



ASX/Media Release

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Origin to acquire a further 1,150 PJ (3P) of CSG reserves straddling the Undulla Nose CSG sweet spot

Origin has entered into a conditional agreement to acquire a 100 per cent interest in exploration permit ATP 788P which contains the southerly extension of the highly prospective Undulla Nose coal seam gas (CSG) province in Queensland.

ATP 788P lies immediately to the south of the Kenya CSG field, and approximately 20 kilometres from the Talinga, Argyle and Berwyndale South fields.

Origin is acquiring the interest in ATP 788P from the Pangaea group of companies for a total consideration of \$660 million to be funded from existing cash reserves.

Origin expects to book Proved, Probable and Possible (3P) reserves of CSG of around 1,150 PJ in respect of this area at 30 June 2009, together with further contingent resources of approximately 500 PJ. The acquisition metrics equate to approximately 57 cents per GJ of 3P reserves, reflecting the high quality of this acreage.

Origin Managing Director Mr Grant King said, "The transaction is evidence of the continuing consolidation of the CSG industry, principally in Queensland. The acquisition of this permit is particularly attractive for Origin. It is located next to proven CSG fields in the Undulla Nose sweet spot which will be part of APLNG's planned CSG to LNG project and we have a solid understanding of the exploration and productive potential of this area.

"It is near gas transmission infrastructure that services existing gas markets and is close to Origin's Darling Downs Power Station development and the Braemar 1 and 2 peaking power stations with which Origin has contractual arrangements for gas supply and electricity offtake.

"We see many opportunities to create value from this acquisition either in domestic or export markets," Mr King said.

Under Origin's joint venture arrangement with ConocoPhillips, Australia Pacific LNG (APLNG) has the right to acquire the interest in ATP 788P prior to completion. APLNG is developing Australia's largest proposed CSG to LNG project, which has recently been declared significant by the Queensland Government's Coordinator General.

Pangaea Chairman Mr Paul Fudge welcomed the transaction, "Origin has strong credentials and has demonstrated leadership in the development of CSG assets. "The transaction builds on our pre-existing relationships with Origin and we look forward to working with them in the future," Mr Fudge said.

As part of the arrangements Pangaea will receive a 75 per cent beneficial interest in areas that are stratigraphically deeper than the Walloons coal measures.



The acquisition of interests in ATP 788P will be completed after certain conditions precedent have been satisfied, including a number of approvals from relevant Government departments.

For further information please contact:

Media

Lina Melero
General Manager, Corporate Communications
Ph: +61 2 8345 5217
Mobile: +61 427 017 798

Investors

Angus Guthrie
Manager Investor Relations
Ph: +61 2 8345 5558
Mobile: +61 417 864 255

Information regarding the preparation of this Reserves Statement

The information in this ASX release relating to reserves has been compiled by Andrew Mayers, a full-time employee of the Company. Andrew Mayers is qualified in accordance with ASX listing rule 5.11 and has consented to the form and context in which this statement appears.

About Origin Energy

Origin Energy is Australasia's leading integrated energy company focused on gas and oil exploration and production, power generation and energy retailing.

Listed in the ASX top 20 the company has approximately 4,000 employees, is a leading producer of gas in eastern Australia, is the largest owner and developer of gas-fired electricity generation in Australia and is a leading wholesaler and retailer of energy. The company services more than 3.5 million electricity, natural gas and LPG customers across Australia, New Zealand and the Pacific. Origin's strategic positioning and portfolio of assets provide flexibility, stability and significant opportunities for growth in the ever changing energy industry. Through Australia Pacific LNG, its 50:50 incorporated joint venture with ConocoPhillips, Origin is developing Australia's largest CSG to LNG project based on Australia's largest 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

