



ASX/Media Release

30 October 2008

Origin and ConocoPhillips form Australia Pacific LNG, Australia's largest CSG to LNG Joint Venture

Origin Energy Limited (ASX: ORG) ("Origin") today announced that its transaction with ConocoPhillips to form Australia Pacific LNG, a 50:50 CSG to LNG joint venture, has been completed and that the Origin Group has received an upfront payment of US\$5 billion from ConocoPhillips.

Origin advised in a release to the ASX on 13 October 2008 that it had agreed to share the benefit of any depreciation in the AUD/USD exchange rate between 8 September 2008, the date when this transaction was first announced to the ASX and the date of completion with ConocoPhillips. As a result of these arrangements the upfront payment of US\$5 billion has converted to A\$6.9 billion for the Origin Group.

Origin's Managing Director, Mr Grant King said "This is a company transforming transaction. Origin will become, in its joint venture with ConocoPhillips, the largest CSG to LNG producer in Australia. Our unparalleled Queensland CSG resources will now be developed more quickly and the resultant LNG will have viable channels to global markets.

"Origin now has no net interest bearing debt and a significant cash balance. This strong financial position will facilitate a decade of growth for Origin in the dynamic and developing resource and energy sectors."

Australia Pacific LNG intends to develop Australia's largest CSG reserves base into a 14 million tonne per annum CSG to LNG project. The project will deliver an additional Australian LNG hub, serving Asia-Pacific and other international markets.

Final Investment Decision for Train 1 is expected at the end of 2010 and Australia Pacific LNG is targeting first LNG production in 2014.

Origin's Managing Director, Mr Grant King said "The establishment of Australia Pacific LNG marks the commencement of a fully aligned and financially strong joint venture that leverages the strengths and capabilities of Origin and ConocoPhillips to develop a CSG to LNG project.

"Australia Pacific LNG brings together Origin's 10 and ConocoPhillips' 25 years of CSG experience and, through ConocoPhillips, access to 40 years of experience in operating and developing LNG facilities."

Origin today issued a separate release detailing its capital management activities following completion of the transaction with ConocoPhillips.

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