

Report for the Quarter ended 30 September 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.

Significant events and influences during the Quarter included:

- With the reinstatement of both Liquids Recovery Plant Trains in late August 2004, production of ethane, propane and butane at Moomba in the Cooper Basin was restored to the levels before the 1 January 2004 incident which resulted in a fire at and closure of the Plant.
- Origin participated in twelve wells in the Cooper Basin including two gas exploration, one gas appraisal and nine oil or gas development wells. Eight of these wells were cased and suspended as future producers (five oil/three gas). Both exploration wells and the appraisal well were unsuccessful and in the remaining well the target zone has yet to be drilled. New fracture stimulation technology was trialed in four wells, the success of which is being evaluated.
- In the Perth Basin, oil production at the end of the Quarter was approximately 8,400 barrels of oil per day (bopd) (Origin share 4,200 barrels) from the Hovea and Jingemia fields. Production for the Quarter averaged approximately 7770 bopd. Connection of the recently drilled Hovea 11, which indicated an 18m oil column, and completion of new surface facilities at the Eremia, Hovea and Jingemia fields is expected to lift the combined production rate towards 10,000 barrels per day.
- Also in the Perth Basin, exploration drilling resulted in gas zones being identified at Agonis 1 and a new oil discovery at Centella 1. In both cases the reservoir quality was interpreted to be poor and further evaluation (re-entry and sidetracking in Agonis 1 and testing in Centella 1) is required to establish the significance of these well results. Plans were being made to sidetrack from the Tarantula 1 well bore to enable completion of the gas zone discovered in that well while the Xyris gas field is being connected to the Parmelia Pipeline to allow production from that field.
- In total Origin participated in 12 CSG wells in its Queensland permits during the Quarter, all of which were development wells on the Spring Gully Project. Drilling operations on an additional Spring Gully well were also completed. With all pre-production drilling at Spring Gully now completed, the focus is on stimulation of the wells and final completions. Construction of infield pipelines and the main trunk line to Wallumbilla is in progress and earthworks for the ponds and the gas plant have commenced. Petroleum Lease applications were lodged in respect of five field areas.
- In the BassGas Project, drilling and testing operations on the two development wells, Yolla 3 and 4, were completed and the results are currently being analysed. Construction of the onshore and offshore facilities experienced further delays which will result in commencement of commissioning of the facilities now being in December 2004. The commissioning period for the plant will extend through the Christmas New Year period which may further delay full commercial production.

During the Quarter Origin and Clough Engineering Ltd disclosed that Origin, on behalf of the BassGas Project Joint Venturers, intends to seek liquidated damages from Clough in relation to delays in completion of engineering works associated with the project. Clough has denied that liquidated damages are payable.

- Design work on the Otway Gas Project covering the Thylacine and Geographe fields to the west of Bass Strait has progressed to be 50% complete in respect of the gas plant and over 40% complete for the platform. Site preparation for the gas plant was scheduled for October 2004 while site preparation for the shoreline crossing has commenced.
- Front end engineering design (FEED) work for the Kupe Project in New Zealand is well advanced. Bids have been invited from existing gas facility owners for processing of the Kupe gas. The Joint Venture will decide, once the bids are received, whether to accept a bid or construct a new facility. The environmental and regulatory approval process has commenced.
- Origin acquired from Santos Limited interests in the PEP 153 and PEP 154A and B tenements, associated production licence areas, pipelines and gas processing plant in onshore Otway Basin (Victoria). These assets provide access to current production, exploration opportunities and potential for use of depleted fields for gas storage operations.
- Origin will participate in the drilling of four offshore wells in the coming December and March Quarters in T/18P (Trefoil 1), WA-226-P (Fiddich 1) and Vic/P37(V) (Halladale 1 and Black Watch 1).
- Origin has entered into conditional agreement with subsidiaries of BHP Billiton to sell its interests in the Tubridgi gas field and associated assets.
- The Myall Creek 3D Seismic Survey in the Surat Basin was completed.

Post Report Date Events

Initial results of testing in the Centella 1 well in L1 (WA) indicate the well flowed oil at a low rate. Further testing and investigation of stimulation options will be undertaken during the next Quarter to confirm the commerciality of the discovery and likely production rates.

The exploration well, Xyris South 1, in the onshore Perth Basin (L1), will be cased and suspended as a potential future gas producer after wireline logs and drilling data indicated an approximately 28m gas column in the Dongara Sandstone.

The Tubridgi gas field in Western Australia was shut-in as proposed on 7 October 2004.

Report for the Quarter ended 30 September 2004

1. SALES

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

Sales Volumes

| Product | Unit | This Quarter | Previous Quarter | % Change | 1st Quarter 2003/04 | YTD 2004/05 | YTD 2003/04 |
|---------------------------|---------|---------------|------------------|-------------|---------------------|---------------|---------------|
| Natural Gas | | | | | | | |
| | PJ | | | | | | |
| SA Cooper & SWQ | | 9.51 | 8.52 | | 10.68 | 9.51 | 10.68 |
| Otway Basin | | 1.99 | 1.65 | | 1.76 | 1.99 | 1.76 |
| Perth Basin | | 0.45 | 0.52 | | 0.61 | 0.45 | 0.61 |
| Carnarvon Basin | | 0.94 | 0.97 | | 1.84 | 0.94 | 1.84 |
| Coal Seam Gas | | 2.38 | 2.45 | | 2.23 | 2.38 | 2.23 |
| Surat / Denison | | 2.94 | 2.98 | | 2.62 | 2.94 | 2.62 |
| Total | | 18.21 | 17.09 | 7% | 19.74 | 18.21 | 19.74 |
| Crude Oil | | | | | | | |
| | kbbbls | | | | | | |
| SA Cooper & SWQ | | 109.67 | 202.53 | | 122.16 | 109.67 | 122.16 |
| Surat / Denison | | 11.97 | 15.40 | | 28.22 | 11.97 | 28.22 |
| Perth Basin | | 355.58 | 348.62 | | 257.70 | 355.58 | 257.70 |
| Total | | 477.22 | 566.54 | -16% | 408.08 | 477.22 | 408.08 |
| Condensate/naphtha | | | | | | | |
| | kbbbls | | | | | | |
| SA Cooper & SWQ | | 138.34 | - | | 118.61 | 138.34 | 118.61 |
| Otway Basin | | 8.22 | 7.17 | | 8.89 | 8.22 | 8.89 |
| Perth Basin | | 0.72 | 0.86 | | 1.10 | 0.72 | 1.10 |
| Surat / Denison | | 19.33 | 14.73 | | 11.16 | 19.33 | 11.16 |
| Total | | 166.62 | 22.76 | 632% | 139.76 | 166.62 | 139.76 |
| LPG | | | | | | | |
| | ktonnes | | | | | | |
| SA Cooper & SWQ | | 5.66 | 1.78 | | 18.45 | 5.66 | 18.45 |
| Surat / Denison | | 3.10 | 2.14 | | 1.83 | 3.10 | 1.83 |
| Total | | 8.76 | 3.92 | 124% | 20.28 | 8.76 | 20.28 |

| | Unit | This | Previous | % | 1st | YTD | YTD |
|------------------------------------|----------------|--------------|--------------|------------|--------------|--------------|--------------|
| | ktonnes | Quarter | Quarter | Change | Quarter | 2004/05 | 2003/04 |
| Ethane | | | | | 2003/04 | | |
| SA Cooper & SWQ | | 10.27 | 6.25 | | 11.37 | 10.27 | 11.37 |
| Total | | 10.27 | 6.25 | 64% | 11.37 | 10.27 | 11.37 |
| Total Sales | PJE | | | | | | |
| Internal | | 5.84 | 6.08 | | 4.24 | 5.84 | 4.24 |
| External | | 17.01 | 14.95 | | 20.22 | 17.01 | 20.23 |
| Total | | 22.85 | 21.03 | | 24.46 | 22.85 | 24.46 |
| Sales Revenue | A\$'000 | | | | | | |
| External | | 75,762 | 64,836 | 17% | 82,448 | 75,762 | 82,448 |
| Sales Volume by Basin (PJE) | | | | | | | |
| SA Cooper & SWQ | | 11.71 | 10.11 | | 13.54 | 11.71 | 13.52 |
| Otway Basin | | 2.03 | 1.70 | | 1.81 | 2.03 | 1.81 |
| Perth Basin | | 2.53 | 2.56 | | 2.12 | 2.53 | 2.11 |
| Carnarvon Basin | | 0.94 | 0.97 | | 1.84 | 0.94 | 1.84 |
| Coal Seam Gas | | 2.38 | 2.45 | | 2.23 | 2.38 | 2.23 |
| Surat / Denison | | 3.27 | 3.26 | | 2.93 | 3.27 | 2.93 |
| Total | | 22.85 | 21.03 | 9% | 24.46 | 22.85 | 24.46 |

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 |

1.1 Production Summary

Overall sales volumes for the Quarter increased 9% over the prior Quarter and were 7% lower than the corresponding Quarter last year. External sales revenue was higher this Quarter than last but lower than the prior corresponding period.

Increased sales relative to the prior Quarter were largely due to reinstatement of full liquids production capacity at the Moomba processing plant in late August, the continuing increase in production from the Perth Basin oil fields, and the introduction of new wells from the Myall Creek field (which have higher liquids yields) into the production mix from the Surat Basin. These increases were offset in part by the shut-in of the Tubridgi gas field in the Carnarvon Basin and reductions in oil production out of the Surat Basin due to the shut-in of New Royal 8 pending the installation of artificial lift.

Sales were lower than for the same Quarter last year due to the constraints in liquids production from the Moomba processing plant, reductions in gas sales from the Carnarvon and Perth basins, and reduced oil production from the Surat Basin.

The variations in sales revenues were largely in line with the variations in sales volumes. While spot oil prices have been considerably higher this Quarter, Origin maintains a policy of hedging approximately 50 % of its production over a rolling one year period, and as a result experiences a dampened response to these rising oil prices.

2. MARKETING AND DEVELOPMENT ACTIVITIES

2.1 South Australia

2.1.1 Cooper/Eromanga Basin

SA Unit Area (Interest 13.19%)

Since the 1 January 2004 fire in the Liquids Recovery Plant (LRP) at the Moomba processing centre, crude oil and condensate had been commingled and sold as a light crude oil. From 1 June 2004, Santos Limited announced that it had successfully reinstated LRP Train-A, one of two liquids recovery plants at the Moomba plant, while LRP Train-B continued to operate in dew point control mode. During August a series of operations were undertaken to fully reinstate LRP Train-B, and on 30 August 2004 Santos Limited advised that the shutdown to bring LRP Train-B back into operation was complete. There were no environmental or safety incidents during the shutdown and no interruptions of deliveries of Sales Gas to customers. The reinstatement of LRP Train-A and Train-B enabled the resumption of production of ethane, propane and butane to 100% of normal capacity.

Three Block oil development wells, Merrimelia 48, 49 and 50, were drilled during the Quarter. All were cased and suspended as future Murta oil producers. These were the last wells of a five well program to develop the Murta oil reservoir in the Merrimelia field.

During the Quarter the Merrimelia 46 oil well (drilled during the March Quarter 2004) was completed over the basal Birkhead reservoir sandstone. The well flowed at a peak rate of 6000 barrels of oil per day and cumulative production to the end of the Quarter is approximately 150,000 barrels.

Two Unit oil development wells were drilled in the Fly Lake field to develop oil reserves in the basal Patchawarra/Tirrawarra reservoirs. Both were cased and suspended and are expected to be completed and connected during the next Quarter.

The uphole section of the Marabooka 8 well was drilled during the Quarter. The Coorikianna reservoir section will be drilled during the December Quarter of 2004 under balanced with a coiled tubing unit. Marabooka 8 is part of a five well (4 gas wells and one oil well) coiled tubing drilling program being undertaken in the Cooper Basin.

Pin Point Frac technology was trialed during the Quarter in the Nephrite South 4, Big Lake 77 and Coonatie 5 wells. The fracture stimulations were successfully placed and the wells are currently being evaluated to determine the success of the program.

Patchawarra East Block (Interest 10.536%)

The Moorari 3 well was fracture stimulated during the Quarter using the Pin Point Frac technology. The well is currently being tested.

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%)

Three gas development wells were drilled during the Quarter. The wells, Wellington 4, Baryulah 6 and Winninia North 3 are located within the Cooper Basin flood plain and all were cased and suspended as future Permian gas producers.

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 Myall Creek 3D Seismic Survey covering the majority of PL 174 and the eastern ATP 375P was completed during the Quarter. This project is aimed at assessing the potential of the Rewan and Tinowon plays in this area.

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)

A four well appraisal/development programme in the Mungi field is planned for the December Quarter 2004. This work will address the reserve potential in the northern section of PL94. These wells are being sole risked by Lowell Petroleum NL and Helm Energy - Australia, LLC.

PL 101 * (Interest 100% (Operator))

A two well development programme is planned in the Peat field in the December Quarter of 2004 for deliverability additions.

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

No significant activity during the Quarter.

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))

The current pre-production drilling program was finalized during the Quarter with 42 wells now drilled. Approximately half of these wells have been stimulated to date, using a combination of fracture stimulation and cavitation. Significant work remains in completing the stimulation work on the remaining wells and running final well completions. Cavitation and fracture stimulation results to date continue to show strong deliverability from the coals.

Construction of infield development pipelines continued during the Quarter, while evaporation pond and gas plant bulk earthworks have commenced. The construction of the main trunkline to Wallumbilla is due to commence in the December Quarter of 2004. The field is due to be commissioned in July 2005.

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 barrels of oil per day. The production was from Hovea 3, 4, 7 and 8.

The Eremia field remained shut-in pending completion of new facilities. Pipeline trenching from Eremia to Hovea has been completed. The reinforced fibreglass oil flowline has been installed and installation of the carbon steel high pressure artificial lift line (in the same trench) is ongoing. The gas lift compressor was delivered from the USA during the Quarter and is being prepared for installation and commissioning. Completion of these activities is expected in November 2004.

The Hovea 11 appraisal/development well was spudded on 13 September 2004 and completed on 27 September 2004. The well intersected an 18.0m oil column in the Dongara Sandstone. Preparation for connection and testing of the well was ongoing at the end of the Quarter.

Development of the Xyris gas field via direct connection to the nearby Parmelia Pipeline was ongoing at the end of the Quarter. Finalization of the development is expected during the December Quarter of 2004.

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

During the Quarter, Jingemia 4 was connected to the Jingemia production facility and production from the well commenced. High rate testing of the well confirmed that it is capable of producing at up to 5,000 barrels of oil per day. Production at the end of the Quarter was approximately 2,400 barrels of oil per day. This rate is expected to increase during the December Quarter as construction continues and additional trucking capacity is sourced.

Design of the Jingemia facilities for permanent, long term production continued with construction ongoing at the end of the Quarter. Construction of the permanent produced water handling system was completed, with the two water tanks, associated pumps and tie-ins now in place. The construction of the permanent separator, flare and fuel gas system and automated tanker loadout system is nearing completion in preparation for installation and commissioning during the December Quarter.

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))

Preparations continued during the Quarter for the expected shut-in of the Tubridgi field during October 2004 due to falling gas production rates and increasing water cut.

Origin has entered into a conditional agreement with subsidiaries of BHP Billiton to sell its interests in the Tubridgi gas field and associated assets.

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.

PPL 4, 5, 7, 12 (Interest 100% (Operator))

In July 2004, Origin announced that it had signed an agreement with Santos Limited to acquire these tenements. The sale process is still proceeding.

PPL 6, 9, 10 (Interest 90% (Operator))

In July 2004, Origin announced that it had signed an agreement with Santos Limited to acquire these tenements. The sale process is still proceeding.

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

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

At the end of the Quarter, detailed design was 50% complete on the gas plant and 43% complete on the platform. Procurement activity is underway for all facilities components, as well as for drilling.

The contractor mobilised to the gas plant site to commence site preparation on 1 October 2004.

HDD shore crossing engineering was completed, and HDD site preparation activities were commenced.

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 and testing of the two development wells on the Yolla field was completed by the end of the Quarter. Test results for the major Intra-Eastern View Coal Measures (I-EVCM) gas zones were broadly in line with pre-drill expectations. In addition, testing of the shallower Upper-EVCM gas and oil zone was successful, flowing gas at 16.7 million standard cubic feet of gas per day and 825 barrels of oil and condensate per day in Yolla 3. The Upper-EVCM gas and oil zone was not included in the original BassGas development plans, but one objective of the Yolla 3 well was to provide further evaluation of this zone. The Upper-EVCM zone in the Yolla 3 well has been included in the Yolla 3 completion to allow for further evaluation and possible future long term production from this liquids rich interval. Details of the tests from all zones in the Yolla 3 well were included in a release to the ASX on 30

September 2004. The results of the testing in Yolla 4 were released to the ASX on 2 and 9 August 2004.

Detailed analysis of gas samples from the Yolla 3 and Yolla 4 wells has resulted in the detection of impurities in the gas stream. Additional design work has been undertaken to determine the equipment required to eliminate these impurities during gas processing and the equipment is currently being procured.

Construction of the onshore and offshore facilities has been subject to further delays during the Quarter, largely due to delays experienced by the development contractor due to poor workforce productivity and adverse weather conditions. Commencement of commissioning of the facilities is now likely in December 2004. The commissioning period for the plant will extend through the Christmas New Year period which may further delay full commercial production.

During the Quarter, Origin and Clough Engineering Ltd disclosed that Origin, on behalf of the BassGas Project Joint Venturers, intends to seek liquidated damages from Clough in relation to delays in completion of engineering works associated with the project. Clough has denied that liquidated damages are payable.

2.6 Northern Territory/Western Australia

2.6.1 Bonaparte Basin

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

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

Discussions also commenced with the Designated Authority regarding renewal of the Retention Leases, the terms of which expire early in 2005, and a draft renewal application was submitted.

2.7 New Zealand

2.7.1 Offshore Taranaki Basin

PML 38146 (Interest 50% (Operator))

Worley has continued with the FEED work associated with the onshore and offshore elements of this project. This work will be completed in the next Quarter.

The Joint Venture has called for binding bids from process service providers by the end of October 2004. These will be evaluated against the option of constructing a new onshore gas processing facility. An option has been secured on a parcel of land suitable for construction of a new gas processing facility in the event that the Joint Venture decides on a new facility.

Good progress is being made with the preliminary steps required to obtain the environmental and regulatory approvals for the project.

3. EXPLORATION ACTIVITIES

3.1 South Australia

3.1.1 Cooper/Eromanga Basin

SA Unit Area (Interest 13.19%)

The Venus 1 gas exploration well, located on the eastern flank of the Merrimelia high was drilled during the Quarter. The well was drilled by less than all parties with Origin electing not to participate in the well. The well was drilled to depth of 2872m with the potential reservoir sections interpreted to be wet. The well was plugged and abandoned.

Patchawarra East Block (Interest 10.536%)

No significant activity during the Quarter.

3.1.2 Otway Basin

PEL 27 (Interest 50% (Operator))

Agreement has been reached to assign 50 % equity to Beach Petroleum Ltd in consideration for a contribution to the cost of drilling the Cowrie 1 well. Beach will become the Operator.

PEL 32 (Interest 75.7143% (Operator))

A Retention Lease application over the Wynn Structure was submitted to PIRSA during the Quarter.

PEL 66 (Interest 70% (Operator))

Origin has accepted an offer from Lakes Oil NL for its equity in this permit.

3.2 Queensland

3.2.1 Cooper/Eromanga Basin

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

The Olympus 1 gas exploration well was drilled during Quarter. The primary objective of the well was the Toolachee and Epsilon formations. No significant shows were recorded and no resistivity anomalies observed. The well was plugged and abandoned.

The Wellington 3 appraisal well was drilled during September 2004. The well was planned to test reservoir development below the lowest gas in the Wellington Toolachee PC45-10 stratigraphic trap. Gas shows were observed during drilling, but electric logs indicate that the potential reservoirs are sub-economic and the well was plugged and abandoned.

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))

Recording of the 107 km² Myall Creek 3D Seismic Survey was completed during September 2004, with rehabilitation to be completed during October 2004. A preliminary stacked volume is expected to be available in late October 2004.

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

No significant activity during the Quarter.

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

No significant activity during the Quarter.

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

Acquisition of 50km of new seismic data, consisting of three lines, was completed during the Quarter. Processing and interpretation will be undertaken in the next Quarter.

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

No significant activity to report.

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

A work programme and budget was submitted to the Joint Venture for approval.

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

The coal samples recovered from the cored slimhole, Waar Waar 1, drilled during the previous Quarter, continued to undergo desorption within the laboratory 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))

No significant activity to report.

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

Gas desorption testing of coal cores from the Orana 1 and Kainama 1 slimholes, which were drilled in the previous Quarter, is nearing completion. Preliminary data confirm good gas contents and high gas saturation values for both the shallower (Juandah) and deeper (Taroom) seams of the Walloon coals in Orana 1. While the Taroom seams show a similar trend in Kainama 1, the Juandah seams in that hole show low gas contents.

Petroleum Lease applications were lodged for the Talinga, Dalwogan and Orana areas during the Quarter.

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

No significant activity to report.

ATP 754P (Interest 50% (Operator))

Seismic reprocessing of available lines in the permit was completed, with interpretation of these data to be initiated next Quarter.

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

ATP 337P (Interest 50%)

Laboratory desorption testing of core from two slimholes drilled in the previous Quarter, Somerby-1 and Mahalo-1, was completed. Samples will now be selected for isotherm measurement.

ATP 526P * (Interest 23.93%)

Further production testing of the Mt. Aldis 1, Clematis Creek 3, Dawson Bend 1, New Country 1 and Bedourie 1 wells was undertaken during the Quarter.

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 during the Quarter.

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

No significant activity during the Quarter.

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))

No significant activity to report.

ATP 653P * (Interest 23.85%)

Further production testing of the Cattle Creek 1 well was conducted during the Quarter.

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

No significant activity to report. Petroleum Lease applications for the Membrane and Lonesome fields have been made.

ATP 745P * (Interest 23.85%)

No significant activity to report.

3.3 Victoria

3.3.1 Otway Basin

PEP 150 (Interest 50% (Operator))

Origin has agreed to sell its equity in this permit (when granted) to Essential Petroleum Resources Ltd and Mawson Petroleum Pty Ltd.

PEP 153 (Interest 100% (Operator))

In July 2004, Origin announced that it had signed an agreement with Santos Limited to acquire the tenement. The sale process is still proceeding. The area is currently being evaluated for potential exploration drilling in 2005.

PEP 154A and B (Interest 90% (Operator))

In July 2004, Origin announced that it had signed an agreement with Santos Limited to acquire the tenements. The sale process is still proceeding. The area is currently being evaluated for potential exploration drilling in 2005.

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))

The Joint Venture has entered into a letter of intent with Diamond Offshore General Company to drill up to two wells using the Ocean Patriot semi-submersible rig. The wells, Halladale 1 and Black Watch 1, are scheduled to be drilled in first Quarter of 2005.

3.4 Tasmania

3.4.1 Otway Basin

T/30P (Interest 29.75%)

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

T/34P (Interest 29.75%)

Planning is in progress for 3D seismic acquisition in the December 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 will commence in October 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))

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 December Quarter of 2004 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 Quarter. The anticipated commencement of the survey is December 2004.

Application for renewal of the permit has been submitted to the DoIR with renewal expected in the December Quarter of 2004.

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

The Agonis 1 gas exploration well, located midway between the Xyris and Mondarra gas fields commenced drilling on 1 July 2004. Elevated gas readings and fluorescence were encountered on entering the Dongara Sandstone over a 21 metre interval. Interpretation of the wireline log data, wireline pressure data and hydrocarbon shows while drilling indicated that although the well intersected hydrocarbon columns, most likely to be gas, in both the primary objective Dongara Sandstone and in the secondary objective Wagina Sandstone, the reservoirs have low permeability and the well is unlikely to flow at commercial rates. As there was some evidence of fluid invasion and reservoir damage in the hydrocarbon zones and it appeared that the uppermost Dongara Sandstone may be faulted out at the well location, the well was suspended on 29 July 2004 for possible future re-entry and

evaluation of the zones using drilling techniques more appropriate for low permeability reservoirs.

Centella 1 commenced on 6 August 2004 approximately 6.5 kilometres east of the Hovea Production Facility and approximately 1.3 kilometres north of the Mondarra gas field. The well intersected an estimated 18.5m oil column in the Dongara Sandstone. Initial core analysis, wireline log analysis and wireline pressure data indicated that reservoir quality was comparatively poor. The well was subsequently cased and completed in preparation for testing. Testing was still pending at the end of the Quarter.

Preparations for the acquisition of the Denison 3D Seismic Survey continued during the month with an anticipated commencement in December 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 December Quarter of 2004.

WA 226P (Interest 28.75% (Operator))

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

3.7 New Zealand

3.7.1 Onshore Taranaki Basin

PEP 38728 (Interest 24%)

The Joint Venture applied to relinquish this permit and awaits approval from the Ministry.

PEP 38729 (Interest 25%)

Specialist depth conversion was completed during the Quarter with further specialist geophysical work proposed.

3.7.2 Offshore Taranaki Basin

PEP 38478 (Interest 50%)

No significant activity to report.

PEP 38485 (Interest 33.33%)

Seismic reprocessing has been completed and interpretation of these data initiated.

4. EXPLORATION AND DEVELOPMENT EXPENDITURE

| <u>E & D Expenditure</u> | A\$'000 | This Quarter | Previous Quarter | % Change | 1st Quarter 2003/04 | YTD 2004/05 | YTD 2003/04 |
|------------------------------|---------|---------------|------------------|----------|---------------------|---------------|---------------|
| Exploration / Appraisal | | 8,237 | 12,403 | | 6,916 | 8,237 | 6,916 |
| Development / Plant | | 62,548 | 69,252 | | 44,603 | 62,548 | 44,603 |
| Total | | <u>70,785</u> | <u>81,655</u> | -13% | <u>51,519</u> | <u>70,785</u> | <u>51,519</u> |

| <u>E & D Expenditure</u> | NZ\$'000 | This Quarter | Previous Quarter | % Change | 1st Quarter 2003/04 | YTD 2004/05 | YTD 2003/04 |
|------------------------------|----------|--------------|------------------|----------|---------------------|--------------|-------------|
| Exploration / Appraisal | | 160 | 1,588 | | 0 | 160 | 0 |
| Development / Plant | | 4,039 | 2,121 | | 0 | 4,039 | 0 |
| Total | | <u>4,199</u> | <u>3,709</u> | - | <u>0</u> | <u>4,199</u> | <u>0</u> |

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