



## ASX/Media Release

24 February 2014

### Origin expands Cooper Basin gas position through farm-in agreements with Senex Energy

Origin Energy Limited (Origin) today announced the signing of two farm-in agreements with Senex Energy Limited (Senex, ASX:SXY) to acquire exploration interests in two unconventional gas blocks covering more than 1,900 km<sup>2</sup> of South Australia's prospective Cooper-Eromanga Basin.

The two gas blocks (Area A and Area B<sup>1</sup>) comprise a number of prospective sub-basins within the Cooper-Eromanga Basin - including the Allunga, Nappamerri and Patchawarra troughs - and provide exposure to multiple unconventional play types including tight sands, shale and deep coal seams.

Following completion of the farm-in agreements, which is expected by around 30 June 2014, Origin will progressively invest \$97 million to contribute to an exploration program on each gas block (Stage 1). Upon their completion, Origin will hold a 40 per cent participating interest in Area A and a 30 per cent participating interest in Area B.

Origin will then have the option to increase its working interest in both blocks by 10 per cent via an additional \$72 million investment to contribute to a pilot appraisal program in each area (Stage 2). In the event Origin elects not to exercise this option, the company would continue to hold its existing participating interests.

Senex will retain operatorship of Area A and Area B with Origin defining the technical inputs to the work programs. After completion of the pilot appraisal programs Origin would have the option to become operator in each area.

Origin Chief Executive Officer Upstream, Mr Paul Zealand said, "The two farm-in agreements represent an attractive opportunity through which Origin can greatly increase its upside exposure to unconventional gas opportunities in one of the most attractive gas regions in eastern Australia.

"Through Origin's longstanding investment in the Cooper Basin Joint Venture, we have gained a detailed understanding of gas exploration and development potential in the Cooper-Eromanga region. The new farm-ins provide an exciting opportunity through which we can leverage these skills and expertise.

"We are pleased to be working with Senex Energy given its proven track record operating in one of Australia's largest onshore hydrocarbon provinces," Mr Zealand said.

The agreements are subject to certain approvals including registration of interests.

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<sup>1</sup> Origin's interest in Area B covers the Permian section and all underlying strata only.



## Transaction details

The following table summarises Origin's contribution and interest earned under the farm-ins.

	AREA A	AREA B <sup>2</sup>	Total
Farm-out areas	1,031 km <sup>2</sup> (255,000 acres)	904 km <sup>2</sup> (223,000 acres) (Deeps only)	
Origin contribution to Stage 1 work program	\$65 million	\$32 million <sup>3</sup>	\$97 million
Participating interest earned by Origin	40 per cent	30 per cent	
Origin contribution to optional Stage 2 work program	\$40 million	\$32 million <sup>3</sup>	\$72 million
Participating interest earned by Origin	10 per cent	10 per cent	
Total Participating interest at the end of optional Stage 2	50 per cent	40 per cent	
Total Origin contribution to work programs	\$105 million	\$64 million	\$169 million

The signatories to Area A agreement are Origin Energy Resources Limited and Senex subsidiaries Victoria Oil Exploration (1977) Pty Ltd and Stuart Petroleum Pty Ltd.

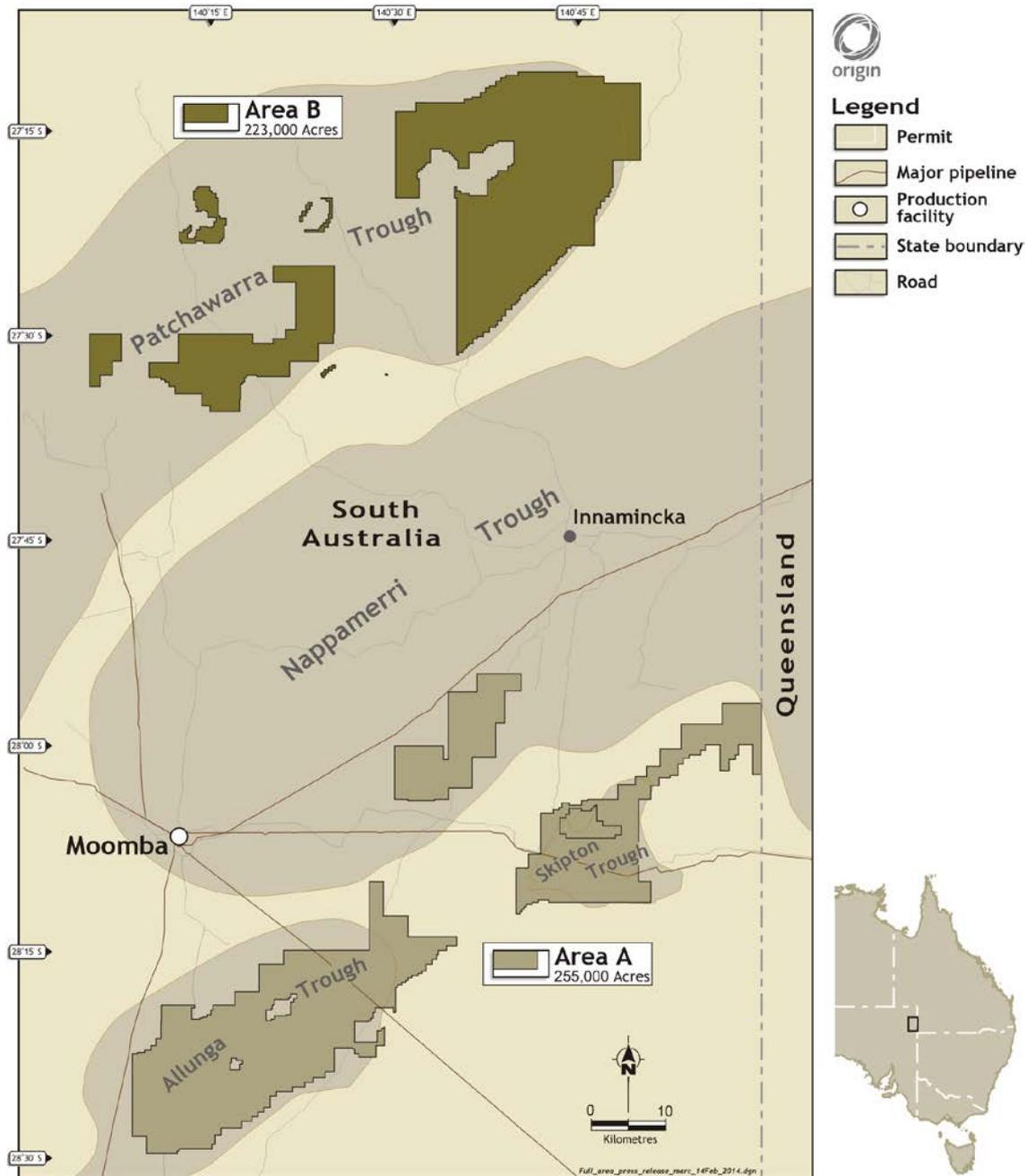
The signatories to Area B agreement are Origin Energy Resources Limited and Senex subsidiary, Stuart Petroleum Cooper Basin Oil Pty Ltd.

<sup>2</sup> Planet Gas holds a 20 per cent participating interest in Area B.

<sup>3</sup> Additional work programs of up to \$67 million (gross) may be agreed in Area B over Stage 1 and Stage 2 with participation on an equity basis.



Figure 1. Location of Area A and Area B





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**About Origin Energy**

Origin Energy (ASX: ORG) is the leading Australian integrated energy company focused on gas and oil exploration and production, power generation and energy retailing. A member of the S&P/ASX 20 Index, the company has more than 6,000 employees and is a leading producer of gas in eastern Australia. Origin is Australia's largest energy retailer servicing 4.3 million electricity, natural gas and LPG customer accounts and has the country's largest and one of the most flexible generation portfolios with approximately 6,010 MW of capacity, through either owned generation or contracted rights. Origin's strategic positioning and portfolio of assets provide flexibility, stability and significant opportunities for growth across the energy industry. Through Australia Pacific LNG, its incorporated joint venture with ConocoPhillips and Sinopec, Origin is developing one of Australia's largest CSG to LNG projects based on Australia's largest 2P CSG reserves base.

In New Zealand, Origin is the major shareholder in Contact Energy, the country's leading integrated energy company, operating geothermal, thermal and hydro generation facilities and servicing electricity, gas and LPG customers across both the North and South islands. Origin also operates several oil and gas projects in New Zealand and is one of the largest holders of petroleum exploration acreage in the country.

Origin has a strong focus on ensuring the sustainability of its operations, is the largest green energy retailer in Australia and has significant investments in renewable energy technologies.

For more information go to [www.originenergy.com.au](http://www.originenergy.com.au)

**About Senex Energy Limited**

Senex (ASX: SXY) is an S&P/ASX 200 energy company with a diversified portfolio of oil and gas assets in Australia's Cooper, Eromanga and Surat Basins. The Company is an experienced operator in Australia's oil and gas industry and has attracted a highly qualified team of professionals to grow the business safely and efficiently.

For more information go to [www.senexenergy.com.au](http://www.senexenergy.com.au)