CHAIRMAN'S ADDRESS
ANNUAL GENERAL MEETING
19 OCTOBER 2016

Last year, I discussed the impact the sharp drop in the oil price had on our stock price.

As you can see from the slide, this impact unfortunately has continued in FY16.

Last year, we committed to decisive action to face up to these issues. We laid out a plan based on three priorities: significantly cutting debt; optimising cash flow and reducing risk. I am pleased to report that the plan is working despite the challenging impact from the oil price in our industry globally.

At the end of FY16 we had reduced adjusted net debt by $4 billion to $9.1 billion, already in line with our target for FY17. As you can see this came primarily from the sale of Contact contributing $2.9 billion, the $2.5 billion equity raising, and cash flow from the business contributing $1.3 billion. During the year we also reduced the number of employees at Origin by 24 per cent. We have announced asset sales of $484 million to date, and continue to target in excess of $800 million.

We are firmly committed to cutting debt again and can reconfirm guidance that adjusted net debt will be well below $9 billion by the end of the 2017 financial year.

Our second priority was to optimise cash flow by becoming more disciplined with the use of capital. As this slide clearly demonstrates, by focusing on both capital and operating expenditure, and exiting non-core businesses, we improved net cash by $3.3 billion this year. As this is one of our key priorities, we have made it one of the ongoing key performance measures in the Short Term Incentive program for management.

Our third priority was to reduce risk and we have already advised that we implemented a US$40 per barrel floor on the oil price in FY17.

We have now also hedged around 15 million barrels progressively into the 2018 financial year. These hedges will help to protect the Company's ability to repay debt by further reducing downside oil price risk whilst maintaining substantial upside oil price participation.

We have cut debt, we have optimised cash flow and we have reduced risk.

At the same time as addressing the key financial issues, we remain intensely focused on profitably growing our two core businesses, Energy Markets and Integrated Gas.

Our Energy Markets business had a good year. EBITDA grew by 6 per cent, we reduced the cost to serve our customers, our underlying EBIT margin improved to 10.1 per cent, our customer count was stable, and most importantly, we improved our customer satisfaction scores. This enabled us to deliver $522 million more in cash flow.

Our Integrated Gas business also had a good year. Having completed train 1 at APLNG and with sales from January 2016, we are focused on continuing to drive productivity and reduce the project breakeven cost. We are operating at above nameplate capacity on train 1 and have produced and loaded 50 cargoes to date.

This progress on both businesses will continue into this year. Energy Markets will increase its underlying EBITDA by somewhere between $100 to $200 million.

The team will achieve this by lowering the cost to serve our customers, by improving customer service (38 per cent of customers are now on e-billing) by introducing innovative products such as our guaranteed fixed price energy bill, and by establishing a leading position in utility scale renewables, where we now have over 800MW under contract.

Our Integrated Gas business will more than double its underlying EBITDA[1] to over $1 billion this financial year.

On the 10th October this year, we announced two significant milestones: firstly the completion of the 120-day operational test on Train 1.This represents a major milestone towards satisfying project finance completion agreements on train 1 which will release US$5.1 billion of project finance guarantees. The second important milestone was the completion of the first cargo from train 2. This means APLNG is one of the largest energy projects ever to be undertaken in eastern Australia and represents billions of dollars of investment in local jobs, regional communities and Queensland as a whole.

This is a fitting testament to the management of David Baldwin and his team, but also to the vision and strategy of Grant King.

As a result of the resilience of our Energy Markets business and the optimistic outlook for our Integrated Gas business, we are comfortable to reconfirm previous guidance that our underlying EBITDA will grow by between 45 and 60 per cent in FY17.

NPAT guidance has not been provided whilst APLNG transitions from development to operation due to potential variability in non-cash items below EBITDA. We will provide a further update at the half year results.

I would now like to turn to the equally important topic of Sustainability and to our commitments.

Copies of our 2016 Sustainability Report are available in the foyer outside.

Let me take you through some of the highlights.

Origin is now Australia's leading clean energy company.

Last year we reinforced our commitment to help address climate change, to Australia's 2030 target of a 26 to 28 per cent decrease on 2005 levels as a minimum. And we committed to all seven initiatives set out by the We Mean Business Coalition. We were the first energy company in the world to do so.

We are planning to build or contract between 1,000-1,500MW of large scale renewables by 2020, with over 800MW already contracted. We have over 400,000 electricity customers with rooftop solar installations, and we grew our solar sales by 95 per cent. We are the largest green energy retailer in Australia with nearly 200,000 customers.

We also believe in the role of gas as an ongoing complementary fuel supporting the intermittency of renewables and as a displacement for coal. Origin's strategy of investing in gas and renewables means the company is well placed to lead the transition to less carbon intensive energy – not only through the Energy Markets business domestically but also in regional markets through its investment in Australia Pacific LNG

[1] Based on average oil price of US$52.90/bbl and AUD/USD exchange rate of 0.74

I would also like to comment here on our commitment to safety. Origin is committed to zero harm in the workplace. Safety is our first priority. Origin's primary measure of safety performance is the Total Recordable Injury Frequency Rate (TRIFR), which measures our company wide work related injuries per million hours worked. As the chart demonstrates our progress since 2012 has been good. The increase in FY16 was as a result of worked hours being reduced. The actual number of injuries fell from 120 in FY15 to 79 in FY16.

Finally let me comment on three very important changes that the Board took. The first is that after a great deal of deliberation, we took the decision to suspend the dividend in the second half of last year.

We know how important these dividends are to you, and we would not have done so unless it was absolutely necessary. As I said earlier we need to reduce debt to an acceptable level, and this together with the other initiatives I mentioned, (selling assets, reducing capex, optimising cash flow, and a 24 per cent reduction in the number of Origin employees) will enable us to do so and take more risk out of the business.

The second important change is that Grant King announced his retirement as CEO and Managing Director at the close of the AGM. I know you will want to join me in thanking him, and acknowledging his enormous contribution to Origin over the last 16 years.

When Origin was first spun out of Boral we had a market cap of around $700 million. Today that is almost $10 billion. Grant was the genius who saw the strategic benefits of combining the contestable parts of the Energy Value chain, allowing us to link energy sources with the end user. He was the visionary who realised that the fuels of the future were gas and renewables. They combine the certainty of supply of baseload generation with lower carbon emissions from renewables, at an acceptable price. And he has been the strongest advocate that Australia will benefit most from this focus on energy security, carbon reduction, and affordability. Origin is well positioned as a result of his strategic insight.

But as important, he has been a great leader for our company combining huge intellect with modesty and absolute integrity. I have never worked with better.

The third important change I want to comment on is the appointment of Frank Calabria as the new CEO.

We started the process of developing internal succession three years ago, with the help of a consulting firm from New York. The process involved both internal and external leadership development for the candidates. Six months ago we tested the external market to benchmark our internal candidates.

We found some outstanding candidates who shared our vision for Origin. After extensive interviewing, we agreed that Frank was the best of the best. It is also a tribute to Grant and the opportunities that he has afforded Frank, first as CFO and most recently as CEO of Energy Markets, that we were able to appoint from within. I know you will join me in wishing Frank every success in his new role.

In conclusion, ladies and gentlemen let me thank you for coming today and for supporting us. The year has been one of good progress in the business, overshadowed by a continued low oil price, and the resultant impact on our share price.

But we are well positioned for the medium term, reducing debt further, re-focusing on our two core businesses and driving productivity harder. We are mindful of our social license to operate, and the actions we will continue to take on climate change and safety and the environment.

I wanted to conclude by thanking my colleagues on the Board, the Executive Team and all the staff at Origin who have worked tirelessly over the last 12 months in your interests.

I want to thank you for your understanding and your patience, and assure you of our commitment to realising a great future for the company.

MANAGING DIRECTOR'S ADDRESS
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The Chairman has reflected on our response to the continuing challenge lower oil prices have posed for our business. When oil prices fell to $26 a barrel last January, both oil prices and our share price hit historical lows - fortunately both have increased significantly since then – with the Origin share price up 64% off those lows. As we meet here today oil prices and our share price are about the same as they were a year ago but the company is in a materially different position.

This time last year we were in the middle of an equity raising and in so doing made a number of commitments to our shareholders. Clearly, in 2016, our greatest priority was to deliver on these commitments. Again our Chairman has shown how we are delivering on them and in particular the many actions taken to reduce debt which was unsustainably high in the lower oil price environment.

Recognising how challenging a year it has been for Origin and its shareholders I believe we have made good progress on improving Origin's resilience to lower oil prices, particularly if they persist for longer than anticipated. We are well placed to see a significant improvement in our performance if and when oil prices rise.

Whilst our response to lower oil prices has been the defining event for the year, the actions we had to take were clear to see, and simply what you would have expected us to do to protect and restore value for you, our shareholders.

However, when we look back on this year in a few years time, I believe the most important decisions we have made will be the way we have responded strategically to the continuing challenges our industry faces in the longer term.

For those of us that see the supply of energy as central to our purpose, finding the right balance in providing a reliable, affordable and sustainable supply of energy is the greatest challenge to the long term growth and prosperity of Origin.

We have seen this year that lower oil prices have required action to ensure the economic sustainability of Origin. However this has occurred in a year when the world has renewed its commitment to responding to the challenge of climate change through the recent ratification of national commitments to reductions in carbon emissions made at COP21 - Australia's commitment is a 26 - 28% reduction on 2005 levels by 2030. Achieving this commitment will require a very significant transition in the way we produce and use energy.

Yet, this year, we have also seen on several occasions the highly disruptive effects that a lack of reliability in the delivery of energy can have on our communities, if we get this transition wrong. We are so used to enjoying a highly reliable supply of energy in Australia that debate on energy policy has focussed more on affordability and environmental sustainability at the expense of reliability and economic sustainability.

Restrictions on access to gas resources in a number of locations in Australia as well as the imposition of state based renewables targets, when the challenge of reducing the carbon intensity is a truly national one, are but two examples of policies that will make more difficult the achievement of the often conflicting but not necessarily mutually exclusive challenge of achieving a reliable, affordable and sustainable supply of energy.

This is the landscape in which Origin seeks to develop and grow its business. We believe that the fuels best placed to drive and support the transition to a less carbon intensive future are gas and renewables.

As we look back on 2016 we should reflect on a difficult year when we responded effectively not just to the challenges immediately in front of us but evidenced that we are also well placed to face the future.

Our Energy Markets business, having for a number of years pursued a strategy of being under generated in respect of the energy we sell our customers, underinvested in coal fired generation and long in flexible gas fired generation, Origin will lead the transition to a lower carbon future in Australia, through a growing commitment to renewables as evidenced by our Chairman in his earlier comments. Despite significant reductions in capital expenditure we have also made the necessary investments in technology to put our customers at the centre of our business.

In our Integrated Gas business, APLNG has completed the development of its two train LNG project in Queensland and our funding of our share of this project is nearly complete. APLNG's extensive gas resources, previously wholly owned by Origin, together with other gas resources owned by Origin, can now be connected to the growing markets for gas in the nations of the Asian region as these nations also seek to improve the reliability, affordability and sustainability of their energy supply.

We may reflect that our investment in APLNG overly stretched the resources of Origin in light of the current circumstances but the project is now complete, performing well ahead of expectations, and supported by a dedicated team of people in both Operators who have done an outstanding job in delivering one of the largest resource projects ever undertaken in Australia. They are committed to the continued improvement of the performance of the project. We are confident that our investment in APLNG will be a valuable investment for our shareholders over the longer term.

In summary, I think an appropriate reflection on the year is to recognise how challenging it has been for our shareholders. Yet it is also a year in which the Company has responded appropriately to these challenges whilst also continuing to build on the strategies that will see Origin not only restore value but prosper and grow in the years ahead.

On a final note I should say that this is my final note! As you are aware I will be stepping down from my current role at the end of the meeting and retiring at the end of the month. It is time for the next generation of leadership at Origin and I am delighted that the Board has chosen Frank Calabria to lead Origin through its next phase of development. Our Chairman, Gordon Cairns and your new Managing Director, Frank Calabria will, in my opinion, make a wonderful leadership team for Origin.

I trust you will give me the luxury of simply saying thank you very much for the support everyone who I have been associated with in my time at Origin has given me. I would particularly like to thank you, our shareholders for supporting our ambition to build a great Australian energy Company, and hope you will continue to support my successors on that journey.

Thank you.

FRANK CALABRIA'S ADDRESS
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Thanks Gordon and Grant.

First, let me say what an honour it is to be appointed as Origin's CEO.

I have spent the last 15 years at Origin and it is a great company, with great people that do vitally important work for millions of customers.

For those 15 years I have had the privilege of working with Grant King. Grant has not only been the architect of Origin's success but has also made a critical contribution to Australia's energy future.

Grant had the foresight to see before many others that the energy future would be one dominated by natural gas and renewables.

His legacy is one that we will honour, respect and continue to build upon.

I'd now like to share a few very brief thoughts on how I see Origin.

We power over 4 million homes and businesses in Australia and through the export of natural gas millions more in Asia. We strive to provide energy that is reliable, affordable and sustainable. We are committed to leading the transition to a cleaner energy future, a future where we will also find new and better ways to power homes and businesses.

You can see that through the way we are leading in renewables, the way we are embracing new technologies and continually looking to innovate.

Our company is composed of two very strong businesses. Integrated Gas and Energy Markets are in a great position to lead the transition to cleaner energy domestically and in the Asia Pacific region.

As we look to the future, our people, customers and communities are keys to our success.

Every one of our 5,800 people do important work. Our people seek to do their best work every day powering millions of homes and businesses as well as learning and adapting to a new energy future.

Whether they are buying LNG or LPG, electricity or natural gas, solar or battery storage, our customers are at the core of our business and the decisions and actions we take.

As we look to the future our customers want a great customer experience, more choice, more control and more empowerment in the way they use energy. Origin plays a clear role in doing this, whether it's through advanced metering, rooftop solar, battery storage, utility scale renewables, natural gas exports or exciting new solutions that are yet to be created.

Our communities are also critical to our success and integral to our operations - their ongoing support for our activities is of utmost importance as we continue to work side-by-side to help generate real local value.

It stands to reason that if we get things right with our people, our customers and our communities, grounded in the right strategy - this will lead to increased shareholder value.

While I look forward to setting out my vision for Origin in the coming months, our immediate priorities are clear: we will accelerate debt reduction and lift Origin's performance. This twin focus will improve returns for our shareholders and put Origin in a position to capture exciting growth opportunities.

I am looking forward to talking to as many of you as possible over a cup of tea during the break.