



# December 2011 Quarterly Production Report

## Exploration and Production report for Quarter ended 31 December 2011

| Comparative performance at a glance - Origin's total proportional interests |                  |                   |          |
|---|------------------|-------------------|----------|
| Year to date Comparison   | July-Dec         | July-Dec          | Change % |
|   | 2011             | 2010              |          |
| Production (PJe)  | 65.3             | 68.2              | (4)      |
| Sales (PJe)   | 70.1             | 77.4              | (9)      |
| Revenue (A\$m)  | 430.1            | 411.0             | 5        |
| Prior Corresponding Quarter Comparison                                      | December Quarter | December Quarter  | Change % |
|   | 2011             | 2010              |          |
| Production (PJe)  | 28.5             | 31.3              | (9)      |
| Sales (PJe)   | 30.7             | 35.9              | (14)     |
| Revenue (A\$m)  | 197.8            | 188.4             | 5        |
| Previous Quarter Comparison   | December Quarter | September Quarter | Change % |
|   | 2011             | 2011              |          |
| Production (PJe)  | 28.5             | 36.8              | (23)     |
| Sales (PJe)   | 30.7             | 39.4              | (22)     |
| Revenue (A\$m)  | 197.8            | 232.3             | (15)     |

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. The report does not cover other business activities of Origin such as electricity generation or energy retailing.

### Highlights

- Revenues 5% higher to comparable Quarter in 2010
- Australia Pacific LNG announced a binding Heads of Agreement with Kansai Electric Power Company for the sale of 1 million tonnes of LNG for 20 years
- Australia Pacific LNG announced the signing of a non-binding Heads of Agreement with Sinopec for the supply of an additional 3.3 million tonnes of LNG and a further 10% equity stake in Australia Pacific LNG

### Production and Sales

Production in the December Quarter of 29 PJe was 9% lower than the comparable Quarter in 2010. Sales volumes were 14% lower at 31 PJe while revenues were 5% higher when compared with the December Quarter 2010, driven by higher commodity prices.

Production in the December Quarter of 29 PJe was 23% lower than the September Quarter 2011. This is due to the lower seasonal demand in the December Quarter, the planned shutdowns of the Otway and Kupe Gas Plants for major maintenance and the shutdown of BassGas for the commencement of the Yolla Mid Life Enhancement ("MLE") Project. Sales volumes of 31 PJe were 22% lower than the September Quarter, with corresponding revenues lower by 15%.

## Significant activities during the Quarter included:

- **Australia Pacific LNG:**
  - **Australia Pacific LNG - Kansai Electric Power Company:** On 17 November 2011, Australia Pacific LNG announced the signing of a binding Heads of Agreement for the sale and purchase of approximately 1 million tonnes of LNG for 20 years. For further details see Origin's website at <http://www.originenergy.com.au/news/article/asxmedia-releases/1347>.
  - **Sinopec Agreement:** On 12 December 2011, Australia Pacific LNG announced the signing by Australia Pacific LNG and Sinopec of a non-binding Heads of Agreement for the sale and purchase of an additional 3.3 million tonnes per annum of LNG through to 2035 and additional equity interest taking Sinopec's ownership interest in Australia Pacific LNG from 15% to 25%. For further details see Origin's website at <http://www.originenergy.com.au/news/article/asxmedia-releases/1357>.
- **Botswana:** On 2 November 2011, Origin announced a 50:50 incorporated joint venture with Sasol Limited, to explore for CSG in Botswana. The joint venture is known as Kubu Joint Venture. For further details see Origin's website at <http://www.originenergy.com.au/news/article/asxmedia-releases/1344>.
- **Drilling Activities:**
  - **Australia Pacific LNG:** Australia Pacific LNG participated in 105 wells, including 84 development wells and 21 exploration/appraisal wells.
  - **Cooper Basin:** Activity continues to increase after the 2011 flooding events, with eight gas development wells and one gas appraisal well drilled and suspended as future producers during this Quarter.

## Post Report Date Events

- **Australia Pacific LNG and Sinopec signed binding agreements on 20 January 2012 for further supply of LNG through to 2035 and an increase in Sinopec's ownership interest in Australia Pacific LNG from 15% to 25%. This agreement increases Sinopec's existing purchase commitment from 4.3 million tonnes per annum to 7.6 million tonnes per annum, and reduces ConocoPhillips and Origin Energy's respective ownership interests to 37.5%. The signing of this agreement finalises the marketing of the second train. For further details see Origin's website at <http://www.originenergy.com.au/news/article/asxmedia-releases/1363>.**

## 1. PRODUCTION, SALES AND REVENUE

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.

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

| Natural Gas and Ethane         | Unit         | This Quarter | Previous Quarter | % Change    | December Quarter 2010 | YTD 2011/12  | YTD 2010/11  |
|--------------------------------|--------------|--------------|------------------|-------------|-----------------------|--------------|--------------|
| Natural Gas                    | PJ           |              |                  |             |                       |              |              |
| APLNG (CSG and Denison Trough) |              | 11.0         | 11.8             | (7)         | 11.8                  | 22.8         | 24.5         |
| SA Cooper & SWQ                |              | 3.3          | 3.5              | (5)         | 3.5                   | 6.8          | 7.2          |
| Otway Basin (offshore)         |              | 5.0          | 9.7              | (49)        | 7.0                   | 14.8         | 15.9         |
| Bass Basin                     |              | 1.6          | 1.8              | (11)        | 1.8                   | 3.4          | 3.8          |
| Surat Basin                    |              | 0.5          | 0.5              | 0           | 0.5                   | 1.1          | 0.9          |
| Perth Basin                    |              | 0.6          | 0.6              | 0           | 0.4                   | 1.2          | 0.7          |
| Taranaki Basin (onshore)       |              | 0.1          | 0.1              | 0           | 0.1                   | 0.2          | 0.3          |
| Taranaki Basin (Kupe)          |              | 1.9          | 2.9              | (33)        | 1.6                   | 4.8          | 4.5          |
| Ethane                         | PJ           |              |                  |             |                       |              |              |
| SA Cooper & SWQ                |              | 0.4          | 0.4              | (12)        | 0.2                   | 0.8          | 0.5          |
| <b>Total Production</b>        |              | <b>24.4</b>  | <b>31.3</b>      | <b>(22)</b> | <b>26.9</b>           | <b>55.9</b>  | <b>58.3</b>  |
| <b>Total Sales Volume</b>      |              | <b>25.1</b>  | <b>33.5</b>      | <b>(25)</b> | <b>30.6</b>           | <b>58.7</b>  | <b>65.9</b>  |
| <b>Total Sales Revenue</b>     | <b>\$M</b>   | <b>96.7</b>  | <b>129.0</b>     | <b>(25)</b> | <b>108.2</b>          | <b>225.7</b> | <b>240.5</b> |
| <b>Average Gas Price</b>       | <b>\$/GJ</b> | <b>3.85</b>  | <b>3.85</b>      | <b>0</b>    | <b>3.54</b>           | <b>3.85</b>  | <b>3.65</b>  |

| Crude Oil                  | Unit          | This Quarter | Previous Quarter | % Change   | December Quarter 2010 | YTD 2011/12  | YTD 2010/11  |
|----------------------------|---------------|--------------|------------------|------------|-----------------------|--------------|--------------|
| Crude Oil                  | kbbbls        |              |                  |            |                       |              |              |
| SA Cooper & SWQ            |               | 77.7         | 95.6             | (19)       | 70.3                  | 173.3        | 131.8        |
| Surat Basin                |               | 5.0          | 5.1              | (2)        | 7.9                   | 10.0         | 16.7         |
| Perth Basin                |               | 17.0         | 18.5             | (8)        | 29.9                  | 35.5         | 58.8         |
| Taranaki Basin (onshore)   |               | 41.7         | 35.1             | 18         | 28.0                  | 76.9         | 60.9         |
| <b>Total Production</b>    |               | <b>141.4</b> | <b>154.3</b>     | <b>(8)</b> | <b>136.1</b>          | <b>295.7</b> | <b>268.2</b> |
| <b>Total Sales Volume</b>  |               | <b>312.9</b> | <b>328.2</b>     | <b>(5)</b> | <b>354.7</b>          | <b>641.1</b> | <b>621.0</b> |
| <b>Total Sales Revenue</b> | <b>\$M</b>    | <b>37.7</b>  | <b>38.4</b>      | <b>(2)</b> | <b>33.0</b>           | <b>76.1</b>  | <b>56.1</b>  |
| <b>Average Crude Price</b> | <b>\$/bbl</b> | <b>121</b>   | <b>117</b>       | <b>3</b>   | <b>93</b>             | <b>119</b>   | <b>90</b>    |

| Condensate/Naphtha              | Unit          | This Quarter | Previous Quarter | % Change    | December Quarter 2010 | YTD 2011/12  | YTD 2010/11  |
|---------------------------------|---------------|--------------|------------------|-------------|-----------------------|--------------|--------------|
| Condensate/Naphtha              | kbbbls        |              |                  |             |                       |              |              |
| APLNG (Denison Trough)          |               | 0.3          | 0.2              | 44          | 0.2                   | 0.5          | 0.7          |
| SA Cooper & SWQ                 |               | 60.7         | 55.1             | 10          | 53.2                  | 115.8        | 112.6        |
| Otway Basin (offshore)          |               | 49.5         | 105.6            | (53)        | 79.5                  | 155.0        | 182.8        |
| Bass Basin                      |               | 55.4         | 62.7             | (12)        | 64.1                  | 118.1        | 139.0        |
| Surat Basin                     |               | 5.8          | 5.4              | 8           | 4.5                   | 11.2         | 11.1         |
| Perth Basin                     |               | 0.3          | 0.3              | (0)         | 0.4                   | 0.6          | 0.8          |
| Taranaki Basin (onshore)        |               | -            | -                | -           | -                     | -            | -            |
| Taranaki Basin (Kupe)           |               | 184.9        | 276.6            | (33)        | 175.7                 | 461.5        | 470.1        |
| <b>Total Production</b>         |               | <b>356.9</b> | <b>505.9</b>     | <b>(29)</b> | <b>377.6</b>          | <b>862.7</b> | <b>917.1</b> |
| <b>Total Sales Volume</b>       |               | <b>457.7</b> | <b>405.5</b>     | <b>13</b>   | <b>290.8</b>          | <b>863.3</b> | <b>798.1</b> |
| <b>Total Sales Revenue</b>      | <b>\$M</b>    | <b>46.0</b>  | <b>38.6</b>      | <b>19</b>   | <b>21.2</b>           | <b>84.7</b>  | <b>61.2</b>  |
| <b>Average Condensate Price</b> | <b>\$/bbl</b> | <b>101</b>   | <b>95</b>        | <b>6</b>    | <b>73</b>             | <b>98</b>    | <b>77</b>    |

| LPG                        | Unit        | This Quarter | Previous Quarter | % Change    | December Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
|----------------------------|-------------|--------------|------------------|-------------|-----------------------|-------------|-------------|
| LPG                        | Kt          |              |                  |             |                       |             |             |
| SA Cooper & SWQ            |             | 6.8          | 7.4              | (8)         | 7.1                   | 14.2        | 14.9        |
| Otway Basin (offshore)     |             | 4.6          | 10.4             | (56)        | 10.3                  | 15.1        | 22.3        |
| Bass Basin                 |             | 4.1          | 4.7              | (13)        | 4.6                   | 8.8         | 10.2        |
| Surat Basin                |             | 1.0          | 1.2              | (14)        | 1.0                   | 2.2         | 2.3         |
| Taranaki Basin (onshore)   |             | 0.2          | 0.1              | 45          | 0.1                   | 0.3         | 0.4         |
| Taranaki Basin (Kupe)      |             | 8.7          | 12.7             | (31)        | 7.4                   | 21.4        | 19.4        |
| <b>Total Production</b>    |             | <b>25.4</b>  | <b>36.5</b>      | <b>(30)</b> | <b>30.5</b>           | <b>62.0</b> | <b>69.5</b> |
| <b>Total Sales Volume</b>  |             | <b>25.2</b>  | <b>36.6</b>      | <b>(31)</b> | <b>33.7</b>           | <b>61.8</b> | <b>73.5</b> |
| <b>Total Sales Revenue</b> | <b>\$M</b>  | <b>17.3</b>  | <b>26.3</b>      | <b>(34)</b> | <b>26.0</b>           | <b>43.6</b> | <b>53.2</b> |
| <b>Average LPG Price</b>   | <b>\$/t</b> | <b>684</b>   | <b>719</b>       | <b>(5)</b>  | <b>771</b>            | <b>705</b>  | <b>723</b>  |

## 1.2 Production by Basin (including APLNG production)

| Production by Basin (All products, PJe) | Unit | This Quarter | Previous Quarter | % Change    | December Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
|---|------|--------------|------------------|-------------|-----------------------|-------------|-------------|
| Production by Basin                     | PJe  |              |                  |             |                       |             |             |
| APLNG (CSG and Denison Trough)          |      | 11.0         | 11.8             | (7)         | 11.8                  | 22.8        | 24.5        |
| SA Cooper & SWQ                         |      | 4.8          | 5.1              | (7)         | 4.7                   | 9.9         | 9.8         |
| Otway Basin (offshore)                  |      | 5.5          | 10.8             | (49)        | 7.9                   | 16.3        | 18.0        |
| Bass Basin                              |      | 2.1          | 2.4              | (13)        | 2.4                   | 4.5         | 5.0         |
| Surat Basin                             |      | 0.6          | 0.7              | (2)         | 0.6                   | 1.3         | 1.2         |
| Perth Basin                             |      | 0.7          | 0.7              | 0           | 0.6                   | 1.4         | 1.1         |
| Taranaki Basin (onshore)                |      | 0.4          | 0.3              | 24          | 0.3                   | 0.7         | 0.6         |
| Taranaki Basin (Kupe)                   |      | 3.4          | 5.0              | (33)        | 3.0                   | 8.4         | 8.0         |
| <b>Total</b>                            |      | <b>28.5</b>  | <b>36.8</b>      | <b>(23)</b> | <b>31.3</b>           | <b>65.3</b> | <b>68.2</b> |

### 1.3 Production, Sales Volumes and Revenue Summaries

#### 1.3.1 Origin including interest in APLNG

| Total All Products        | Unit | This Quarter | Previous Quarter | % Change | December Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
|---------------------------|------|--------------|------------------|----------|-----------------------|-------------|-------------|
| Production (all products) | PJe  | 28.5         | 36.8             | (22)     | 31.3                  | 65.3        | 68.2        |
| Sales (all products)      | PJe  | 30.7         | 39.4             | (22)     | 35.9                  | 70.1        | 77.4        |
| Total Sales Revenue       | \$M  | 197.8        | 232.3            | (15)     | 188.4                 | 430.1       | 411.0       |

#### 1.3.2 Origin excluding interest in APLNG

| Total All Products        | Unit | This Quarter | Previous Quarter | % Change | December Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
|---------------------------|------|--------------|------------------|----------|-----------------------|-------------|-------------|
| Production (all products) | PJe  | 17.5         | 25.0             | (30)     | 19.5                  | 42.5        | 43.7        |
| Sales (all products)      | PJe  | 19.7         | 27.1             | (27)     | 22.1                  | 46.9        | 48.9        |
| Total Sales Revenue       | \$M  | 163.3        | 194.4            | (16)     | 146.6                 | 357.7       | 322.7       |

#### 1.3.3 Origin's interest in APLNG

| Total All Products        | Unit | This Quarter | Previous Quarter | % Change | December Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
|---------------------------|------|--------------|------------------|----------|-----------------------|-------------|-------------|
| Production (all products) | PJe  | 11.0         | 11.8             | (7)      | 11.8                  | 22.8        | 24.5        |
| Sales (all products)      | PJe  | 11.0         | 12.3             | (11)     | 13.8                  | 23.3        | 28.5        |
| Total Sales Revenue       | \$M  | 34.4         | 37.9             | (9)      | 41.8                  | 72.3        | 88.3        |

### 1.4 Internal and External Purchase and Sales Summary

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

| Internal & External Sales Volumes | Unit | This Quarter | Previous Quarter | % Change | December Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
|-----------------------------------|------|--------------|------------------|----------|-----------------------|-------------|-------------|
| Total Sales Volume                | PJe  |              |                  |          |                       |             |             |
| Internal                          |      | 6.3          | 9.9              | (36)     | 7.9                   | 16.3        | 16.0        |
| External                          |      | 13.4         | 17.2             | (22)     | 14.1                  | 30.6        | 32.9        |
| Total                             |      | 19.7         | 27.1             | (27)     | 22.1                  | 46.9        | 48.9        |

#### 1.4.2 External Purchases

| Product Purchases included in above sales | Unit | This Quarter | Previous Quarter | % Change | December Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
|---|------|--------------|------------------|----------|-----------------------|-------------|-------------|
| Origin (excluding interest in APLNG)      | PJe  | 1.7          | 2.4              | (29)     | 1.7                   | 4.0         | 3.2         |
| Origin's interest in APLNG                | PJe  | 0.4          | 0.8              | (50)     | 1.9                   | 1.2         | 3.7         |
| Total                                     | PJe  | 2.1          | 3.2              | (34)     | 3.6                   | 5.2         | 6.9         |

## 1.5 Production and Sales Summary

### Six Months to 31 December 2011 compared with Six Months to 31 December 2010

Production in the half year to 31 December 2011 was 65 PJe, 4% lower than the comparable period in 2010. This was primarily due to a reduction in Origin's interest in Australia Pacific LNG, maintenance activities in the BassGas and Otway assets and lower customer nominations.

Sales volumes of 70 PJe were 9% lower, reflecting lower production, lower sales from inventory and reduced third party sales. Sales revenues increased 5% to \$430 million, reflecting higher commodity prices.

### December Quarter 2011 compared with December Quarter 2010

Production in this Quarter was 29 PJe, 9% lower than the December Quarter 2010. Lower production in the Otway Basin and Bass Basin were the result of gas plant shutdowns for maintenance and the reduced share of production from Australia Pacific LNG follows dilution of Origin's interest from 50% to 42.5% as part of the completion of the Subscription Agreement with Sinopec in August 2011.

Sales volumes for the December Quarter 2011 of 31 PJe were 14% lower than in the December Quarter 2010, primarily due to lower gas sales from inventory and lower customer nominations. Sales revenues increased by 5% to \$198 million, reflecting higher crude oil prices and a modest increase in average gas prices.

### December Quarter 2011 compared with September Quarter 2011

Production of 29 PJe was 23% lower than 37 PJe in the September Quarter 2011. This is attributable to the shutdown of the Otway gas plant for the entire month of November for scheduled maintenance, shutdown of the BassGas plant for commencement of the Yolla MLE Project and planned annual maintenance of the Kupe plant, lower summer seasonal demand and a reduced share of production from Australia Pacific LNG following dilution of Origin's interest from 50% to 42.5% as part of the completion of the Subscription Agreement with Sinopec in August 2011.

Sales volumes for the December Quarter were 22% lower than the September Quarter at 31 PJe. Sales revenues were 15% lower than in the previous Quarter, reflecting the lower production and lower summer seasonal demand.

## 2. DEVELOPMENT AND EXPLORATION OPERATIONS

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

On 17 November 2011, Australia Pacific LNG and The Kansai Electric Power Company signed a binding Heads of Agreement for the sale and purchase of approximately 1 million tonnes of LNG per year for 20 years. On 12 December 2011, Australia Pacific LNG and Sinopec signed a non-binding Heads of Agreement for the supply of an additional 3.3 million tonnes per annum of LNG through to 2035. Once the above Kansai and Sinopec Agreements are completed, this will complete the marketing of Australia Pacific LNG's second LNG train.

Talinga gas production peaked at 107 TJ/d (100% owned by Australia Pacific LNG) during the Quarter and work is ongoing to complete newly drilled wells in the Stanbroke and Goodland areas. At the end of the Quarter, average production from operated assets was 226 TJ/d and 67 TJ/d from non-operated assets (Australia Pacific LNG share), with flood recovery work almost complete across all CSG assets.

Production was generally lower than the September Quarter due to weak customer demand and the Northern Denison field being temporarily shutdown in the first week of December to carry out upgrades.

Australia Pacific LNG's exploration and appraisal drilling program continued through the Quarter with 21 wells drilled in total (eight operated and 13 non-operated) throughout the Bowen and Surat basins. The 2011 fracture stimulation program also concluded with an additional nine stimulations performed across the Surat Basin, targeting the Walloons Coal Measures. Two non-operated fracture stimulations were also executed in adjacent Surat Basin tenures.

In the Quarter, Australia Pacific LNG also participated in the drilling of 84 development wells (17 operated and 67 non-operated), predominantly in the QGC operated tenures in the Walloons fairway in the Surat Basin.

Two 2D seismic surveys and a 3D seismic survey are currently being planned for 2012 in the Surat and Bowen basins to gain enhanced understanding of the Walloons Coal Measures and Permian Coal Measures for future exploration drilling.

### **2.1.1 Bowen Basin**

#### **2.1.1.1 *Spring Gully Project Area***

The Spring Gully Project Area achieved gross peak gas sales of 122 TJ/d (Australia Pacific LNG share 120 TJ/d) and averaged 120 TJ/d (Australia Pacific LNG share 118 TJ/d) during the Quarter, with up to 152 wells contributing at various times to production.

Capacity improvement projects, including downhole pump replacement workovers, were completed in November 2011. Further capacity improvement projects are planned for early 2012 to meet winter 2012 demand.

Development drilling and construction of gathering systems for the Phase 6 expansion project commenced in the Quarter. Additional brine storage was commissioned in December allowing water production restrictions that had been in place for the 2011/2012 summer wet season to be removed.

#### **2.1.1.2 *Fairview Project Area***

Nineteen development wells were drilled in the non-operated Fairview field during the Quarter. Average Fairview gas production during the Quarter was 100 TJ/d (Australia Pacific LNG share 24 TJ/d).

Australia Pacific LNG also participated in eight exploration and appraisal wells during the Quarter in the Fairview area. These mainly comprised of infield observation wells and multi-well pilots.

#### **2.1.1.3 *Peat Project Area***

Average gas production for the Quarter was 7.5 TJ/d (100% owned by Australia Pacific LNG). One of the field's two sales compressors remained out of service during the Quarter and will be recommissioned in January 2012.

#### **2.1.1.4 *Other Areas***

No development drilling was conducted in other areas of the Bowen Basin in the Quarter.

## 2.1.2 Surat Basin

### 2.1.2.1 *Talinga/Orana Project Area*

The Talinga / Orana Project area has fully recovered from the flooding events from early 2011. Production for the Quarter was variable due to market demand. Average production for the Quarter was 84 TJ/d with a peak of 107 TJ/d (100% owned by Australia Pacific LNG). By the end of the Quarter, 71 of the Talinga Phase 1 Project's planned 98 wells were commissioned and contributing to production with the remaining wells due for completion in 2012.

Australia Pacific LNG drilled two exploration and appraisal wells in the Talinga / Orana Project area to gain additional core and coal property data for reserves maturation and field development planning optimisation.

### 2.1.2.2 *Argyle/Kenya/Lauren/Bellevue Project Area*

ATP 620P (Kenya) production averaged 100 TJ/d during the Quarter (Australia Pacific LNG share 40 TJ/d) and PL 247 (Bellevue) production averaged 7 TJ/d during the Quarter (Australia Pacific LNG share 2 TJ/d), with Australia Pacific LNG receiving a further 1 TJ/d of Bellevue gas under gas banking repayment arrangements with QGC.

Australia Pacific LNG participated in 48 QGC operated development wells during the Quarter in ATP 610P and ATP 648P.

Two exploration and appraisal wells were drilled by QGC on behalf of Australia Pacific LNG in ATP 648P in the Quarter, as part of their continued reserves maturation program.

### 2.1.2.3 *Other Areas*

Australia Pacific LNG's 2011 fracture stimulation program reached completion in November with nine stimulations executed during the Quarter across the Walloons Coal Measures fairway in the Surat Basin. QGC's fracture stimulation program in ATP 648P Walloons also resumed during the Quarter. These programs were conducted under strict monitoring and reporting guidelines that have been confirmed as being appropriate by the Queensland regulatory authorities.

A total of 11 wells were commissioned in the Quarter across several ATPs in the Surat Basin. This included the Condabri South multi-well pilot development in ATP 702P which was commissioned in October 2011.

Development drilling also commenced in the Condabri area during the Quarter with four wells drilled.

Australia Pacific LNG drilled a total of six exploration and appraisal wells through the Quarter in ATP 972P, ATP 663P and PLA 225 for the purposes of maturing additional Walloons reserves.

Santos, on behalf of Australia Pacific LNG, drilled a sole exploration well in ATP 631P in December 2011.

Installation of multi well pilot facilities at Waar Waar (ATP 663P) commenced. Commissioning of the Combabula multi well pilot is expected in the June Quarter in 2012.



### 2.1.3 Denison Trough (including Conventional)

Average gas sales for the Quarter were 14 TJ/d (Australia Pacific LNG share 7 TJ/d). The Northern Denison field was temporarily shut down in first week of December to carry out upgrade activities with loss of 11 TJ/d total capacity (5.5 TJ/d Australia Pacific LNG share) for the duration of the work.

Santos drilled two exploration coreholes during the Quarter on behalf of Australia Pacific LNG in ATP 337P to gain additional coal property data.

### 2.1.4 Galilee Basin

No exploration and appraisal activity occurred in the Galilee Basin in the Quarter.

## 2.2 CSG - Interests held directly by Origin

### 2.2.1 ATP788P-S 'Shallows' - Ironbark

Consultation and information meetings and a site visit continued to be held with the local community during the Quarter. Construction work continued on ponds for four pilot sites. Fracture stimulation of wells commenced at one pilot site. The installation of surface facilities and the gathering network continued. A third multi-well pilot is planned for drilling in the Ironbark area in the March Quarter 2012.

### 2.2.2 ATP788P-D 'Deeps'

Seismic interpretation, mapping, and resource estimation of the Permian deep coal zones continued during this Quarter.

## 2.3 Cooper/Eromanga Basin (South Australia/Queensland)

Wet weather in the Cooper Basin during this Quarter affected road access in areas and caused delays in operational and drilling activities. Accordingly, production net to Origin decreased by 7% to 4.8 PJe. Gas production decreased by 5% to 3.3 PJ and oil production decreased by 19% to 78 kbbls.

Five gas development wells and one gas appraisal well were drilled, cased and suspended as future producers within the South Australian part of the Cooper Basin. Three gas development wells were drilled, cased and suspended as future producers within the Southwest Queensland part of the Cooper Basin.

The 128km Snefru-Coonaberry and 75km Challum West 2D seismic surveys were recorded during the Quarter.

## 2.4 Otway Basin (Victoria/Tasmania)

Total production from Otway Basin was 5.5 PJe, 49% lower compared with the September Quarter. This was due to a planned shutdown of the associated gas plant for maintenance during the entire month of November. The shutdown was successfully completed on schedule, with all planned activities executed. In addition, a significant amount of discovery work was also performed without any impact on the shutdown duration. Production was curtailed after the restart due to unstable operation of the mono ethylene glycol system which has impacted production through the month of December.

Inlet compression commissioning works have continued during the December Quarter. Plant stability issues post the shutdown as explained above impacted on the Inlet compression commissioning schedule with the start up date for the inlet compression project deferred to January 2012.

Detailed design and execution planning of Phase 3 of the Otway Gas Project (the Geographe Field Development) continued through the December Quarter. The Stena Clyde drilling rig has been contracted to undertake the Geographe drilling activity and was mobilised during December from Darwin to Portland in preparation for the campaign.

Processing of the seismic data acquired in the Speculant Transition Zone 3D seismic survey over the near-shore waters of VIC/RL2(V) and the adjacent onshore areas was completed and interpretation commenced. Processing of the Bellerive 3D marine seismic survey data from T/30P, together with reprocessing of the Aragorn 3D seismic survey from T/30P and T/34P, continued during this Quarter.

Planning continued for one exploration well to be drilled in exploration permit VIC/P43 during the first half of calendar year 2012.

A new near-shore exploration permit, VIC/P42(V) was granted to Origin (100%) for an initial six year term, commencing 29 November 2011.

## 2.5 Bass Basin (Tasmania)

Production from BassGas for the December Quarter was 2.1 PJe, approximately 13% lower than the September Quarter due to the shutdown of the BassGas plant for commencement of the Yolla MLE (Phase 1) Project construction. Phase 1 will involve the addition of accommodation modules and offshore compressions. The Jascon 25 construction vessel and the accommodation module arrived onsite in mid December. The Phase 1 work is expected to result in the platform being offline until late in the June Quarter 2012 with limited additional production expected for the remainder of the financial year.

A jack-up drill concept has been selected for the Yolla MLE (Phase 2) consisting of the drilling of additional wells over the 2012/2013 summer.

Post-well interpretation of the Trefoil 2, Rockhopper 1 and Rockhopper 1/ST1 results, designed to establish the commercial significance of the discoveries made in T/18P, continued during this Quarter.

Processing of the recently acquired Chappell 3D marine seismic survey data from T/18P was completed and interpretation commenced.

## 2.6 Taranaki Basin (New Zealand)

### 2.6.1 *Kupe (offshore Taranaki)*

Total Kupe production was 3.4 PJe, 33% lower than the previous Quarter. This decrease in production is attributable to planned annual maintenance of the Kupe plant and lower summer seasonal demand.

The planned annual maintenance shutdown of the Kupe plant commenced on 25 October 2011 and was completed on 9 November 2011, ahead of schedule. Outside this annual maintenance period, Kupe production was in line with customer nominations. Three tanker liftings of Kupe light crude from Port Taranaki were completed during the Quarter.

Maintenance inspections in April 2011 of the umbilical line that runs out to the Kupe offshore platform from shore identified some deterioration of clamps holding the umbilical line. Remediation works of the umbilical line were carried out between October and December 2011 to ensure continued safe operation of the Kupe platform. Further works will be undertaken in early 2012 as part of the ongoing maintenance program and an umbilical clamp upgrade is planned to commence in the 2012/2013 summer. No impact on production is expected as a result of these works. As the issue has been identified as a potential design

flaw rather than general wear and tear, the Operator is investigating making an insurance claim.

Origin, along with its joint venture parties, has entered into an agreement with BP Singapore for a term of two years for the sale and marketing of Kupe light crude, of which Origin's share is expected to be approximately 2.2 million barrels.

A review of the prospectivity of the PML 38146 (Kupe) permit is ongoing.

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

Total onshore production was 0.4 PJe, higher than the previous Quarter result of 0.3 PJe. This is attributed to increased production from the Manutahi oil field to 42 kbbls, an 18% increase from the previous Quarter. Gas production was steady at 0.1 PJ.

Manutahi D2H, D4H ST2 and D3H ST2 had their horizontal sections cleaned out utilising a coiled tubing unit during the Quarter. Production testing resumed post the clean outs. Construction of surface production facilities at the Manutahi D site to support ongoing production operations of these wells following the well testing period continued during the Quarter.

Evaluation of near-field opportunities across the TAWN and the Rimu-Kauri areas continued.

### **2.7 Surat Basin (Queensland)**

Total production in the Surat Basin was 0.6 PJe, a decrease of 2% from the previous Quarter. After stripping of gas liquids, the majority of the gas produced from Origin's Surat Basin fields continued to be sold to Origin's Retail business for either re-injection into storage reservoirs or gas sales.

The Farawell 3D seismic survey in ATP 754P is planned to be recorded during the first Quarter of 2012.

### **2.8 Perth Basin (Western Australia)**

Oil production decreased to 17 kbbls during the Quarter, compared with 18.5 kbbls in the prior Quarter as a result of the Hovea 8 well remaining off line following a well workover in November. Gas production from Perth Basin was 0.6 PJ, which is the same as the previous Quarter.

Planning for the Redback-Irwin 3D seismic survey continued. Trial reprocessing of existing 3D seismic data was carried out by Fugro Imaging in Perth.

During the Quarter, Origin executed farmin agreements with Empire Oil & Gas NL, ERM Gas Pty Ltd and Allied Oil & Gas PLC to farmin to Exploration Permits ("EP") 368 and 426. Origin will earn a 40% interest in each of these exploration permits by operating and paying 80% of the cost of the 3D seismic survey over the North Erregulla prospect. The North Erregulla 3D seismic survey will be recorded between January and May 2012 following the Redback-Irwin 3D seismic survey.

### **2.9 Bonaparte Basin (Western Australia/Northern Territory)**

The Petrel 7 appraisal well reached total depth of 3,923 metres on 10 September 2011. Drill stem testing was undertaken from 20 September to 13 October 2011 over three reservoir intervals. These results are currently being assessed.

## **2.10 Northland Basin (New Zealand)**

The application lodged to renew PEP 38619 for a further five years from 1 March 2011 has been approved by the New Zealand regulator during the Quarter.

Reprocessing of the Nimitz 3D seismic data in PEP38619 was underway at the end of the Quarter.

## **2.11 Canterbury Basin (New Zealand)**

Anadarko (as operator) has lodged an application to delay the drilling of the Caravel-1 well in PEP 38262 to late 2012 calendar year. This application is still being considered by the New Zealand regulator. The operator continued preparations to drill the Caravel-1 well scheduled for late 2012 and finalise the processing of the 2D seismic survey acquired in the March Quarter 2011.

## **2.12 Lamu Basin (Kenya)**

Apache Corporation (as operator) continued preparations to drill the Mbawa 1 well in Block L8 during the second half of 2012 and acquire 3D seismic data over the southern extension of the Mbawa play during early 2012.

A farmout of a 5% interest in the Kenya offshore Block L8 to Tullow Oil was completed in October 2011. Origin retains a 20% interest in the block.

## **2.13 Song Hong Basin (Vietnam)**

Interpretation of the 3D seismic survey acquired in Block 121 in October 2010 has been completed and a well location selected. Planning is in progress for the drilling of a well later in 2012.

## **2.14 Khorat Basin (Thailand )**

The acquisition of a 3D seismic survey of approximately 200 km<sup>2</sup> in Block L 26/50 (Thailand) has been completed. Processing of the 3D seismic survey will now commence.

## **2.15 Botswana**

On 2 November 2011, Origin announced a 50:50 incorporated joint venture with Sasol Limited, to explore for CSG in Botswana. The joint venture is known as the Kubu Joint Venture. The Kubu Joint Venture signed an agreement with Sekaname Pty Ltd to acquire three prospecting licences in the central provinces of Botswana covering an area of approximately 3,000 km<sup>2</sup>.

### 3. DRILLING ACTIVITY

#### 3.1 Exploration/Appraisal

The table below summarises the exploration and appraisal drilling in which Origin had an interest during the Quarter:

| Exploration/Appraisal Wells   | Basin/Area              | Target | Origin effective Interest % | Well Status    |
|-------------------------------|-------------------------|--------|-----------------------------|----------------|
| Moomba 191                    | Cooper Basin - SA       | Gas    | 13.19                       | Gas, C&S       |
| Petrel 7                      | Bonaparte Basin - WA/NT | Gas    | 5.00                        | P&S            |
| Glen Hill 1                   | Bowen Basin             | CSG    | 21.25                       | Core           |
| Glen Linden 1                 | Bowen Basin             | CSG    | 21.25                       | Core           |
| Clematis Creek East 3         | Bowen Basin             | CSG    | 10.17025                    | Pilot          |
| Fairview 289 OB1              | Bowen Basin             | CSG    | 10.17025                    | OB             |
| Fairview 291 OB1              | Bowen Basin             | CSG    | 10.17025                    | OB             |
| Clematis Creek East 4         | Bowen Basin             | CSG    | 10.17025                    | Pilot          |
| Fairview 123 OB1              | Bowen Basin             | CSG    | 10.17025                    | Core           |
| Clematis Creek East 2         | Bowen Basin             | CSG    | 10.17025                    | Pilot          |
| Clematis Creek East 2 DW1 ST1 | Bowen Basin             | CSG    | 10.17025                    | Pilot          |
| Clematis Creek East 3 DW1     | Bowen Basin             | CSG    | 10.17025                    | Pilot          |
| Orana 12*                     | Surat Basin             | CSG    | 42.5                        | Core           |
| Talinga 133*                  | Surat Basin             | CSG    | 42.5                        | Core           |
| Kainama 9*                    | Surat Basin             | CSG    | 42.5                        | DST            |
| Byrne Creek 4M*               | Surat Basin             | CSG    | 42.5                        | Monitoring     |
| Waar Waar 12*                 | Surat Basin             | CSG    | 42.5                        | Core           |
| Waar Waar 3*                  | Surat Basin             | CSG    | 42.5                        | DST            |
| Gilbert Gully 13*             | Surat Basin             | CSG    | 42.5                        | Production/DST |
| Ramyard 16*                   | Surat Basin             | CSG    | 39.406                      | DST            |
| Glenray East 1                | Surat Basin             | CSG    | 7.691                       | Pilot          |
| Sean 19M                      | Surat Basin             | CSG    | 13.28125                    | Core           |
| Sean 17M                      | Surat Basin             | CSG    | 13.28125                    | Core           |

(\* Denotes operated by Origin)

#### 3.2 Development

The table below summarises the development drilling in which Origin had an interest during the Quarter:

| Development Wells   | Basin/Area         | Target | Origin effective Interest % | Well Status |
|---------------------|--------------------|--------|-----------------------------|-------------|
| Andree 4            | Cooper Basin - SA  | Gas    | 13.19                       | Gas, C&S    |
| Merrimelia 62       | Cooper Basin - SA  | Gas    | 13.19                       | Gas, C&S    |
| Moomba 188          | Cooper Basin - SA  | Gas    | 13.19                       | Gas, C&S    |
| Moomba 189          | Cooper Basin - SA  | Gas    | 13.19                       | Gas, C&S    |
| Moomba 190          | Cooper Basin - SA  | Gas    | 13.19                       | Gas, C&S    |
| Coonaberry 3        | Cooper Basin - SWQ | Gas    | 10.00                       | Gas, C&S    |
| Galex 3             | Cooper Basin - SWQ | Gas    | 25.00                       | Gas, C&S    |
| Roti 4              | Cooper Basin - SWQ | Gas    | 16.7375                     | Gas, C&S    |
| Condabri North 106* | Surat Basin        | CSG    | 42.5                        | Production  |
| Condabri North 107* | Surat Basin        | CSG    | 42.5                        | Production  |
| Condabri North 105* | Surat Basin        | CSG    | 42.5                        | Production  |
| Condabri North 99*  | Surat Basin        | CSG    | 42.5                        | Production  |
| Bellevue 133        | Surat Basin        | CSG    | 12.484375                   | Production  |
| Bellevue 184        | Surat Basin        | CSG    | 12.484375                   | Production  |
| Bellevue 143        | Surat Basin        | CSG    | 12.484375                   | Production  |

| Development Wells   | Basin/Area  | Target | Origin effective Interest % | Well Status |
|---------------------|-------------|--------|-----------------------------|-------------|
| Bellevue 201        | Surat Basin | CSG    | 12.484375                   | Production  |
| Bellevue 135        | Surat Basin | CSG    | 12.484375                   | Production  |
| Bellevue 202        | Surat Basin | CSG    | 12.484375                   | Production  |
| Bellevue 109        | Surat Basin | CSG    | 12.484375                   | Production  |
| Bellevue 214        | Surat Basin | CSG    | 12.484375                   | Production  |
| Bellevue 101        | Surat Basin | CSG    | 12.484375                   | Production  |
| Bellevue 142        | Surat Basin | CSG    | 12.484375                   | Production  |
| Bellevue 115        | Surat Basin | CSG    | 12.484375                   | Production  |
| Bellevue 114        | Surat Basin | CSG    | 12.484375                   | Production  |
| Harry 104           | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 216      | Surat Basin | CSG    | 13.28125                    | Production  |
| Harry 113           | Surat Basin | CSG    | 13.28125                    | Production  |
| Harry 112           | Surat Basin | CSG    | 13.28125                    | Production  |
| Harry 121           | Surat Basin | CSG    | 13.28125                    | Production  |
| Harry 120           | Surat Basin | CSG    | 13.28125                    | Production  |
| David 197           | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 163      | Surat Basin | CSG    | 13.28125                    | Production  |
| Harry 110           | Surat Basin | CSG    | 13.28125                    | Production  |
| David 185           | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 145      | Surat Basin | CSG    | 13.28125                    | Production  |
| Harry 111           | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 162      | Surat Basin | CSG    | 13.28125                    | Production  |
| David 208           | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 215      | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 161      | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 214      | Surat Basin | CSG    | 13.28125                    | Production  |
| David 209           | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 135      | Surat Basin | CSG    | 13.28125                    | Production  |
| David 207           | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 208      | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 134      | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 202      | Surat Basin | CSG    | 13.28125                    | Production  |
| David 206           | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 144      | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 211      | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 203      | Surat Basin | CSG    | 13.28125                    | Production  |
| Broadwater 133      | Surat Basin | CSG    | 13.28125                    | Production  |
| Glendower 118       | Surat Basin | CSG    | 13.28125                    | Production  |
| David 173           | Surat Basin | CSG    | 13.28125                    | Production  |
| David 174           | Surat Basin | CSG    | 13.28125                    | Production  |
| Glendower 108       | Surat Basin | CSG    | 13.28125                    | Production  |
| David 216           | Surat Basin | CSG    | 13.28125                    | Production  |
| Glendower 117       | Surat Basin | CSG    | 13.28125                    | Production  |
| David 217           | Surat Basin | CSG    | 13.28125                    | Production  |
| David 196           | Surat Basin | CSG    | 13.28125                    | Production  |
| Fairview 16-24-1    | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 245        | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 16-39-1    | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 212        | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 533        | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 528        | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 15-17-1 RE | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 534        | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 526        | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 537        | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 12-21-1    | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 16-47-1 RE | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 15-18-1    | Bowen Basin | CSG    | 10.17025                    | Production  |

| Development Wells | Basin/Area  | Target | Origin effective Interest % | Well Status |
|-------------------|-------------|--------|-----------------------------|-------------|
| Fairview 12-22-1  | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 05-08-1  | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 536      | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 12-22-2  | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 535      | Bowen Basin | CSG    | 10.17025                    | Production  |
| Fairview 12-22-3  | Bowen Basin | CSG    | 10.17025                    | Production  |
| Durham Ranch 125* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 151* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 159* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 156* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 157* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 123* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 158* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 120* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 121* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 163* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 82*  | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 241* | Bowen Basin | CSG    | 40.1625                     | Production  |
| Durham Ranch 83*  | Bowen Basin | CSG    | 40.1625                     | Production  |

(\* Denotes operated by Origin)

#### 4. ACQUISITIONS/DIVESTMENTS

During the Quarter:

- Origin executed Farmin Agreements with Empire Oil & Gas NL, ERM Gas Pty Ltd and Allied Oil & Gas Plc to farmin to Empire operated Exploration Permits 368 and 426 in the northern Perth Basin. Key commercial terms are for Origin to earn a 40% interest in each exploration permit by operating and paying 80% of the cost of a 100 km<sup>2</sup> 3D seismic survey over the North Erregulla prospect. Under the farmin terms, Origin will operate the seismic program and Empire will retain operatorship through the exploration drilling phase, with Origin taking over operatorship if the Joint Ventures were to commit to appraise and develop a discovery. Commencement of the seismic survey is subject to, and conditional upon, satisfaction of several conditions precedent. Norwest Energy NL elected to maintain its current 20% working interest in each of the Exploration Permits 368 and 426.
- Origin was awarded new exploration acreage, block VIC/P42(V), located within the Otway Basin.
- Origin announced a 50:50 incorporated joint venture with Sasol Limited, to explore for CSG in Botswana. The joint venture is known as Kubu Joint Venture. Furthermore, the Kubu Joint Venture, signed an agreement with Sekaname Pty Ltd to acquire three prospecting licences (PL134/2010, PL135/2010 and P136/2010) in the central provinces of Botswana covering an area of approximately 3,000km<sup>2</sup>.
- A farmout of a 5% interest in the Kenya offshore Block L8 to Tullow Oil was completed in early October 2011. Origin retains a 20% interest in the block.

## 5. CAPITAL EXPENDITURE

The tables below include total expenditure on exploration and evaluation activities and capital expenditure on development and production activities. It excludes expenditure on acquisitions. Expenditure in the current financial year is preliminary and is subject to audit review. Note: Numbers may not add due to rounding.

| <u>Australian Operations</u> | December     |                  |              |             |             |
|------------------------------|--------------|------------------|--------------|-------------|-------------|
|                              | This Quarter | Previous Quarter | Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
| A\$m                         |              |                  |              |             |             |
| Exploration / Evaluation     | 34           | 31               | 52           | 65          | 70          |
| Development / PP&E           | 71           | 48               | 31           | 119         | 72          |
| <b>Total</b>                 | <b>105</b>   | <b>78</b>        | <b>83</b>    | <b>183</b>  | <b>142</b>  |

| <u>New Zealand Operations</u> | December     |                  |              |             |             |
|-------------------------------|--------------|------------------|--------------|-------------|-------------|
|                               | This Quarter | Previous Quarter | Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
| NZ\$m                         |              |                  |              |             |             |
| Exploration / Evaluation      | 1            | 2                | 37           | 2           | 41          |
| Development / PP&E            | 3            | 9                | 5            | 12          | 9           |
| <b>Total</b>                  | <b>4</b>     | <b>10</b>        | <b>42</b>    | <b>14</b>   | <b>50</b>   |

| <u>International Operations*</u> | December     |                  |              |             |             |
|----------------------------------|--------------|------------------|--------------|-------------|-------------|
|                                  | This Quarter | Previous Quarter | Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
| A\$m                             |              |                  |              |             |             |
| Exploration / Evaluation         | 10           | 4                | 10           | 14          | 19          |
| Development / PP&E               | 0            | 0                | 0            | 0           | 0           |
| <b>Total</b>                     | <b>10</b>    | <b>4</b>         | <b>10</b>    | <b>14</b>   | <b>19</b>   |

\* Includes all expenditure incurred on permits outside Australia and New Zealand, including Origin's interests in South East Asia, Kenya and Botswana.

| <u>Total (excluding APLNG)</u> | December     |                  |              |             |             |
|--------------------------------|--------------|------------------|--------------|-------------|-------------|
|                                | This Quarter | Previous Quarter | Quarter 2010 | YTD 2011/12 | YTD 2010/11 |
| A\$m                           |              |                  |              |             |             |
| Exploration / Evaluation       | 44           | 36               | 90           | 81          | 121         |
| Development / PP&E             | 73           | 54               | 35           | 128         | 79          |
| <b>Total</b>                   | <b>118</b>   | <b>91</b>        | <b>125</b>   | <b>208</b>  | <b>200</b>  |

### **Australia Pacific LNG**

Origin is required to contribute cash to Australia Pacific LNG (in proportion to its equity holding) where Australia Pacific LNG has insufficient cash from other sources to fund its activities. In previous quarters Australia Pacific LNG has had access to cash from the issue of equity to new shareholders and operating cashflows. Origin has made no cash contributions in previous quarters as all expenditure was met through these sources.

In the December Quarter 2011 Origin contributed \$173 million to Australia Pacific LNG.



## 6. ORIGIN'S INTERESTS

### 6.1 Origin held interests in the following permits during the Quarter:

| Basin/Project Area         | Permits (Origin current beneficial interest)<br>(* Denotes Operatorship)   |
|----------------------------|--|
| <b>Australia</b>           |  |
| Surat Basin (Qld)          | PL 14 (100%*); PLs 56 and 74 (69%*);<br>PL 30 (75%*); PLs 21, 22, 27 and 64 (87.5%*);<br>PLs 53, 174 and 227 (100%*); ATP 470P Redcap (90%*) (subject to transfer); ATP 470P Formosa Downs (42.7192%*)(subject to transfer following withdrawal); PL 71 (Production) (90%*); PL 71 (Exploration) (72%*); PL 70 (100%*) and PL 264 (90%*);<br>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%) |
| CSG (Qld)                  | ATP788P Shallows (100%*)   |
| Onshore Otway Basin        |  |
| - 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%*)  |
| Offshore Otway Basin       |  |
| - Victoria                 | VIC/L23 and VIC/P43 (67.23%*); VIC/RL2(V) and VIC/P42(V) (100%*)   |
| - Tasmania                 | T/L2, T/L3 and T/30P (67.23%*); T/34P (82.3%*)   |
| Bass Basin (Tasmania)      | T/L1 (42.5%*); T/18P (39.0%*); and T/44P (60%*)  |
| Onshore Perth Basin (WA)   | EP 320 and L11 (67%*); L14 (49.189%*); and L1/L2 (excluding Dongara, Mondarra and Yardarino) (50%)   |
| Offshore Bonaparte (WA/NT) | NT/RL1 and WA6R (5%)   |
| Cooper Basin               |  |
| - 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%)   |
| <b>New Zealand</b>         |  |
| Taranaki Basin             | PMP 38151, PMP 38155, PML 38138, PML 38139, PML 38140 and PML 38141 (100%*);<br>PML 38146 (50%*) and PEP 38485 (33.33%) (surrender application submitted.)   |
| Northlands Basin           | PEP 38619 (100%*)  |
| Canterbury Basin           | PEP 38262 and PEP 38264 (50%)  |
| <b>Kenya</b>               |  |
| Lamu Basin                 | L8 (20%)   |
| <b>Botswana</b>            |  |
|                            | PL134/2010, PL135/2010 and P136/2010 (50%)   |
| <b>Vietnam</b>             |  |
| Song Hong Basin            | Block 121 (100%*)  |
| Vinh Chau Graben           | Block 31 (25%) and Block DBSCL-01 (25%) (subject to farm-in agreement with Salamander)   |
| <b>Thailand</b>            |  |
| Khorat Plateau             | L15/50 and L26/50 (40%) (subject to farm-in agreement with Salamander)   |

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

Australia Pacific LNG holds interests in the permits listed below. The interests denote Origin's effective interest in the permits - being 42.5% of the interest held by Australia Pacific LNG.

| Basin/Project Area                 | Permits (Origin current effective beneficial interest)<br>(* Denotes Operatorship)  |
|------------------------------------|---|
| <b>Australia</b>                   |   |
| Denison Trough (Qld)               | PLs 41, 42, 43, 44, 45, 54, 67, 173, 183 and 218 (21.25%*); ATP 337P, PLAs 449, 450, 451, 452, 453, 454, 455, 456, 457, 475 and 476 (21.25%); ATP 337P Mahalo and PLA 448 (12.75%); and ATP 553P (21.25%)   |
| Galilee Basin (Qld)                | ATPs 666P, 667P and 668P (42.5%*)   |
| CSG (Qld)                          |   |
| - Spring Gully                     | PLs 195 and 203, PLAs 268, 414, 415, 416, 417, 418, 419 and ATP 592P (40.1625%*); PL 204 (42.383124%*); and PL 200 (40.67692%*)   |
| - Fairview                         | PLs 90, 91, 92, 99, 100, 232, 233, 234, 235 and 236 and ATP 526P (10.17025%)  |
| - Peat                             | PL 101 (42.5%*)   |
| - Argyle/Kenya/Lauren/<br>Bellevue | PLs 179, 180, 228, 229 and 263 and ATP 620P Shallows (17.265625%); PL 247 and ATP610 Shallows (12.484375%); PL 273, 274 and 279 and ATP 648P Shallows, PLAs 257, 275, 278, 442, 466 and 474 (13.28125%)   |
| - Talinga/Orana                    | PLs 209, 215 and 226, PLAs 216, 225, 272, 289, 445 and 481 and ATP 692P (42.5%*)  |
| - Other(Bowen Basin)               | PLs 219 and 220 (42.5%*); ATPs 653P, PLAs 420, 421, 440 and 745P (10.13625%); and ATP 804P (12.451735%)   |
| - Other (Surat Basin)              | ATP 606P, PLAs 297, 403, 404, 405, 406, 407, 408, 412, 413 and 444 (39.404384%*); ATP 631P, PLAs 281 and 282 (7.6910124%); ATP 663P, PLAs 434, 435, 436, 437, 438 and 439 (42.5%*); ATP 702P, PLs 265 and 267 and PLA 266 (42.5%*); ATP 972P, PLAs 469, 470 and 471 (39.404384%*) and ATP 973P (42.5%*) |

## 7. CONVERSION FACTORS AND ABBREVIATIONS

### 7.1 Conversion Factors

|            |         |            |
|------------|---------|------------|
| Crude oil  | 0.00583 | PJ/kbbbls  |
| Condensate | 0.00541 | PJ/kbbbls  |
| LPG        | 0.0493  | PJ/ktonnes |
| Ethane     | 0.0517  | PJ/ktonnes |

### 7.2 Abbreviations

|           |  |
|-----------|--|
| APLNG     | Australia Pacific LNG - an incorporated Joint Venture between Origin, ConocoPhillips and Sinopec   |
| barrels   | an international measure of oil production. 1 barrel = 159 litres  |
| Bopd      | barrels of oil per day   |
| BTEX      | benzene, toluene, ethylbenzene, xylene   |
| 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   |
| DERM      | Department of Environmental and Resource Management  |
| EA        | environmental authority  |
| FEED      | front end engineering & design   |
| FID       | final investment decision  |
| GJ        | Gigajoule = $10^9$ joules  |
| joule     | a measure of energy  |
| Kbbbls    | Kilo barrels = 1,000 barrels   |
| Ktonnes   | Kilo tonnes = 1,000 tonnes   |
| LNG       | liquefied natural gas  |
| LPG       | liquid petroleum gas   |
| MDRT      | measured depth from rotary table   |
| mmscfd    | million standard cubic feet per day  |
| mtpa      | million tonnes per annum   |
| 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 |
| Pigging   | pipeline examination and maintenance   |
| QGC       | Queensland Gas Company   |
| Spudding  | to commence drilling a well  |
| SWQ       | South West Queensland  |
| TD        | total depth  |
| TJ        | terajoule = $10^{12}$ joules   |
| TJ/d      | terajoules per day   |
| TVDSS     | Total Vertical Depth Subsea  |
| Water Inj | water injection well   |