



|         |   |           |                 |
|---------|---|-----------|-----------------|
| To      | Company Announcements Office              | Facsimile | 1300 135 638    |
| Company | ASX Limited                               | Date      | 31 January 2017 |
| From    | Helen Hardy                               | Pages     | 18              |
| Subject | December 2016 Quarterly Production Report |           |                 |

Please find attached a release on the above subject.

Regards

Helen Hardy  
Company Secretary

02 8345 5000



## ASX/Media Release

31 January 2017

### Production and revenue grows strongly in the December quarter

Origin Energy Limited (Origin) today released its Quarterly Production Report for the quarter ended 31 December 2016.

Origin's quarterly production of 80.1 PJe represented a 47 per cent increase on the corresponding period in FY2016 and an 8 per cent increase on the September 2016 quarter. This primarily reflected increased LNG production by Australia Pacific LNG and the commencement of production from Halladale and Speculant in the Otway Basin.

Revenue for the December Quarter 2016 was \$544.3 million<sup>1</sup>, a 157 per cent increase on the corresponding period in FY2016 and a 27 per cent increase on the September 2016 quarter.

Origin CEO Integrated Gas, David Baldwin said, "We are pleased to see recent investments in Australia Pacific LNG and the Otway Basin driving strong increases in production and revenue.

"Australia Pacific LNG was a major driver of the growth in revenue for the quarter, with the first cargo from Train 2 produced in early October 2016 and ramp up continuing in advance of the 90 day two train operational test. Australia Pacific LNG loaded and shipped a total of 26 cargoes during the quarter, predominantly to Sinopec and Kansai. Australia Pacific LNG has now shipped 82 cargoes from Curtis Island to date.

"Growth was also attributable to the 100 per cent Origin-owned Halladale and Speculant fields, which completed their first full quarter of production following first gas on 26 August 2016. The project is expected to make a meaningful contribution to Australia's east coast gas supply," Mr Baldwin said.

In the half year to 31 December 2016, production was 154.3 PJe representing a 51 per cent increased on the prior corresponding period. Revenue of \$973.9 million represented a 123 per cent increase on the prior corresponding period.

*NOTE: This report does not cover other areas of Origin's integrated business, including electricity generation, energy retailing or non-hydrocarbon development activity.*

---

<sup>1</sup> Includes capitalised revenue related to Australia Pacific LNG ramp gas and LNG sales as well as gains / (losses) on forward sales and hedging.



**For further information please contact:**

**Media**

Anneliis Allen  
Senior External Affairs Manager  
Ph: +61 2 8345 5119  
Mobile: +61 428 967 166

**Investors**

Joanna Nelson  
Group Manager, Investor Relations  
Ph: + 61 2 9375 5708  
Mobile: +61 459 837 251

**About Origin Energy**

Origin Energy (ASX: ORG) is the leading Australian integrated energy company with market leading positions in energy retailing (approximately 4.2 million customer accounts), power generation (approximately 6,000 MW of capacity owned and contracted) and natural gas production (1,093 PJ of 2P reserves and annual production of 82 PJ). Through Australia Pacific LNG, its incorporated joint venture with ConocoPhillips and Sinopec, Origin is developing Australia's biggest CSG to LNG project based on the country's largest 2P CSG reserves base.

# Quarterly Production Report

For period ended 31 December 2016

| Comparative performance at a glance – Origin's total proportional interests |                |                |          |
|---|----------------|----------------|----------|
| Previous Quarter Comparison   | December 2016  | September 2016 | Change % |
| Production (PJe)  | 80.1           | 74.2           | 8        |
| Sales (PJe)   | 82.2           | 78.5           | 5        |
| Revenue (A\$m) <sup>1</sup>   | 544.3          | 429.7          | 27       |
| Prior Corresponding Quarter Comparison                                      | December 2016  | December 2015  | Change % |
| Production (PJe)  | 80.1           | 54.4           | 47       |
| Sales (PJe)   | 82.2           | 50.3           | 63       |
| Revenue (A\$m) <sup>1</sup>   | 544.3          | 212.2          | 157      |
| Year to Date Comparison   | Jul - Dec 2016 | Jul - Dec 2015 | Change % |
| Production (PJe)  | 154.3          | 102.2          | 51       |
| Sales (PJe)   | 160.7          | 100.8          | 59       |
| Revenue (A\$m) <sup>1</sup>   | 973.9          | 436.7          | 123      |

Note: Information presented in the table above and throughout this report relates only to hydrocarbon exploration and production activities undertaken by Origin Energy Limited ("Origin"), its subsidiaries and the incorporated joint ventures in which it has interests. The report does not cover other business activities of Origin such as electricity generation, or energy retailing.

## Highlights

- First cargo from APLNG Train 2 was produced on 8 October 2016. During the quarter the plant was handed over to Operations
- 26 produced cargoes were loaded and shipped from the APLNG facility during the quarter. Subsequent to the end of the quarter, a further 10 cargoes were loaded and shipped
- Production increased by 8% compared with the September 2016 quarter, primarily due to a full quarter of production from Halladale/Speculant in the Otway Basin
- Revenue increased by 27% compared with the September 2016 quarter, primarily due to higher LNG volumes at higher prices and increased production from Halladale/Speculant

## Production and Sales

### December Quarter 2016 compared with September Quarter 2016

Production of 80.1 PJe in the December 2016 quarter was 5.9 PJe or 8% higher than the September 2016 quarter. This is primarily attributable to increased production at Otway (5.8 PJe) due to a full quarter of production from Halladale/Speculant and higher production from APLNG (1.9 PJe) reflecting increased LNG production with the commencement of Train 2 and lower domestic volumes sold to QGC, partially offset by a planned statutory shutdown at Bass Gas (0.8 PJe) and lower plant availability at Kupe (0.8 PJe).

Revenue increased 27% from the September 2016 quarter reflecting higher LNG volumes at higher prices as volumes previously sold to QGC were diverted to LNG production with the commencement of Train 2, and increased production from Halladale/Speculant.

<sup>1</sup> Revenue disclosed includes APLNG related amounts that have been capitalised as well as gains/(losses) on forward sales and hedging.

## **December Quarter 2016 compared with December Quarter 2015**

Production of 80.1 PJe in the December 2016 quarter was 25.7 PJe or 47% higher than the December 2015 quarter reflecting increases from APLNG (20.2 PJe) with the commencement of LNG production, and from Otway (6.6 PJe) with the commencement of production from Halladale/Speculant.

Revenue increased 157% from the December 2015 quarter primarily reflecting the commencement of LNG production at APLNG and the commencement of production from Halladale/Speculant.

## **Six Months to 31 December 2016 compared with Six Months to 31 December 2015**

Production of 154.3 PJe in the six months to 31 December 2016 was 52.1 PJe or 51% higher than the prior comparable period reflecting increases from APLNG (47.4 PJe) with the commencement of LNG production, and from Otway (6.1 PJe) with the commencement of production from Halladale/Speculant.

Revenue increased 123% from the prior comparable period primarily reflecting the commencement of LNG production at APLNG and the commencement of production from Halladale/Speculant.

# 1. PRODUCTION, SALES AND REVENUE

## 1.1 Production by product and area (including interest in APLNG)

| Natural Gas and Ethane                     | Unit         | This Quarter | Previous Quarter | % Change | Dec Quarter 2015 | YTD 2016/17 | YTD 2015/16 |
|--|--------------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>Natural Gas</b>                         | PJ           |              |                  |          |                  |             |             |
| APLNG domestic <sup>2</sup>                |              | 15.9         | 25.9             | (39)     | 32.6             | 41.8        | 59.5        |
| SA Cooper & SWQ                            |              | 2.7          | 2.8              | (4)      | 3.1              | 5.5         | 5.9         |
| Otway Basin (offshore)                     |              | 11.6         | 6.4              | 81       | 5.7              | 18.0        | 12.5        |
| Bass Basin                                 |              | 1.3          | 1.9              | (31)     | 2.2              | 3.2         | 3.9         |
| Perth Basin                                |              | 1.2          | 1.0              | 24       | 1.0              | 2.1         | 2.1         |
| Taranaki Basin (onshore)                   |              | 0.0          | 0.2              | (74)     | 0.2              | 0.2         | 0.3         |
| Taranaki Basin (Kupe)                      |              | 2.7          | 3.4              | (20)     | 2.2              | 6.1         | 5.5         |
| <b>Ethane</b>                              | PJ           |              |                  |          |                  |             |             |
| SA Cooper & SWQ                            |              | 0.4          | 0.4              | (4)      | 0.4              | 0.9         | 0.9         |
| <b>Total Production</b>                    |              | 35.8         | 41.9             | (14)     | 47.3             | 77.8        | 90.8        |
| <b>Total Sales Volume</b>                  |              | 39.8         | 45.5             | (12)     | 44.6             | 85.3        | 88.7        |
| <b>Total Commodity Revenue<sup>3</sup></b> | <b>\$M</b>   | 176.9        | 164.1            | 8        | 142.7            | 340.9       | 290.9       |
| <b>Average Gas Price – Total</b>           | <b>\$/GJ</b> | 4.35         | 3.61             | 21       | 3.20             | 3.96        | 3.28        |
| Average Gas Price – APLNG <sup>3</sup>     |              | 3.18         | 2.13             | 50       | 2.45             | 2.55        | 2.23        |
| Average Gas Price – ex APLNG               |              | 5.50         | 5.75             | (4)      | 5.02             | 5.62        | 5.25        |

| Liquefied Natural Gas (LNG)                | Unit              | This Quarter | Previous Quarter | % Change | Dec Quarter 2015 | YTD 2016/17 | YTD 2015/16 |
|--|-------------------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>LNG</b>                                 | Kt                |              |                  |          |                  |             |             |
| <b>Total Production</b>                    |                   | 656.7        | 461.1            | 42       | 17.3             | 1,117.8     | 17.3        |
| <b>Total Sales Volume</b>                  |                   | 660.5        | 496.8            | 33       | -                | 1,157.3     | -           |
| <b>Total Commodity Revenue<sup>3</sup></b> | <b>\$M</b>        | 297.7        | 186.5            | 60       | -                | 484.1       | -           |
| <b>Average LNG Price<sup>3</sup></b>       | <b>\$/t</b>       | 450.7        | 375              | 20       | -                | 418.3       | -           |
| <b>Average LNG Price<sup>3</sup></b>       | <b>US\$/t</b>     | 337.8        | 282              | 20       | -                | 313.7       | -           |
| <b>Average LNG Price<sup>3</sup></b>       | <b>US\$/mmbtu</b> | 6.43         | 5.37             | 38       | -                | 5.97        | -           |

| Crude Oil                      | Unit          | This Quarter | Previous Quarter | % Change | Dec Quarter 2015 | YTD 2016/17 | YTD 2015/16 |
|--------------------------------|---------------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>Crude Oil</b>               | <b>kbbbls</b> |              |                  |          |                  |             |             |
| SA Cooper & SWQ                |               | 69.4         | 70.3             | (1)      | 65.3             | 139.7       | 132.7       |
| Taranaki Basin (onshore)       |               | 6.2          | 16.1             | (61)     | 17.1             | 22.3        | 27.9        |
| <b>Total Production</b>        |               | 75.6         | 86.4             | (12)     | 82.5             | 162.0       | 160.6       |
| <b>Total Sales Volume</b>      |               | 322.2        | 373.0            | (14)     | 445.7            | 695.2       | 911.6       |
| <b>Total Commodity Revenue</b> | <b>\$M</b>    | 22.7         | 24.4             | (7)      | 26.5             | 47.1        | 60.1        |
| <b>Average Crude Price</b>     | <b>\$/bbl</b> | 70           | 65               | 8        | 60               | 68          | 66          |

<sup>2</sup> Refers to production to meet domestic supply requirements and excludes production directed towards the LNG facility on Curtis Island.

<sup>3</sup> Includes capitalised revenue related to APLNG ramp gas and LNG sales volumes.

| Condensate/Naphtha              | Unit          | This Quarter | Previous Quarter | % Change | Dec Quarter 2015 | YTD 2016/17 | YTD 2015/16 |
|---------------------------------|---------------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>Condensate/Naphtha</b>       | <b>kbbbls</b> |              |                  |          |                  |             |             |
| APLNG                           |               | -            | 0.3              | (100)    | 0.2              | 0.3         | 0.2         |
| SA Cooper & SWQ                 |               | 45.3         | 45.0             | 1        | 51.1             | 90.3        | 98.9        |
| Otway Basin (offshore)          |               | 130.3        | 81.2             | 60       | 74.5             | 211.5       | 158.5       |
| Bass Basin                      |               | 41.8         | 63.3             | (34)     | 73.6             | 105.1       | 132.7       |
| Perth Basin                     |               | 0.7          | 0.6              | 22       | 0.8              | 1.2         | 1.6         |
| Taranaki Basin (Kupe)           |               | 143.1        | 172.8            | (17)     | 130.4            | 315.8       | 334.3       |
| <b>Total Production</b>         |               | 361.1        | 363.1            | (0)      | 330.6            | 724.2       | 726.1       |
| <b>Total Sales Volume</b>       |               | 388.8        | 325.7            | 19       | 297.1            | 714.5       | 632.0       |
| <b>Total Commodity Revenue</b>  | <b>\$M</b>    | 23.6         | 18.3             | 29       | 15.6             | 41.9        | 35.4        |
| <b>Average Condensate Price</b> | <b>\$/bbl</b> | 61           | 56               | 8        | 52               | 59          | 56          |

| LPG                            | Unit        | This Quarter | Previous Quarter | % Change | Dec Quarter 2015 | YTD 2016/17 | YTD 2015/16 |
|--------------------------------|-------------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>LPG</b>                     | <b>Kt</b>   |              |                  |          |                  |             |             |
| SA Cooper & SWQ                |             | 5.4          | 6.1              | (11)     | 6.3              | 11.5        | 13.0        |
| Otway Basin (offshore)         |             | 17.3         | 10.0             | 72       | 10.1             | 27.4        | 20.1        |
| Bass Basin                     |             | 3.3          | 5.9              | (45)     | 6.6              | 9.2         | 11.6        |
| Taranaki Basin (onshore)       |             | 0.1          | 0.3              | (68)     | 0.3              | 0.3         | 0.4         |
| Taranaki Basin (Kupe)          |             | 9.4          | 9.3              | 2        | 9.0              | 18.7        | 22.8        |
| <b>Total Production</b>        |             | 35.5         | 31.5             | 13       | 32.4             | 67.0        | 67.9        |
| <b>Total Sales Volume</b>      |             | 35.5         | 31.3             | 14       | 30.8             | 66.8        | 68.1        |
| <b>Total Commodity Revenue</b> | <b>\$M</b>  | 16.4         | 12.1             | 35       | 16.3             | 28.5        | 31.5        |
| <b>Average LPG Price</b>       | <b>\$/t</b> | 461          | 387              | 19       | 529              | 426         | 463         |

## 1.2 Production by basin (including interest in APLNG)

| Production by Basin<br>(All products, PJJe)                             | Unit   | This<br>Quarter | Previous<br>Quarter | %<br>Change | Dec<br>2015 | Quarter<br>2016/17 | YTD<br>2016/17 | YTD<br>2015/16 |
|---|--------|-----------------|---------------------|-------------|-------------|--------------------|----------------|----------------|
| <b>Production by Basin</b>  | PJe    |                 |                     |             |             |                    |                |                |
| APLNG <sup>4</sup>  |        | 56.0            | 54.1                | 4           |             | 35.8               | 110.1          | 62.7           |
| SA Cooper & SWQ   |        | 4.0             | 4.2                 | (4)         |             | 4.5                | 8.2            | 8.8            |
| Otway Basin (offshore)  |        | 13.2            | 7.4                 | 79          |             | 6.6                | 20.5           | 14.4           |
| Bass Basin  |        | 1.7             | 2.5                 | (33)        |             | 2.9                | 4.2            | 5.2            |
| Perth Basin   |        | 1.2             | 1.0                 | 23          |             | 1.0                | 2.1            | 2.1            |
| Taranaki Basin (onshore)  |        | 0.1             | 0.3                 | (69)        |             | 0.3                | 0.3            | 0.5            |
| Taranaki Basin (Kupe)   |        | 4.0             | 4.8                 | (17)        |             | 3.3                | 8.7            | 8.4            |
| <b>Total Production Volume</b>  |        | 80.1            | 74.2                | 8           |             | 54.4               | 154.3          | 102.2          |
| <b>Total Sales Volume</b>   |        | 82.2            | 78.5                | 5           |             | 50.3               | 160.7          | 100.8          |
| <b>Total Commodity Revenue</b>  | \$M    | 537.3           | 405.4               | 33          |             | 200.9              | 942.6          | 417.8          |
| Gain / (Loss) on forward sale <sup>5</sup><br>and oil puts <sup>6</sup> | \$M    | 7.1             | 24.3                | (71)        |             | 11.2               | 31.3           | 18.8           |
| <b>Total Revenue</b>  | \$M    | 544.3           | 429.7               | 27          |             | 212.1              | 973.9          | 436.6          |
| <b>Average Commodity Price</b>  | \$/GJe | 6.63            | 5.47                | 21          |             | 4.22               | 6.06           | 4.33           |

## 1.3 Production, Sales Volumes and Revenue Summaries

### 1.3.1 Origin excluding interest in APLNG

| Total All Products                        | Unit   | This<br>Quarter | Previous<br>Quarter | %<br>Change | Dec<br>Quarter<br>2015 | YTD<br>2016/17 | YTD<br>2015/16 |
|---|--------|-----------------|---------------------|-------------|------------------------|----------------|----------------|
| Production Volume                         | PJe    | 24.1            | 20.1                | 20          | 18.6                   | 44.2           | 39.5           |
| Sales Volume                              | PJe    | 27.4            | 24.1                | 13          | 18.7                   | 51.5           | 42.8           |
| Sales Revenue                             | \$M    | 181.7           | 161.9               | 12          | 123.6                  | 343.6          | 288.2          |
| Gain / (loss) – forward sale <sup>5</sup> | \$M    | 7.1             | 9.7                 | (27)        | 11.2                   | 16.8           | 18.8           |
| <b>Total Revenue</b>                      | \$M    | 188.7           | 171.6               | 10          | 134.8                  | 360.3          | 306.9          |
| <b>Average Commodity Price</b>            | \$/GJe | 6.90            | 7.12                | (3)         | 7.20                   | 7.00           | 7.18           |

<sup>4</sup> Refers to domestic production as well as production directed towards the LNG facility on Curtis Island (including liquefaction gas).

<sup>5</sup> Refers to Origin's oil and condensate forward sale agreements. In FY2013 Origin entered into agreements to sell the majority of its future oil and condensate production over a 72 month period commencing 1 July 2015. The fixed price of US\$62.40/bbl represents the forward oil price at the time of US\$89/bbl, discounted to reflect the receipt of the proceeds upfront. Upon entry into the agreements, Origin received A\$482 million.

<sup>6</sup> On 22 December 2015, Origin announced the purchase of oil puts providing Origin with the right to sell 15mmbbl of JCC at a strike price of A\$55/bbl for 75% of the volume and US\$40/bbl for 25% of the volume.



### 1.3.2 Origin's interest in APLNG

| Total All Products                                 | Unit   | This Quarter | Previous Quarter | % Change | Dec Quarter 2015 | YTD 2016/17 | YTD 2015/16 |
|--|--------|--------------|------------------|----------|------------------|-------------|-------------|
| Production APLNG 100%                              | PJe    | 149.3        | 144.3            | 4        | 95.5             | 293.6       | 167.2       |
| <u>Origin's 37.5% interest</u>                     |        |              |                  |          |                  |             |             |
| Production (all products)                          | PJe    | 56.0         | 54.1             | 4        | 35.8             | 110.1       | 62.7        |
| Sales (all products)                               | PJe    | 54.8         | 54.4             | 1        | 31.6             | 109.2       | 58.0        |
| Revenue <sup>7</sup>                               | \$M    | 355.6        | 243.6            | 46       | 77.4             | 599.1       | 129.8       |
| Gain/(loss) on oil puts (Origin only) <sup>8</sup> |        | -            | 14.6             | (100)    | -                | 14.6        | -           |
| Total Revenue                                      |        | 355.6        | 258.2            | 38       | 77.4             | 613.7       | 129.8       |
| Average Commodity Price                            | \$/GJe | 6.49         | 4.75             | 37       | 2.45             | 5.62        | 2.23        |

## 1.4 Internal and External Purchase and Sales Summary

### 1.4.1 Internal and External Sales (Origin excluding interest in APLNG)

| Internal & External Sales Volumes | Unit | This Quarter | Previous Quarter | % Change | Dec Quarter 2015 | YTD 2016/17 | YTD 2015/16 |
|-----------------------------------|------|--------------|------------------|----------|------------------|-------------|-------------|
| <b>Sales Volume</b>               | PJe  |              |                  |          |                  |             |             |
| Internal                          |      | 13.5         | 9.1              | 49       | 4.9              | 22.6        | 12.3        |
| External                          |      | 13.8         | 15.0             | (8)      | 13.8             | 28.8        | 30.5        |
| <b>Total</b>                      |      | 27.4         | 24.1             | 13       | 18.7             | 51.5        | 42.8        |

### 1.4.2 External Purchases

| Product Purchases included in above sales | Unit | This Quarter | Previous Quarter | % Change | Dec Quarter 2015 | YTD 2016/17 | YTD 2015/16 |
|---|------|--------------|------------------|----------|------------------|-------------|-------------|
| Origin (excluding interest in APLNG)      | PJe  | 1.6          | 1.8              | (8)      | 1.9              | 3.4         | 4.0         |
| Origin's 37.5% interest in APLNG          | PJe  | 1.4          | 1.2              | 19       | 1.6              | 2.5         | 1.7         |
| <b>Total</b>                              | PJe  | 3.0          | 3.0              | 2        | 3.5              | 6.0         | 5.7         |

<sup>7</sup> Includes capitalised revenue related to APLNG ramp gas and LNG sales volumes.

<sup>8</sup> On 22 December 2015, Origin announced the purchase of oil puts providing Origin with the right to sell 15mmbbl of JCC at a strike price of A\$55/bbl for 75% of the volume and US\$40/bbl for 25% of the volume.

## 2. DEVELOPMENT AND EXPLORATION OPERATIONS

---

### 2.1 Origin's interests held through Australia Pacific LNG (APLNG)

#### 2.1.1 Operations Update

APLNG production (100%) was 149.3 PJe during the quarter, an increase of 4% compared to the September 2016 quarter (144.3 PJe), due to the ramp up of LNG production.

During the period, production from operated fields increased to an average of 1,175 TJ/d from 1,136 TJ/d in the September 2016 Quarter (APLNG share), reflecting ongoing commissioning, de-watering and production ramp-up to meet LNG requirements. Higher average rates of production were achieved from Combabula / Reedy Creek (29.8 TJ/d increase) and Spring Gully (18.4 TJ/d increase), partially offset by a lower rate from Condabri (9.9 TJ/d decrease) due to lower plant availability at Condabri South.

Average production from non-operated assets increased to 448 TJ/d in the December 2016 quarter from 432 TJ/d in the September 2016 quarter (APLNG share). Production from QGC operated fields increased to 345 TJ/d from 326 TJ/d reflecting higher production from Kenya due to uplift in production from recently commissioned ATP620 and ATP648 wells and at Kenya East due to no shutdown (Ruby Jo scheduled shutdown occurred in July). Production from the GLNG operated Fairview field decreased to 103 TJ/d from 106 TJ/d due to upstream maintenance.

On 8 October, APLNG produced its first LNG cargo from Train 2, which has performed in line with expectations as fields continue to ramp up production in advance of the 90 day two train operational test which is expected to be completed in calendar year 2017.

During the quarter, a total of 26 produced LNG cargoes were loaded and shipped from the APLNG facility on Curtis Island, including to Sinopec and Kansai in accordance with their respective long term Sales and Purchase Agreements. APLNG has loaded and shipped a further 10 cargoes subsequent to the end of the quarter and a total of 82 cargoes to date.

APLNG participated in the drilling of 120 development wells during the quarter (119 operated, 1 non-operated).

There were no operated or non-operated exploration or appraisal wells drilled in the quarter. The six well Walloons Appraisal Project Phase 1 fracture stimulation campaign is now completed, and wells are coming online as planned with technology trials successfully implemented.

## APLNG Operated Production Wells<sup>9</sup>

|       |                            |                                    |               | Development Wells <sup>10</sup> |                    |
|-------|----------------------------|------------------------------------|---------------|---------------------------------|--------------------|
|       |                            | Avg daily production (APLNG share) |               | Wells drilled                   | Wells commissioned |
| Bowen | Spring Gully               | 215.3 TJ/d                         | This Quarter  | 20                              | 24                 |
|       |                            |                                    | YTD 2016/17   | 32                              | 54                 |
|       |                            |                                    | Total to Date | 390                             | 360 <sup>11</sup>  |
| Surat | Talinga                    | 127.8 TJ/d                         | This Quarter  | 23                              | -                  |
|       |                            |                                    | YTD 2016/17   | 47                              | -                  |
|       |                            |                                    | Total to Date | 177 <sup>12</sup>               | 132                |
|       | Orana                      | 157.0 TJ/d                         | This Quarter  | 8                               | 25                 |
|       |                            |                                    | YTD 2016/17   | 8                               | 25                 |
|       |                            |                                    | Total to Date | 177                             | 162                |
|       | Condabri                   | 316.1 TJ/d                         | This Quarter  | 34                              | 42                 |
|       |                            |                                    | YTD 2016/17   | 51                              | 63                 |
|       |                            |                                    | Total to Date | 603                             | 539                |
|       | Combabula / Reedy Creek    | 351.0 TJ/d                         | This Quarter  | 34                              | 40                 |
|       |                            |                                    | YTD 2016/17   | 34                              | 92                 |
|       |                            |                                    | Total to Date | 519                             | 501                |
| TOTAL | 1,167.2 TJ/d <sup>13</sup> | This Quarter                       | 119           | 131                             |                    |
|       |                            | YTD 2016/17                        | 172           | 234                             |                    |
|       |                            | Total to Date                      | 1,866         | 1,694                           |                    |

<sup>9</sup> Excludes 25 conventional wells in the Denison Trough and 23 CSG wells in the Peat Project Area not targeted for any Phase 1 development

<sup>10</sup> APLNG operated wells delivering gas to domestic customers and the CSG to LNG project

<sup>11</sup> Included in the Spring Gully wells commissioned total are 36 wells that are a combination of horizontal/vertical pairs and multi-laterals, represented as 63 wells. The deliverability for these wells is expected to be significantly more than the production expected from an average single vertical well in Spring Gully.

<sup>12</sup> Total to date has been amended to reflect 18 wells that were reported as Talinga wells in the March 2016 quarter that related to Orana.

<sup>13</sup> Excludes production from the Peat Project Area and Denison Trough which collectively accounted for average production of 8.1 TJ/d

## 2.1.2 APLNG Project Update

The APLNG Project is now 100% complete as at 31 December 2016 with minor project close out work remaining for the Downstream project.

First cargo from APLNG Train 2 was produced on 8 October 2016. During the quarter the plant was handed over to Operations.



Sinopec's new custom-built LNG tanker Cesi Gladstone arrives at the Australia Pacific LNG facility on Curtis Island (courtesy of ConocoPhillips).

## 2.2 Origin's interests excluding APLNG

### Cooper / Eromanga Basin (South Australia / Queensland)

#### *Origin/Santos/Beach Joint Venture*

Cooper Basin production of 4.0 PJe has decreased by 4% from the previous quarter.

A total of eight wells were drilled in the quarter. There were two SWQ exploration/appraisal wells drilled, Dunadoo East 1 was plugged and abandoned and Roti 1 South well is still undertaking drilling operations. There were six development wells drilled, five wells have been cased and suspended as future producers, with drilling of the remaining development well ongoing.

#### *Origin/Senex/Planet Gas Joint Venture*

The extended production test for Ethereal-1 exploration well in PEL637 was completed.

### Otway Basin (Victoria / Tasmania)

Otway Basin production of 13.2 PJe (Origin share) has increased by 79% from the previous quarter due to a full quarter of Halladale/Speculant production and higher plant availability.

The Crowes Foot 3D offshore seismic survey was acquired and processing commenced during the quarter in exploration permit VICP/69.

The Enterprise 2 3D seismic acquisition commenced in January in the offshore exploration permit VIC/P42(V)

### Bass Basin (Tasmania)

Bass Basin production of 1.7 PJe has decreased by 33% from the previous quarter due to a planned statutory maintenance shutdown.

During the planned maintenance shutdown, the compressor piping was successfully tied in, and production is now flowing via the bypass piping. The compression and condensate modules are expected to come online late in the 2017 financial year.

### Perth Basin (Western Australia)

Perth Basin production of 1.2 PJe has increased by 23% from the previous quarter due to a full quarter of Waitsia production and higher plant availability at Beharra Springs.

### Beetaloo Basin (Northern Territory)

The extended production test (EPT) at Amungee NW-1H was completed during the quarter.

### Taranaki Basin (New Zealand)

#### **Kupe (offshore Taranaki)**

Kupe production of 4.0 PJe (Origin share) has decreased by 17% from the previous quarter due to lower plant availability.

#### **Rimu/Kauri/Manutahi (onshore Taranaki)**

The Rimu and Kauri facilities production of 0.1 PJe has decreased by 69% from the previous quarter, following divestment on 31 October 2016.

### 3. ACQUISITIONS/DIVESTMENTS

---

#### DIVESTMENTS

##### Rimu/Kauri/Manutahi (onshore Taranaki)

The Sale and Purchase Agreement with Westside Corporation completed on 31 October 2016.

##### Initial Public Offering of conventional upstream business

Origin announced on 6 December 2016 its intention to divest by Initial Public Offering its conventional upstream business supplying Australian and New Zealand domestic markets.

### 4. DRILLING ACTIVITY

---

#### 4.1 Exploration/Appraisal

The table below summarises the exploration and appraisal drilling in which Origin had an interest during the Quarter:

| Exploration/Appraisal Wells | Basin / Area | Target | Origin Interest % | Effective | Well Status |
|-----------------------------|--------------|--------|-------------------|-----------|-------------|
| Dunadoo East 1              | Cooper - SWQ | Gas    | 16.74%            |           | P&A         |
| Roti South 1                | Cooper - SWQ | Gas    | 16.74%            |           | Ongoing     |

---

\* Denotes Origin operatorship



## 4.2 Development

The table below summarises development drilling in which Origin had an interest during the quarter. Origin participated in 118 CSG development wells across the Bowen and Surat Basins and 8 conventional gas development wells in the Cooper Basin during the quarter.

| Basin / Area             | Origin Effective Interest % | Well Status | Basin / Area        | Origin Effective Interest % | Well Status |
|--------------------------|-----------------------------|-------------|---------------------|-----------------------------|-------------|
| Development Wells        |                             |             | Development Wells   |                             |             |
| <b>Cooper Basin – SA</b> |                             |             | Clifford East 23    | 34.76%*                     | Development |
| <b>Target – Gas</b>      |                             |             | Clifford East 24    | 34.76%*                     | Development |
| Cocinero 4               | 25.00%                      | C&S         | Clifford East 25    | 34.76%*                     | Development |
| Galex 4                  | 16.74%                      | C&S         | Clifford East 27    | 34.76%*                     | Development |
| Galex 5                  | 16.74%                      | C&S         | Clifford East 3     | 34.76%*                     | Development |
| Windigo 3                | 16.74%                      | C&S         | Clifford East 30    | 34.76%*                     | Development |
| Allunga 2                | 13.19%                      | C&S         | Clifford East 33    | 34.76%*                     | Development |
| Allunga 3                | 13.19%                      | Ongoing     | Clifford East 35    | 34.76%*                     | Development |
| <b>Bowen</b>             |                             |             | Clifford East 36    | 34.76%*                     | Development |
| <b>Target – CSG</b>      |                             |             | Clifford East 37    | 34.76%*                     | Development |
| Durham Ranch 203         | 35.44%*                     | Development | Clifford East 38    | 34.76%*                     | Development |
| Durham Ranch 205         | 35.44%*                     | Development | Clifford East 39    | 34.76%*                     | Development |
| Durham Ranch 206         | 35.44%*                     | Development | Clifford East 4     | 34.76%*                     | Development |
| Durham Ranch 212         | 35.44%*                     | Development | Clifford East 5     | 34.76%*                     | Development |
| Durham Ranch 217         | 35.44%*                     | Development | Clifford East 6     | 34.76%*                     | Development |
| Durham Ranch 307         | 35.44%*                     | Development | Clifford East 66    | 34.76%*                     | Development |
| Durham Ranch 310         | 35.44%*                     | Development | Clifford East 7     | 34.76%*                     | Development |
| Durham Ranch 467         | 35.44%*                     | Development | Clifford East 9     | 34.76%*                     | Development |
| Durham Ranch 800         | 35.44%*                     | Development | Combabula North 3   | 34.76%*                     | Development |
| Durham Ranch 801         | 35.44%*                     | Development | Combabula North 385 | 34.76%*                     | Development |
| Durham Ranch 806         | 35.44%*                     | Development | Combabula North 4   | 34.76%*                     | Development |
| Durham Ranch 809         | 35.44%*                     | Development | Combabula North 6   | 34.76%*                     | Development |
| Durham Ranch 810         | 35.44%*                     | Development | Combabula North 9   | 34.76%*                     | Development |
| Durham Ranch 814         | 35.44%*                     | Development | Condabri 358        | 37.50%*                     | Development |
| Durham Ranch 822         | 35.44%*                     | Development | Condabri South 111  | 37.50%*                     | Development |
| Durham Ranch 823         | 35.44%*                     | Development | Condabri South 122  | 37.50%*                     | Development |
| Durham Ranch 827         | 35.44%*                     | Development | Condabri South 123  | 37.50%*                     | Development |
| Durham Ranch 872         | 35.44%*                     | Development | Condabri South 133  | 37.50%*                     | Development |
| Durham Ranch 873         | 35.44%*                     | Development | Condabri South 145  | 37.50%*                     | Development |
| Fairview                 | 7.69%                       | Development | Condabri South 146  | 37.50%*                     | Development |
| Spring Gully 494         | 37.50%*                     | Development | Condabri South 147  | 37.50%*                     | Development |
| <b>Surat</b>             |                             |             | Condabri South 148  | 37.50%*                     | Development |
| <b>Target – CSG</b>      |                             |             | Condabri South 153  | 37.50%*                     | Development |
| Clifford East 1          | 34.76%*                     | Development | Condabri South 154  | 37.50%*                     | Development |
| Clifford East 11         | 34.76%*                     | Development | Condabri South 155  | 37.50%*                     | Development |
| Clifford East 13         | 34.76%*                     | Development | Condabri South 156  | 37.50%*                     | Development |
| Clifford East 14         | 34.76%*                     | Development | Condabri South 157  | 37.50%*                     | Development |
| Clifford East 15         | 34.76%*                     | Development | Condabri South 158  | 37.50%*                     | Development |
| Clifford East 16         | 34.76%*                     | Development | Condabri South 159  | 37.50%*                     | Development |
| Clifford East 17         | 34.76%*                     | Development | Condabri South 161  | 37.50%*                     | Development |
| Clifford East 18         | 34.76%*                     | Development | Condabri South 162  | 37.50%*                     | Development |
| Clifford East 19         | 34.76%*                     | Development | Condabri South 163  | 37.50%*                     | Development |
| Clifford East 2          | 34.76%*                     | Development | Condabri South 164  | 37.50%*                     | Development |
| Clifford East 21         | 34.76%*                     | Development | Condabri South 165  | 37.50%*                     | Development |

| Basin / Area<br>Development Wells | Origin<br>Effective<br>Interest % | Well Status |
|-----------------------------------|-----------------------------------|-------------|
| Condabri South 166                | 37.50%*                           | Development |
| Condabri South 168                | 37.50%*                           | Development |
| Condabri South 169                | 37.50%*                           | Development |
| Condabri South 171                | 37.50%*                           | Development |
| Condabri South 174                | 37.50%*                           | Development |
| Condabri South 177                | 37.50%*                           | Development |
| Condabri South 180                | 37.50%*                           | Development |
| Condabri South 182                | 37.50%*                           | Development |
| Condabri South 183                | 37.50%*                           | Development |
| Condabri South 188                | 37.50%*                           | Development |
| Condabri South 189                | 37.50%*                           | Development |
| Condabri South 278                | 37.50%*                           | Development |
| Condabri South 279                | 37.50%*                           | Development |
| Orana North 100                   | 37.50%*                           | Development |
| Orana North 110                   | 37.50%*                           | Development |
| Orana North 111                   | 37.50%*                           | Development |
| Orana North 112                   | 37.50%*                           | Development |
| Orana North 127                   | 37.50%*                           | Development |
| Orana North 130                   | 37.50%*                           | Development |
| Orana North 145                   | 37.50%*                           | Development |
| Orana North 146                   | 37.50%*                           | Development |
| Talinga 202                       | 37.50%*                           | Development |
| Talinga 203                       | 37.50%*                           | Development |
| Talinga 204                       | 37.50%*                           | Development |
| Talinga 222                       | 37.50%*                           | Development |
| Talinga 241                       | 37.50%*                           | Development |
| Talinga 253                       | 37.50%*                           | Development |
| Talinga 254                       | 37.50%*                           | Development |
| Talinga 255                       | 37.50%*                           | Development |
| Talinga 256                       | 37.50%*                           | Development |
| Talinga 257                       | 37.50%*                           | Development |
| Talinga 259                       | 37.50%*                           | Development |
| Talinga 270                       | 37.50%*                           | Development |
| Talinga 271                       | 37.50%*                           | Development |
| Talinga 273                       | 37.50%*                           | Development |
| Talinga 274                       | 37.50%*                           | Development |
| Talinga 275                       | 37.50%*                           | Development |
| Talinga 276                       | 37.50%*                           | Development |
| Talinga 277                       | 37.50%*                           | Development |
| Talinga 284                       | 37.50%*                           | Development |
| Talinga 288                       | 37.50%*                           | Development |
| Talinga 305                       | 37.50%*                           | Development |
| Talinga 312                       | 37.50%*                           | Development |
| Talinga 325                       | 37.50%*                           | Development |

| Basin / Area<br>Development Wells | Origin<br>Effective<br>Interest % | Well Status |
|-----------------------------------|-----------------------------------|-------------|
|-----------------------------------|-----------------------------------|-------------|

Notes:

\* Denotes Origin operatorship



## 5. EXPLORATION, EVALUATION AND CAPITAL EXPENDITURE

The table below includes total expenditure incurred on exploration and evaluation activities and capital expenditure on development and production activities. They include expenditure committed under farm-in agreements and capitalised interest and exclude expenditure on acquisitions. Expenditure in the current financial year is preliminary and is subject to audit review.

|                                | This Quarter | Previous Quarter | Dec Qtr 2015 | YTD 2016/17 | YTD 2015/16 |
|--------------------------------|--------------|------------------|--------------|-------------|-------------|
| <b>A\$m</b>                    |              |                  |              |             |             |
| Exploration/Evaluation         | 22           | 10               | 23           | 32          | 52          |
| Development/PP&E               | 34           | 37               | 87           | 71          | 196         |
| <b>Total excluding APLNG</b>   | <b>56</b>    | <b>47</b>        | <b>110</b>   | <b>103</b>  | <b>248</b>  |
| Origin's Contribution to APLNG | (18)         | 143              | 315          | 124         | 856         |

Origin received a net distribution from APLNG during the quarter of \$18 million reflecting the receipt of MRCPS interest (\$102 million), partially offset by shareholder funding contributions (\$83 million). Shareholder funding requirements primarily reflected increased LNG revenue, the phasing of capital spend and no project finance principal and interest payments required in the quarter. A net shareholder contribution is expected in the second half of FY2017.

## 6. CONVERSION FACTORS AND ABBREVIATIONS

---

### 6.1 Conversion Factors

|            |         |            |
|------------|---------|------------|
| Crude oil  | 0.00583 | PJ/kbbls   |
| Condensate | 0.00541 | PJ/kbbls   |
| LPG        | 0.0493  | PJ/ktonnes |
| Ethane     | 0.0517  | PJ/ktonnes |
| LNG        | 0.0554  | PJ/ktonnes |

### 6.2 Abbreviations

|                 |  |
|-----------------|--|
| <b>APLNG</b>    | Australia Pacific LNG – an incorporated Joint Venture between Origin, ConocoPhillips and Sinopec   |
| <b>barrels</b>  | an international measure of oil production. 1 barrel = 159 litres  |
| <b>Bopd</b>     | barrels of oil per day   |
| <b>bwpd</b>     | barrels of water per day   |
| <b>C&amp;C</b>  | cased and completed  |
| <b>C&amp;S</b>  | cased and suspended  |
| <b>CSG</b>      | coal seam gas  |
| <b>FID</b>      | final investment decision  |
| <b>GJ</b>       | gigajoule = $10^9$ joules  |
| <b>joule</b>    | a measure of energy  |
| <b>kbbls</b>    | Kilo barrels = 1,000 barrels   |
| <b>kT</b>       | Kilo tonnes = 1,000 tonnes   |
| <b>LNG</b>      | liquefied natural gas  |
| <b>LPG</b>      | liquid petroleum gas   |
| <b>mmbbl</b>    | million barrels  |
| <b>mmboe</b>    | million barrels of oil equivalent  |
| <b>mmbtu</b>    | million British thermal units  |
| <b>mmscf</b>    | million standard cubic feet  |
| <b>mtpa</b>     | million tonnes per annum   |
| <b>P&amp;A</b>  | plugged and abandoned  |
| <b>P&amp;S</b>  | plugged and suspended  |
| <b>pa</b>       | per annum  |
| <b>PJ</b>       | petajoule = $10^{15}$ joules   |
| <b>PJe</b>      | petajoule equivalent, a measure used to express the volume of different petroleum products on the basis of the energy contained in the product |
| <b>QGC</b>      | Queensland Gas Company   |
| <b>Spudding</b> | to commence drilling a well  |
| <b>SWQ</b>      | South West Queensland  |
| <b>t</b>        | tonnes   |
| <b>TJ</b>       | terajoule = $10^{12}$ joules   |
| <b>TJ/d</b>     | terajoules per day   |
| <b>YTD</b>      | year to date   |