.5% (Operator))

Processing of the Antares 3D seismic survey, acquired in the fourth Quarter of 2003, is almost complete. Prospectivity evaluation is in progress based on preliminary datasets. (The Joint Venture has subsequently entered into a letter of intent with Diamond Offshore General Company to drill up to two wells in late 2004/early 2005).

3.4 Tasmania

3.4.1 Otway Basin

T/30P (Interest 29.75%)

Planning is in progress for 3D seismic acquisition in the fourth Quarter of 2004.

T/34P (Interest 29.75%)

Planning is in progress for 3D seismic acquisition in the fourth Quarter of 2004.

3.4.2 Bass Basin

T/18P (Interest 41.4% (Operator))

Planning continued for the drilling of the Trefoil 1 exploration well. Drilling is scheduled to commence in September 2004 following the Yolla development drilling program.

T/RL1 (Interest 37.5% (Operator))

No significant activity to report.

3.5 Western Australia

3.5.1 Perth Basin

EP 320/L11 (Interest 67.0% (Operator))

The gas exploration well, Tarantula 1, commenced drilling on 24 May 2004, using the Century 24 drilling rig. The well reached the primary target of the Wagina Formation at a depth of 3219 metres on 10 June 2004. Preparation was made to undertake a wireline directional survey prior to pulling out of hole to commence coring. During this procedure the well experienced an uncontrolled gas flow at surface and was not able to be secured. All personnel were evacuated and perimeters secured. Four contractor personnel suffered scalds to their arms from hot mud whilst attempting to secure the well. A water deluge system was deployed to minimize risk of ignition, and at no stage did the venting gas ignite.

The well was successfully capped and brought under control on 23 June 2004 and operations to secure and suspend the well commenced. The suspension operations were completed in early July 2004.

A sidetrack from the Tarantula 1 well bore is being planned to enable completion of the well for production. The sidetrack is expected to commence during the third Quarter following necessary approvals.

EP 413 / L14 (Interest 49.189% (Operator))

Preparations for the acquisition of the EP 413 Denison 3D Seismic Survey continued during the month. The Environmental Review document was released for public comment on 8 June 2004 and will close on 7 July 2004. Allowing for the approvals process acquisition is unlikely to commence before October 2004.

A recommendation for renewal of the permit has been made to the Joint Venture. Renewal is due in late August 2004.

L1 and L2 (Excluding Dongara, Mondarra and Yardarino gas fields) (Interest 50%)

Following release of the drilling rig, the Xyris 1 well was perforated over a 24 metre interval at the top of the Dongara Sandstone reservoir and a clean up flow undertaken on 24 April 2004. This flow occurred without a separator and hence flow rates were approximate. The clean up flow was conducted using a series of choke sizes up to a maximum of 36/64 inch at which a flow rate of 15.5 MMscfd was estimated. The well head flowing pressure at this choke size was 1993 psi. Field gas composition measurements indicate the gas to be of good quality and low in carbon dioxide. Following the testing, the well was shut-in pending longer term testing which was conducted in May 2004. The operator is currently carrying out a feasibility study for the development of the field.

The Apium 1 gas exploration well located 2 km west of the Xyris discovery reached a total depth of 2857 metres during the Quarter and was subsequently completed for production. The Dongara Sandstone interval was then perforated over the interval 2759 to 2771 metres and a cleanup flow undertaken. Production testing of the well to determine deliverability and initial reserve estimates was ongoing at the end of the Quarter. A feasibility study for the development of the field will be undertaken once the test data is interpreted and the form of the Xyris development is agreed.

Preparations for the acquisition of the Denison 3D Seismic Survey continued during the month. The Environmental Review document was released for public comment on 8 June 2004 and the review period will close on 7 July 2004. Allowing for the approvals process, and operational requirements, acquisition is planned to commence in October 2004.

EP 368 (Interest 15%)

Preparations continued during the Quarter for the acquisition of a gravity survey across selected areas of the permit. This survey is expected to commence during the fourth Quarter of 2004.

WA 226P (Interest 28.75% (Operator))

Work continued on the planning for Fiddich 1. Following necessary Government approvals, it is expected that the well will be drilled during October 2004.

3.7 New Zealand

3.7.1 Onshore Taranaki Basin

PEP 38728 (Interest 24%)

A prospectivity review of the permit was completed.

PEP 38729 (Interest 25%)

No significant activity to report.

3.7.2 Offshore Taranaki Basin

PEP 38478 (Interest 50%)

Studies are ongoing to better understand the quality of the reservoir and to determine the feasibility and cost of drilling the Mangatoa prospect. Farmout endeavours are underway.

PEP 38485 (Interest 33.33%)

Seismic reprocessing and geological and geophysical studies have been initiated.

4. EXPLORATION AND DEVELOPMENT EXPENDITURE

<u>E & D Expenditure</u>	A\$'000	This Quarter	Previous Quarter	% Change	4th Quarter 2002/03	YTD 2003/04	YTD 2002/03
Exploration / Appraisal		12,403	8,685		14,707	43,298	56,000
Development / Plant		69,252	45,895		55,156	220,744	142,050
Total		81,655	54,580	50%	69,863	264,042	198,050

E & D Expenditure NZ\$'000

Exploration / Appraisal		1,588	0		0	1,588	0
Development / Plant		2,121	0		0	2,121	0
Total		3,709	0	-	0	3,709	0

The details and development activities and the expenditure and revenues relating to those activities referred to in this report have not been audited.