

To	Company Announcements Office	Facsimile	1300 135 638
Company	ASX Limited	Date	28 April 2023
From	Helen Hardy	Pages	23
Subject	March 2023 Quarterly Report		

Please find attached a release on the above subject.

Regards

A handwritten signature in black ink, appearing to read "Helen Hardy".

Authorised by:  
Helen Hardy  
Company Secretary

02 8345 5000



## ASX/Media Release

28 April 2023

### Quarterly Report March 2023

Origin Energy Limited (Origin) has released its Quarterly Report for the period to 31 March 2023, covering the performance of its Integrated Gas and Energy Markets divisions.

#### **Integrated Gas:**

- Australia Pacific LNG revenue for the March quarter was 13 per cent lower than the prior quarter due to lower realised oil prices, although it was 34 per cent higher for the financial year to date as oil prices remain higher than the same period last year.
- March quarter production was steady on the previous quarter as higher workover activity, resulting in more wells online and higher average daily operated production, was offset by a decline in non-operated production and two fewer days in the quarter.
- March quarter Australia Pacific LNG realised average LNG price was US\$14.50/mmbtu (contracted and spot) and an average domestic price was A\$6.17/GJ (legacy and short-term).
- Australia Pacific LNG delivered two JKM-linked spot cargoes in the quarter.

#### **Energy Markets:**

- Electricity sales volumes rose 2 per cent on the March 2022 quarter, and 8 per cent on the prior quarter reflecting higher retail demand.
- Gas sales volumes declined 11 per cent compared to the March 2022 quarter, driven primarily by a reduction in gas sales to generation and a reduction in business volumes.
- Compared to the previous quarter, spot electricity prices declined due to increased renewable and baseload generation, and spot gas prices were lower due to a reduction in residential and industrial demand.
- Origin will complete the migration of electricity and gas customers to the Kraken platform within the next few days, enabling Origin to deliver superior customer service.
- Construction has been approved and major supply contracts executed for the development of Origin's first major battery at Eraring Power Station. Stage one is for a 460 MW battery with two-hour duration and reflects a \$600 million commitment.

Origin CEO Frank Calabria said, "Australia Pacific LNG continues to perform well, delivering solid revenue from higher realised oil prices when compared to the same period a year ago.

"Operationally, drier weather conditions enabled higher well workover activity and this supported steady production output for the quarter. Australia Pacific LNG has continued to meet its commitment to provide Australian businesses with access to competitively priced gas, recently completing new gas sales to major business customers at the capped price of \$12/GJ.

"In the domestic business, it has been pleasing to see the continued stabilisation of spot electricity and gas prices following the highs of the past year.

"We have achieved some important milestones across Energy Markets that are central to achieving our strategy and ambition to lead the energy transition. The migration of electricity and gas customers to Kraken will complete within the next few days, and the focus remains on bedding down the new retail operating model consistent with Origin's ambition to deliver superior customer service.



“We have also approved construction of Origin’s first large-scale battery at Eraring, as we seek to grow renewables and storage in our portfolio. Works are set to commence shortly on the construction of the first stage of the Eraring battery, which is anticipated to come online in the final quarter of 2025,” Mr Calabria said.

	Unit	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22	% Change
<b>Integrated Gas – APLNG 100%</b>									
Production	PJ	165.0	165.6	(0%)	170.6	(3%)	498.0	522.0	(5%)
Sales	PJ	158.2	161.4	(2%)	160.1	(1%)	480.4	497.4	(3%)
Commodity revenue	\$m	2,764	3,184	(13%)	2,577	7%	8,716	6,515	34%
Average realised LNG price	US\$/mmbtu	14.50	15.94	(9%)	14.36	1%	14.87	11.87	25%
Average realised Domestic gas price	\$/GJ	6.17	6.31	(2%)	4.94	25%	9.11	6.20	47%
<b>Energy Markets</b>									
Electricity sales	TWh	9.1	8.5	8%	8.9	2%	27.2	26.0	5%
Natural gas sales	PJ	38.1	48.8	(22%)	42.9	(11%)	161.8	158.4	2%
<b>Consolidated Origin</b>									
Capex	\$m	72	161	(55%)	55	31%	341	271	26%
Investments	\$m	20	3	n/m	8	150%	192	274	(30%)

#### For further information:

##### Media

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##### Investors

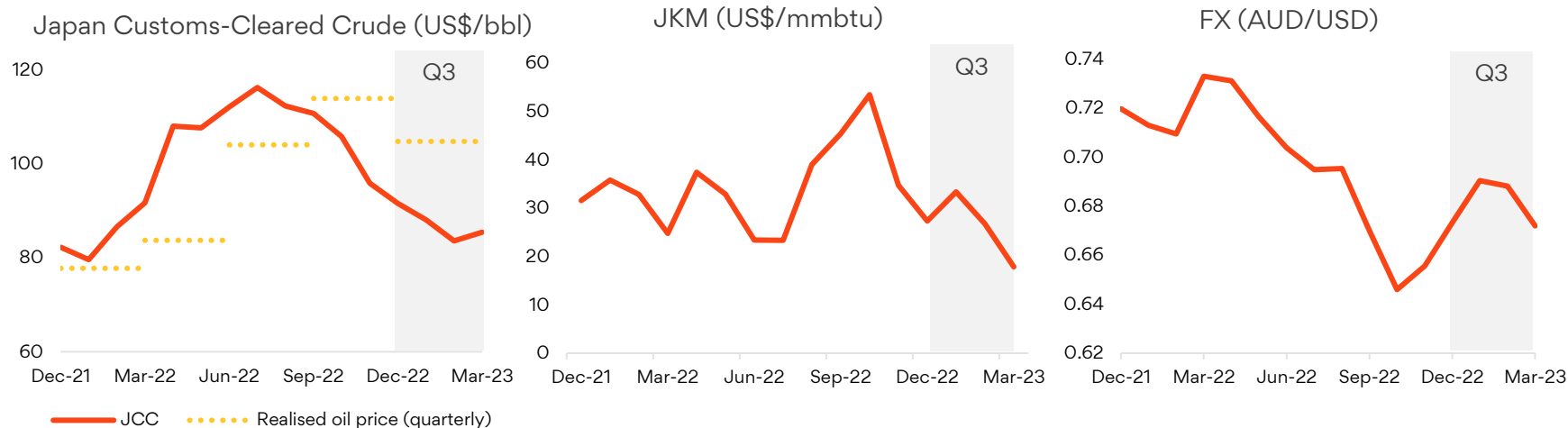
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# Quarterly Report

## March 2023





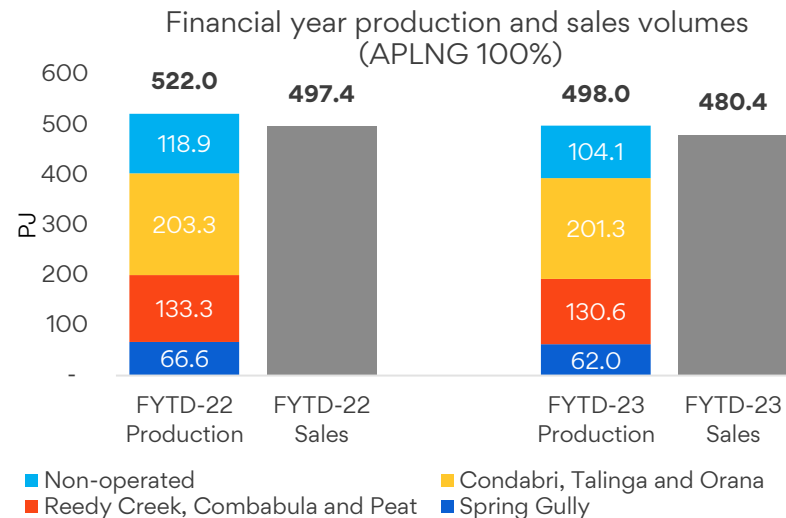
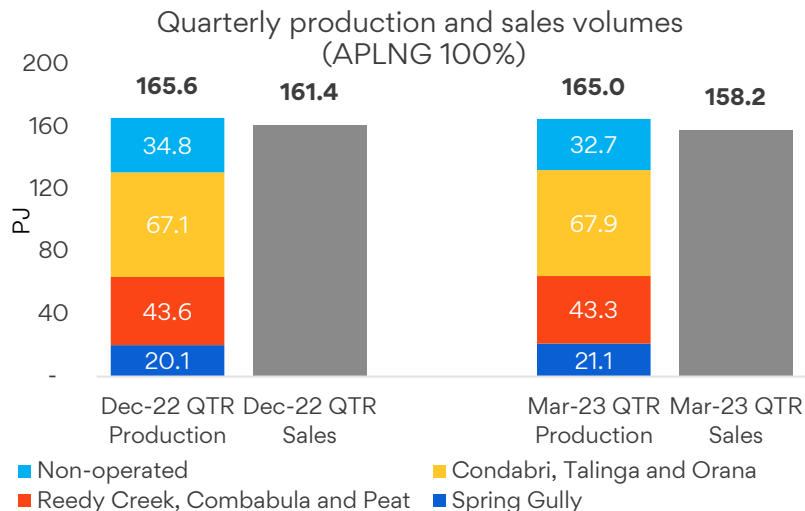


Source: Petroleum Association of Japan and Bloomberg forward pricing

Source: ICE

- APLNG's realised oil price excluding Origin's hedging cost in the Mar-23 quarter was US\$105/bbl (A\$154/bbl), down from US\$114/bbl (A\$173/bbl) in the Dec-22 quarter and up from US\$78/bbl (A\$108/bbl) in the Mar-22 quarter
- FY2023 APLNG realised oil price has been fully priced in at ~US\$103/bbl based on contract lags and before any Origin hedging, up from US\$74/bbl in FY2022
- APLNG delivered two JKM-linked spot cargoes in the Mar-23 quarter, down from three in the Dec-22 quarter and seven in the Mar-22 quarter
- A total of five JKM-linked spot cargoes have been delivered in the nine months to Mar-23, down from ten cargoes in the nine month period to Mar-22

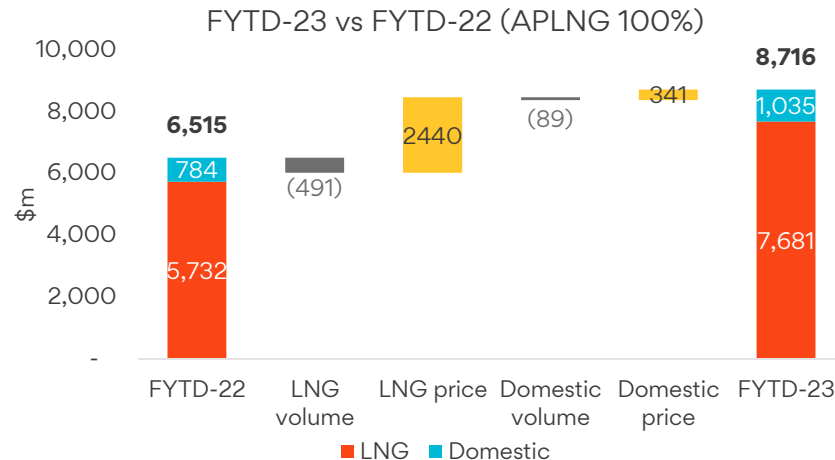
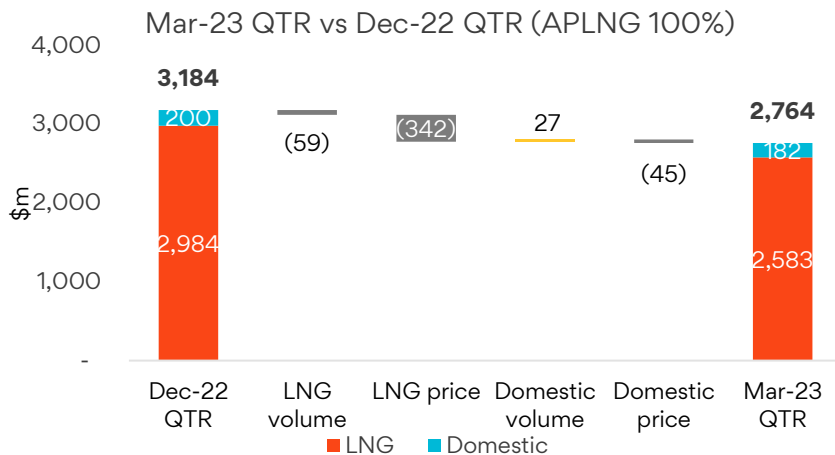
# Production stable quarter on quarter



- Production consistent with Dec-22 quarter:
  - Average daily production rate higher in Mar-23 quarter. Absolute production impacted by 2 fewer days
  - Increased operated production by 2PJ in Mar-23 quarter with recovery plan underway following La Niña wet weather period
  - Lower Non-Operated production due to unplanned outages
- Mar-23 quarter sales volume lower:
  - Two spot LNG cargoes delivered during Mar-23, down from three delivered in Dec-22 quarter

- FYTD-23 production down 5% compared to FYTD-22:
  - Cumulative wet weather impacts over 1H FY2023
  - Unplanned non-operated outage
  - Expected decline in Non-Operated Assets
- FYTD-23 sales down 3% reflecting lower production

# APLNG revenue down 13% on prior quarter, up 34% on prior year

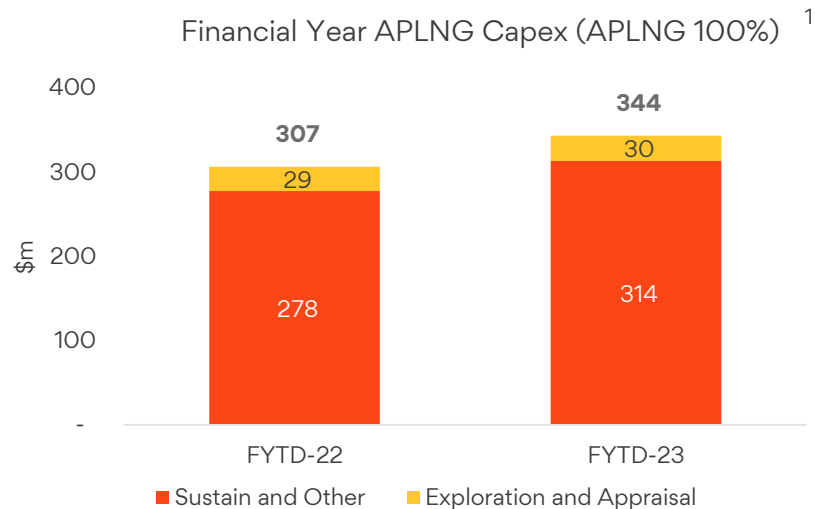
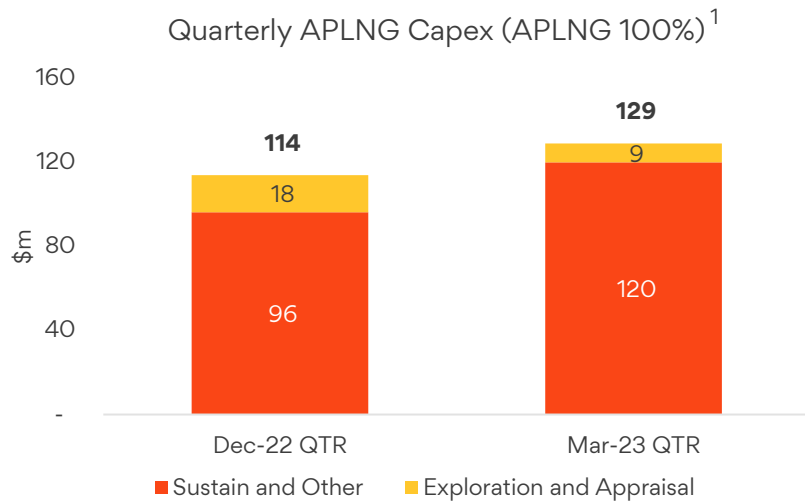


- APLNG revenue down 13% from Dec quarter:
  - LNG revenue down 13% driven by lower realised average LNG prices and lower volumes in the Mar-23 quarter
  - Domestic revenue down 9% primarily driven by lower realised prices in short-term contracts, partially offset by higher short-term volumes
  - Average realised domestic sale price remains well below international netback price

- APLNG revenue up 34% on prior year:
  - LNG revenue up 34% primarily driven by higher realised oil prices
  - Domestic revenue up 32% primarily driven by higher market linked short-term contract prices, partially offset by lower sales volumes



# APLNG capital expenditure

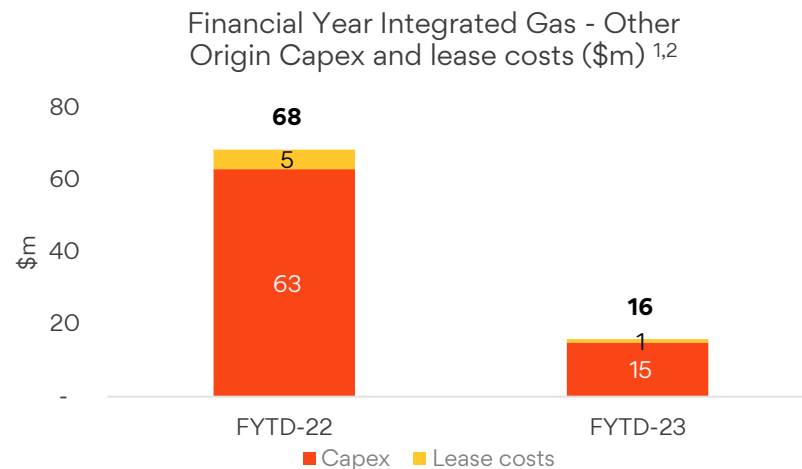
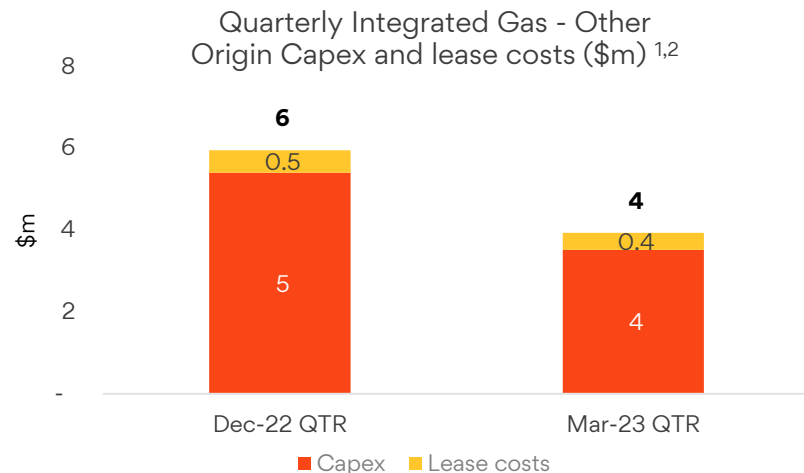


- Sustain and Other capex increased by \$24 million (25%) from Dec-22 quarter, largely driven by increased well development activity
- Exploration and appraisal capex decreased by \$9 million from Dec-22 quarter due to timing of non-operated activities

- Capex up \$37 million (12%) primarily driven by increase in non-operated well development programs and development of the Orana South Loop project

1) APLNG capex is reported on an accrual basis.

# Integrated Gas – Origin capex and lease costs <sup>1,2</sup>



- Capital spend in Mar-23 quarter largely related to Future Fuels project in the Hunter Valley

- Lower capital expenditure in FYTD-23 against prior corresponding period due to divestment of Origin's interest in Beetaloo and Origin's exit from the Canning and Cooper-Eromanga Basins

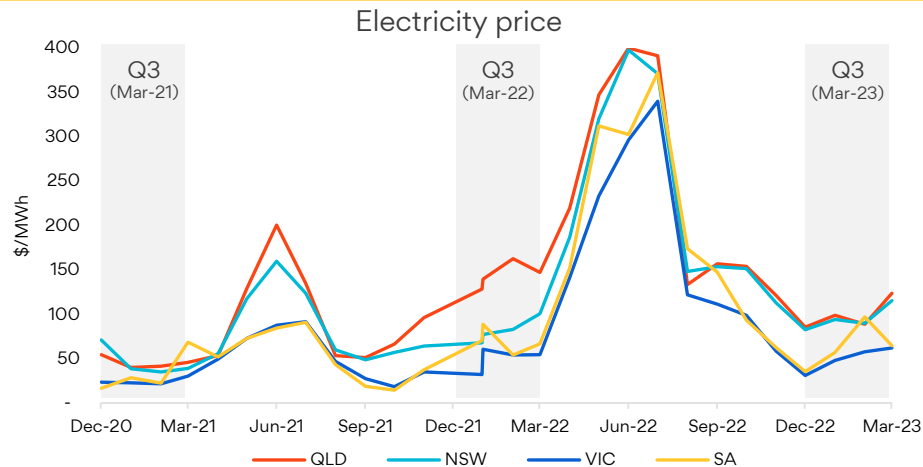
1) Integrated Gas – Origin capex is reported on a cash basis.

2) AASB16 requires that the lease costs of drilling rigs used in development programs in FYTD-22 to be disclosed as financing cash flows.

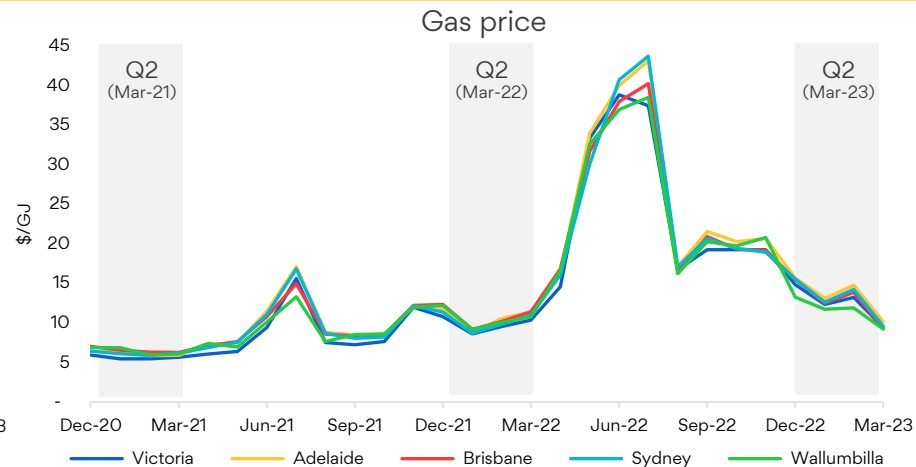


Energy Markets

# Electricity and natural gas markets



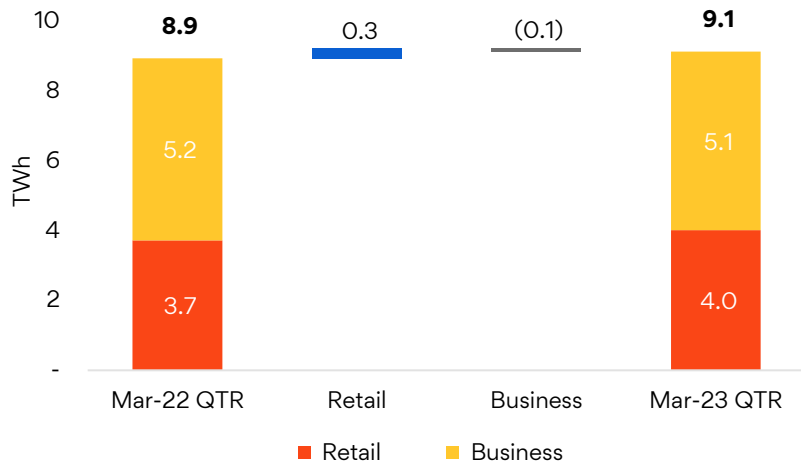
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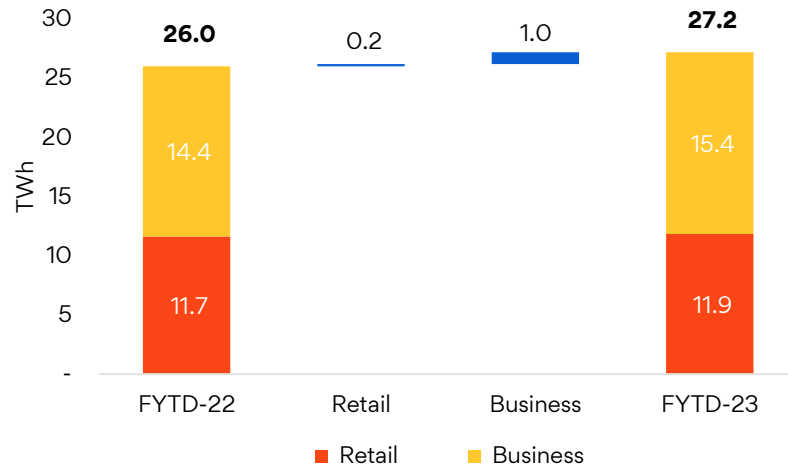
- Average NEM spot electricity price for Mar-23 quarter was \$83/MWh, down from \$91/MWh in both Dec-22 and Mar-22 quarters:
  - Decline from Dec-22 quarter due to increased renewable and baseload generation, partly offset by higher demand from warmer summer temperatures
  - Decline from Mar-22 quarter due to higher solar and wind output
- Average domestic spot gas price for Mar-23 quarter was \$12/GJ, down from \$18/GJ in Dec-22 quarter, and up slightly from \$10/GJ in Mar-22 quarter:
  - Decline from Dec-22 quarter due to milder seasonal residential and industrial demand
  - International gas prices have moderated and domestic prices are largely in line with Mar-22 quarter
- A temporary price cap of \$12/GJ on domestic gas sales by gas producers and a temporary price cap of \$125/t on coal took effect from 23 December 2022

Mar-23 QTR vs Mar-22 QTR



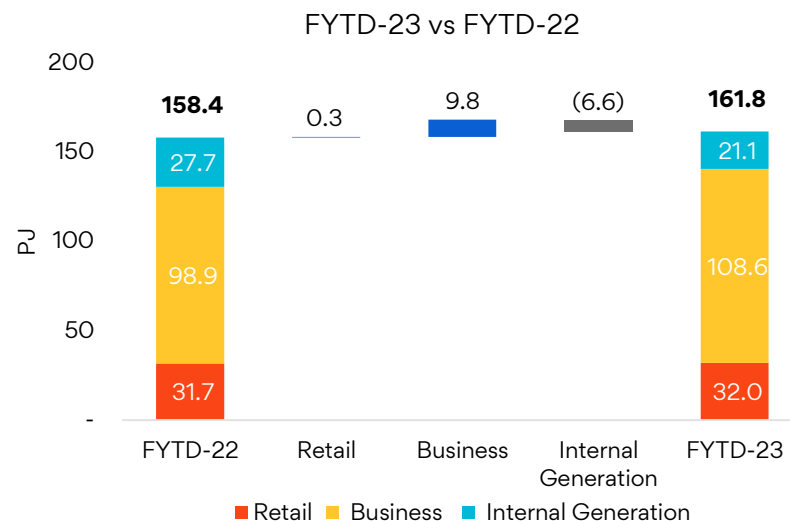
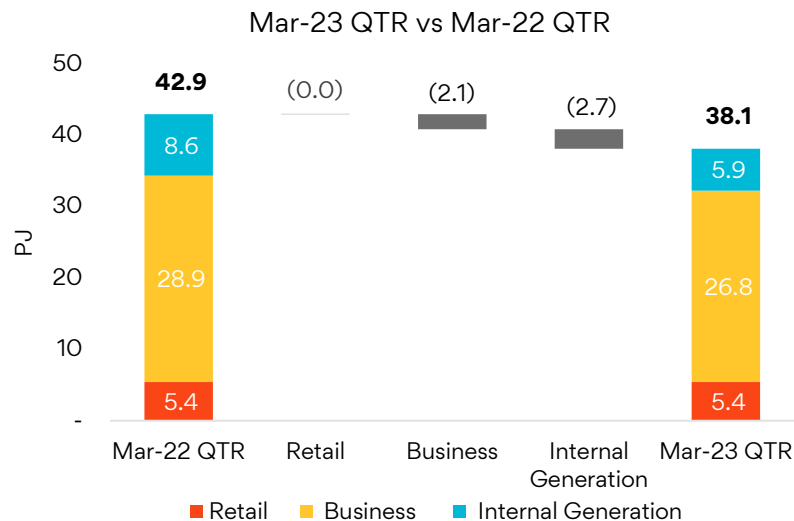
- Retail volumes up 8% or 0.3 TWh on Mar-22 quarter:
  - Benefits of additional WINconnect customer accounts (+0.1 TWh)
  - Warmer weather across all states (+0.1 TWh)
- Business volumes relatively flat on Mar-22 quarter

FYTD-23 vs FYTD-22



- Retail volumes up 2% or 0.2 TWh on prior year:
  - Benefits of additional WINconnect customer accounts (+0.1 TWh)
  - Impact of weather (+0.2 TWh)
  - Lower usage due to solar uptake and energy efficiency (-0.2 TWh)
- Business volumes up 7% or 1 TWh on prior year driven by net customer wins, including sales to the Portland smelter

# Energy Markets – Natural gas sales volumes



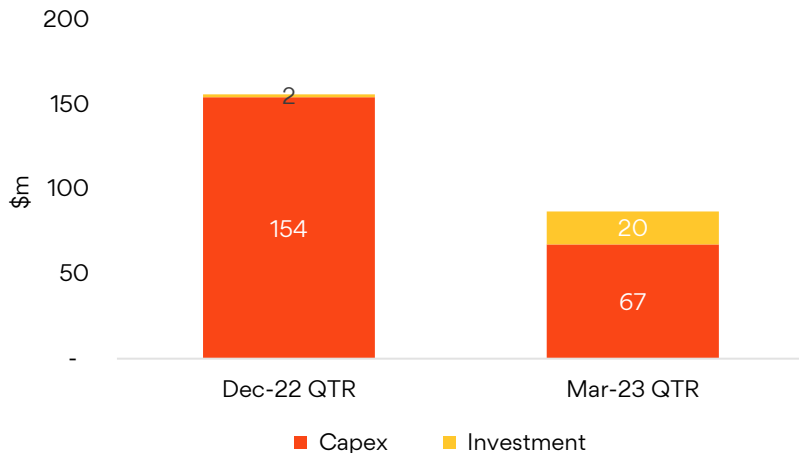
- Business volumes down 7% or 2.1 PJ on Mar-22 quarter due to expiration of customer contracts
- Gas to generation down 32% on Mar-22 quarter driven by management of station starts at the Darling Downs Power Station to align with the planned maintenance which commenced in late March 2023, as well as higher gas generation output in Mar-22 quarter due to higher electricity pool prices

- Business volumes up 10% or 9.8 PJ on prior year driven by net customer wins
- Gas to generation down 24% driven primarily by higher domestic gas prices in the first half of FY2023 and management of station starts at the Darling Downs Power Station

# Energy Markets Capital expenditure

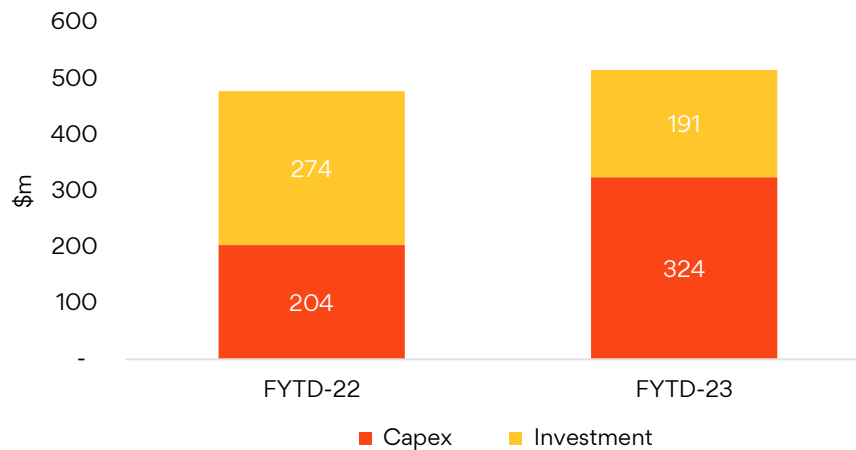


## Quarterly Energy Markets capex and investments



- Mar-23 quarter capex includes maintenance spend in generation and LPG, growth spend on Kraken implementation and Community Energy Services, as well as early works for the Eraring Battery development
- Mar-23 quarter investment relates to Octopus Energy equity interest top-up (\$10 million) and an initial investment of \$9 million in the Climate Asset Management Nature Based Carbon Fund<sup>1</sup>

## FYTD Energy Markets capex and investments



- FYTD-23 capex is higher in line with expectations due to costs associated with the new Myuna Bay Recreation Centre facility, higher spend on generation maintenance and on pre-FID solar and storage projects
- FYTD-23 investment primarily includes \$173 million in Octopus Energy

1) Total capital contribution of up to US\$50 million (~ A\$71 million) over ~7 years to deliver an anticipated scaled portfolio of ~ 4 million low-cost, high-quality, nature-based carbon credits



Data tables



# Integrated Gas – APLNG 100%



APLNG	Unit	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22	% Change
Total production	PJ	165.0	165.6	(0%)	170.6	(3%)	498.0	522.0	(5%)
Total sales	PJ	158.2	161.4	(2%)	160.1	(1%)	480.4	497.4	(3%)
<b>LNG</b>									
Production	kt	2,300	2,388	(4%)	2,315	(1%)	6,652	6,732	(1%)
Sales	kt	2,322	2,342	(1%)	2,326	(0%)	6,619	6,695	(1%)
Commodity revenue	\$m	2,583	2,984	(13%)	2,423	7%	7,681	5,732	34%
Average realised price	US\$/mmbtu	14.50	15.94	(9%)	14.36	1%	14.87	11.87	25%
<b>Domestic gas</b>									
Sales	PJ	29.4	31.6	(7%)	31.2	(6%)	113.6	126.5	(10%)
Commodity revenue	\$m	182	200	(9%)	154	18%	1,035	784	32%
Average realised price	\$/GJ	6.17	6.31	(2%)	4.94	25%	9.11	6.20	47%
<b>APLNG capex<sup>1</sup></b>									
E&A	\$m	9	18	(49%)	7	32%	30	29	2%
Sustain and Other	\$m	120	96	25%	103	16%	314	278	13%

1) APLNG capex is reported on an accrual basis.



# APLNG sources of gas – APLNG 100%



Production volumes	Units	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22
<b>Operated</b>								
Spring Gully	PJ	21.1	20.1	5%	21.7	(3%)	62.0	66.6
Reedy Creek, Combabula and Peat	PJ	43.3	43.6	(1%)	44.1	(2%)	130.6	133.3
Condabri, Talinga and Orana	PJ	67.9	67.1	1%	66.4	2%	201.3	203.3
<b>Total operated production</b>	<b>PJ</b>	<b>132.3</b>	<b>130.8</b>	<b>1%</b>	<b>132.2</b>	<b>0%</b>	<b>393.9</b>	<b>403.2</b>
<b>Non-operated</b>								
GLNG	PJ	10.1	10.3	(2%)	10.3	(2%)	30.6	31.5
QGC	PJ	22.6	24.4	(7%)	28.1	(20%)	73.6	87.4
<b>Total non-operated production</b>	<b>PJ</b>	<b>32.7</b>	<b>34.8</b>	<b>(6%)</b>	<b>38.5</b>	<b>(15%)</b>	<b>104.1</b>	<b>118.9</b>
<b>Total upstream production</b>	<b>PJ</b>	<b>165.0</b>	<b>165.6</b>	<b>(0%)</b>	<b>170.6</b>	<b>(3%)</b>	<b>498.0</b>	<b>522.1</b>
Natural gas purchases	PJ	2.6	8.6	(70%)	2.0	26%	16.7	10.3
Changes in Upstream gas inventory/other	PJ	(0.2)	0.3	(169%)	(2.5)	(92%)	(2.5)	(2.4)
<b>Total sources of natural gas</b>	<b>PJ</b>	<b>167.3</b>	<b>174.5</b>	<b>(4%)</b>	<b>170.1</b>	<b>(2%)</b>	<b>512.2</b>	<b>530.0</b>

## APLNG Operated Production Wells

	Avg daily production (APLNG share)		Development Wells	
			Wells drilled	Wells commissioned
Spring Gully	234 TJ/d	Mar-23 QTR	-	-
		FYTD-23	-	1
Reedy Creek, Combabula and Peat	481 TJ/d	Mar-23 QTR	5	1
		FYTD-23	19	1
Condabri, Talinga and Orana	754 TJ/d	Mar-23 QTR	8	-
		FYTD-23	17	32
<b>Total</b>	<b>1,469 TJ/d</b>	<b>Mar-23 QTR</b>	<b>13</b>	<b>1</b>
		<b>FYTD-23</b>	<b>36</b>	<b>34</b>

# APLNG uses of gas – APLNG 100%



Uses of gas	Units	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22
LNG feed gas	PJ	137.7	142.8	(4%)	138.9	(1%)	398.7	403.5
Domestic sales	PJ	29.4	31.6	(7%)	31.2	(6%)	113.6	126.5
<b>Total uses of natural gas</b>	<b>PJ</b>	<b>167.2</b>	<b>174.5</b>	<b>(4%)</b>	<b>170.1</b>	<b>(2%)</b>	<b>512.3</b>	<b>530.0</b>

LNG	Units	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22
LNG production	kt	2,300	2,388	(4%)	2,315	(1%)	6,652	6,732
Changes in LNG inventory	kt	22	(46)	(148%)	11	95%	(33)	(37)
<b>Total LNG sales volume</b>	<b>kt</b>	<b>2,322</b>	<b>2,342</b>	<b>(1%)</b>	<b>2,326</b>	<b>(0%)</b>	<b>6,619</b>	<b>6,695</b>
<b>LNG cargos sold</b>	<b>#</b>	<b>33</b>	<b>34</b>	<b>(3%)</b>	<b>34</b>	<b>(3%)</b>	<b>95</b>	<b>97</b>

APLNG commodity revenue	Units	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22
LNG	\$m	2,583	2,984	(13%)	2,423	7%	7,681	5,732
Domestic gas	\$m	182	200	(9%)	154	18%	1,035	784
<b>Total commodity revenue</b>	<b>\$m</b>	<b>2,764</b>	<b>3,184</b>	<b>(13%)</b>	<b>2,577</b>	<b>7%</b>	<b>8,716</b>	<b>6,515</b>

Sales – APLNG average realised prices	Units	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22
LNG	\$/GJ	20.06	22.99	(13%)	18.80	7%	20.94	15.45
Domestic Gas	\$/GJ	6.17	6.31	(2%)	4.94	25%	9.11	6.20
<b>Average commodity price</b>	<b>\$/GJ</b>	<b>17.48</b>	<b>19.72</b>	<b>(11%)</b>	<b>16.10</b>	<b>9%</b>	<b>18.14</b>	<b>13.10</b>

# Integrated Gas – Origin share



APLNG (ORG share)	Unit	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22 <sup>1</sup>
Total production (ORG share)	PJ	45.4	45.5	(0%)	46.9	(3%)	137.0	172.8
Total sales (ORG share)	PJ	43.5	44.4	(2%)	44.0	(1%)	132.1	165.1
LNG (ORG share)								
Production	kt	632	657	(4%)	637	(1%)	1,829	2,210
Sales	kt	638	644	(1%)	640	(0%)	1,820	2,201
Commodity revenue	\$m	710	821	(13%)	666	7%	2,112	1,849
Average realised price	US\$/mmbtu	14.50	15.94	(9%)	14.36	1%	14.87	11.67
Domestic gas (ORG share)								
Sales	PJ	8.1	8.7	(7%)	8.6	(6%)	31.2	43.2
Commodity revenue	\$m	50	55	(9%)	42	18%	285	271
Average realised price	\$/GJ	6.17	6.31	(2%)	4.94	25%	9.11	6.27

Integrated Gas Other	Unit	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22 <sup>1</sup>
Origin only capex and lease costs	\$m	4	6	(36%)	14	(73%)	16	68
Origin oil hedging and LNG trading								
Hedge premium expense	\$m	0	(3)	(100%)	0	n/a	(5)	(3)
Gain / (Loss) on oil hedging	\$m	(74)	(80)	(8%)	(40)	86%	(249)	(95)
Gain / (Loss) on LNG trading	\$m	4	(1)	(376%)	79	(95%)	4	42
<b>Total oil hedging and LNG trading gain/(loss)</b>	<b>\$m</b>	<b>(70)</b>	<b>(85)</b>	<b>(18%)</b>	<b>39</b>	<b>(278%)</b>	<b>(250)</b>	<b>(56)</b>

1) Following the sale of 10% interest in APLNG effective 8 December 2021, Origin accounted for ownership in APLNG at 27.5% (previously 37.5%)

	Unit	Mar-23 QTR	Dec-22 QTR	% Change	Mar-22 QTR	% Change	FYTD-23	FYTD-22	% Change
<b>Sales volumes</b>									
Electricity – Retail	TWh	4.0	3.3	20%	3.7	8%	11.9	11.7	2%
Electricity – Business	TWh	5.1	5.1	(0%)	5.2	(2%)	15.4	14.4	7%
Natural gas – Retail	PJ	5.4	9.0	(40%)	5.4	(0%)	32.0	31.7	1%
Natural gas – Business	PJ	26.8	36.8	(27%)	28.9	(7%)	108.6	98.9	10%
Natural gas – Internal generation	PJ	5.9	3.0	96%	8.6	(32%)	21.1	27.7	(24%)
Capex	\$m	67	154	(56%)	41	65%	324	204	59%
Investments	\$m	20	2	1100%	8	156%	191	274	(30%)

Electricity sales volumes (TWh)	Mar-23 QTR		Dec-22 QTR		FYTD-23		FYTD-22	
	Retail	Business	Retail	Business	Retail	Business	Retail	Business
New South Wales	1.8	2.0	1.5	2.0	5.5	6.0	5.5	6.0
Queensland	1.2	1.1	0.9	1.2	3.1	3.4	3.2	3.0
Victoria	0.7	1.3	0.7	1.3	2.2	3.9	2.0	3.7
South Australia	0.3	0.7	0.3	0.7	1.0	2.1	1.0	1.6
<b>Total volumes sold</b>	<b>4.0</b>	<b>5.1</b>	<b>3.3</b>	<b>5.1</b>	<b>11.9</b>	<b>15.4</b>	<b>11.7</b>	<b>14.4</b>

Natural gas sales volumes (PJ)	Mar-23 QTR		Dec-22 QTR		FYTD-23		FYTD-22	
	Retail	Business	Retail	Business	Retail	Business	Retail	Business
New South Wales	1.9	5.2	2.4	5.7	8.7	17.4	8.8	14.1
Queensland	0.6	13.7	0.7	19.1	2.3	53.1	2.2	48.4
Victoria	2.0	6.5	4.8	8.9	16.8	29.6	16.7	27.8
South Australia	0.9	1.5	1.1	3.1	4.1	8.5	4.0	8.7
<b>External volumes sold</b>	<b>5.4</b>	<b>26.8</b>	<b>9.0</b>	<b>36.8</b>	<b>32.0</b>	<b>108.6</b>	<b>31.7</b>	<b>98.9</b>
Internal sales (generation)	5.9		3.0		21.1		27.7	
<b>Total volumes sold</b>	<b>38.1</b>		<b>48.8</b>		<b>161.8</b>		<b>158.4</b>	

## Conversion factors

LNG	0.0554	PJ/ktonnes
LNG	1.0551	GJ/mmbtu

## Abbreviations

\$	Australian dollars, unless stated otherwise
APLNG	Australia Pacific LNG Pty Limited – an incorporated joint venture between Origin, ConocoPhillips and Sinopec
Barrels (bbl)	an international measure of oil production. 1 barrel = 159 litres
E&A	Exploration & Appraisal
GJ	gigajoule = $10^9$ joules
JCC	Japan Customs-cleared Crude
joule	primary measure of energy in the metric system
kT	Kilo tonnes = 1,000 tonnes
LNG	liquefied natural gas
mmbbl	million barrels
mmboe	million barrels of oil equivalent
mmbtu	million British thermal units
MMscf/d	million standard cubic feet per day
MWh	Megawatt hour = $10^3$ kilowatt hours
PJ	petajoule = $10^{15}$ joules
t	tonnes
TJ	terajoule = $10^{12}$ joules
TJ/d	terajoules per day
TWh	Terawatt hour = $10^9$ kilowatt hours