



To	Company Announcements Office	Facsimile	1300 135 638
Company	ASX Limited	Date	15 September 2010
From	Helen Hardy	Pages	15
Subject	PNG AND QLD GOVERNMENTS SUPPORT STUDIES TO PROGRESS A PNG RENEWABLE ENERGY PROJECT FOR PNG AND QLD		

Please find attached a copy of an ASX/Media Release on the above subject.

Regards

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

Helen Hardy
Company Secretary

02 8345 5023 - helen.hardy@originenergy.com.au



ASX/Media Release

15 September 2010

PNG and Qld Governments support studies to progress a PNG renewable energy project for PNG and Qld

The governments of Papua New Guinea and Queensland will today sign a Memorandum of Cooperation with PNG Energy Developments Ltd (PNG EDL) and Origin Energy Limited ('Origin') to support the potential development of a renewable hydro electricity project. The project would create thousands of jobs and provide low carbon baseload electricity to PNG, north and far north Queensland, and Australia's National Electricity Market.

PNG EDL, a 50:50 joint venture between Origin and PNG Sustainable Development Program Ltd, is evaluating the hydro-electric potential of the Purari Hydro Resource at Wabo in the Gulf Province of PNG. Capturing the power of the existing river flows, the development under consideration would have the capacity to generate approximately 1800 MW of renewable baseload electricity.

PNG Deputy Prime Minister and Minister for Works and Transport, the Honourable Don Pomb Polye MP said, "The PNG Government is proud of achieving this milestone where the governments of Queensland and PNG as well as the private sector can come together in this strategic partnership to develop such an important project.

"The PNG Government is happy for the PNG Sustainable Development Program and Origin to partner with our two States in realising our potential."

The proposed project would provide a reliable source of power for remote villages and rural communities in PNG and transform the area's economic development prospects. It would provide better access to the Gulf Province, creating a focal point for provision of basic health and education services and a range of opportunities for local communities.

Electricity would also be exported using leading-edge transmission technology via Weipa to join the national electricity grid at Townsville.

Queensland Premier Anna Bligh said, "Access to reliable energy such as this may help open up significant industrial development in PNG.

"But for an energy project of this size to be viable PNG needs a baseload customer for the power. Under this partnership Queensland looks to become that baseload customer.

"Put simply what that means is if successful this project will be a massive win/win for both PNG and Queensland opening up new opportunities for all of us."



Origin Managing Director, Mr Grant King said the ongoing assessment of the project was consistent with Origin's pursuit of a portfolio of renewable energy opportunities in Australia and select offshore markets. The company is familiar with PNG and Origin's LPG gas supply business has been operating in PNG for 30 years.

This project has the potential not only to open up vast employment and economic opportunities for both PNG and Queensland, but also to transform Australia's potential to meet its carbon emissions goals at reasonable cost.

"This would be the first project to deliver year-round baseload renewable energy into mainland Australia," said Mr King.

A series of engineering and environmental studies undertaken over the past 30 years has identified the Wabo site as a favourable location for a hydro-electric power project, due to its specific geographic characteristics. The unique attributes of the catchment combined with the region's year round high consistent rainfall (on average around eight metres per year) provide river flows that are well-suited for hydro power while at the same time maintaining downstream river characteristics.

The joint venture has reviewed the existing studies in light of today's technical, environmental and social standards. All ongoing work, including options assessment and downstream impacts assessment associated with the proposed development, is being undertaken in full collaboration with the Gulf and PNG governments.

A comprehensive feasibility study of environmental, sociological and engineering aspects is expected to be completed in 2012.

"The joint venture will ensure that recognised international environmental and social standards are followed during the feasibility study of the project. In addition, the project will undertake extensive consultation with communities and all levels of government in both Queensland and PNG," said Mr King.

The joint venture will be guided by international environmental and social standards including those endorsed by the Australian and PNG governments, the International Finance Corporation, the World Commission on Dams and the International Hydropower Association.

The project builds on Origin's existing portfolio of renewable developments and options including wind, geothermal and solar and the company's experience with hydro technologies through its interest in New Zealand's Contact Energy.

Electricity generated using hydro-electric technology emits close to zero carbon emissions.

In 2008 a Memorandum of Understanding regarding Business Cooperation was signed by the Government of PNG and the State of Queensland to define areas in which projects of cooperation can be developed, according to principles of equity, reciprocity and economic development and sustainability.



For further information please contact:

Media

Lina Melero
Ph: +61 2 8345 5217
Mobile: +61 427 017798

Investors

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

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 one of Australia's largest CSG to LNG projects 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



Fact Sheet - PNG Renewable Energy Project

The governments of Queensland and Papua New Guinea signed a Memorandum of Cooperation with PNG Energy Developments Ltd (PNG EDL) and Origin Energy Limited to support the potential development of a renewable hydro electricity project.

PNG EDL, a 50:50 joint venture between Origin and PNG Sustainable Development Program Ltd, is evaluating the hydro power potential of the Purari Hydro Resource at Wabo in the Gulf Province of PNG, around 350 km north-west from Port Moresby.

Capturing the power of existing river flows, the development under consideration would have the capacity to generate approximately 1,800 MW of reliable renewable power, with a capacity factor expected to be in excess of 90 per cent.

The project would provide a reliable source of electricity for remote villages and rural communities in Papua New Guinea and transform the area's economic development prospects. It would provide better infrastructure for access to the Gulf Province, greatly enhancing the ability to deliver basic health and education services and creating a range of opportunities for local communities.

Electricity would also be exported using leading-edge transmission technology via Weipa to join the national electricity grid at Townsville.

The project would supply into Queensland approximately five times the amount of renewable power currently generated in the State.

It would be the first project to deliver year-round baseload renewable power energy into mainland Australia.

Project Description

The proposed site is on the Purari River, 198 kilometres upstream and approximately 100 kilometres overland from the Gulf. It is near the village of Wabo.

A series of engineering and environmental studies undertaken over the past 30 years have identified the site as a favourable location for a hydro power project, due to the sparse local population and specific geographic characteristics. The catchment area is one of the highest rainfall regions in PNG, with the Purari River at Wabo having a mean annual discharge of 2,500m³ per second. Rainfall is consistent and, in the area around Wabo, averages around eight metres per year. These features make the proposed site ideally suited for maintaining downstream river characteristics.

Map of the Purari River in PNG



The existing studies are being reviewed in light of today's technical, environmental and social standards in full collaboration with the Gulf and Papua New Guinea Governments. A comprehensive feasibility study is expected to be completed in 2012.

The joint venture will be guided by international environmental and social standards including those endorsed by the Australian and PNG governments, the International Finance Corporation, the World Commission on Dams and the International Hydropower Association.

The PNG project would connect via an undersea transmission cable to far north Queensland and ultimately the national electricity grid at Townsville, via Weipa.

It would use HVDC (High Voltage Direct Current) transmission technology similar to that used in BassLink between Tasmania and Victoria. The undersea element would consist of two segments of approximately 250km each. For comparison, the undersea BassLink cable is approximately 290km long.

Route options undersea and overland will be subject to considerable further work, and a number of such options are in the early stages of being considered.

Background to Hydro Power

Hydro power is electrical energy generated when falling water from reservoirs or flowing water from rivers, streams or waterfalls is channelled through turbines.

Once constructed, a hydro power plant emits no greenhouse gas emissions.

Hydro power plants have the ability to be used for either base or peak load generation as the output is flexible and responsive to demand.

Origin has experience in dealing with hydro power technologies, particularly through its 51.8 per cent interest in Contact Energy. For the year ending 30 June 2010, Contact had produced 3,760GWh of hydro energy.

Origin's LPG gas supply business has been operating in Papua New Guinea for 30 years.



Fast Facts

- PNG Energy Developments Ltd (PNG EDL) is evaluating the development potential of a large hydro resource in Papua New Guinea
- PNG EDL is a 50:50 joint venture between Origin and PNG Sustainable Development Program Ltd
- The Wabo project has the capacity to generate 1,800MW of reliable baseload renewable electricity
- The project would provide low carbon baseload electricity to Papua New Guinea, north and far north Queensland and Australia's national electricity market (NEM).
- Electricity would be transmitted from PNG to far north Queensland via an undersea transmission cable using the most efficient HVDC (High Voltage Direct Current) transmission technology
- The Wabo site is located in the Gulf Province of PNG 198km upstream from the Gulf and 350km north-west from Port Moresby
- The catchment is one of the highest rainfall regions in PNG, with a catchment mean annual discharge of 2,500m³ per second at Wabo
- Mean annual rainfall varies across the catchment from approximately eight metres near the dam site to two metres in the north east.
- The joint venture will be guided by international environmental and social standards including those endorsed by the Australian and PNG governments, the International Finance Corporation, the World Commission on Dams and the International Hydropower Association.
- The project would provide electricity to villages, rural communities, major cities, townships and resource development projects situated in PNG and Australia
- The project would help supplement emerging intermittent renewable energy sources in Queensland and would provide baseload power and capacity support for minerals and other infrastructure development in the State of Queensland



PNG Renewable Energy Project

September 2010

Important Notice

This presentation does not constitute investment advice, or an inducement or recommendation to acquire or dispose of any securities in Origin, in any jurisdiction (including the USA). This presentation is for information purposes only, is in a summary form, and does not purport to be complete. This presentation does not take into account the investment objectives, financial situation or particular needs of any investor, potential investor or any other person. No investment decision should be made in reliance on this presentation. Independent financial and taxation advice should be sought before making any investment decision.

Certain statements in this presentation are in the nature of forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of Origin and cannot be predicted by Origin and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Origin and its related bodies corporate, joint ventures and associated undertakings operate. They also include general economic conditions, exchange rates, interest rates, the regulatory environment, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised. None of Origin or any of its respective subsidiaries, affiliates and associated companies (or any of their respective officers, employees or agents) (the "Relevant Persons") makes any representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward looking statement or any outcomes expressed or implied in any forward looking statements. In addition, statements about past performance are not necessarily indicative of future performance. The forward looking statements in this presentation reflect views held only at the date of this presentation. Subject to any continuing obligations under law or the ASX Listing Rules, Origin and the Relevant Persons disclaim any obligation or undertaking to disseminate after the date of this presentation any updates or revisions to any forward looking statements to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which such statements are based.

No representation or warranty, express or implied, is or will be made in relation to the accuracy or completeness of the information in this presentation and no responsibility or liability is or will be accepted by Origin or any of the Relevant Persons in relation to it. In particular, Origin does not endorse, and is not responsible for, the accuracy or reliability of any information in this presentation relating to a third party.

All references to "\$" are references to Australian dollars unless otherwise specified.

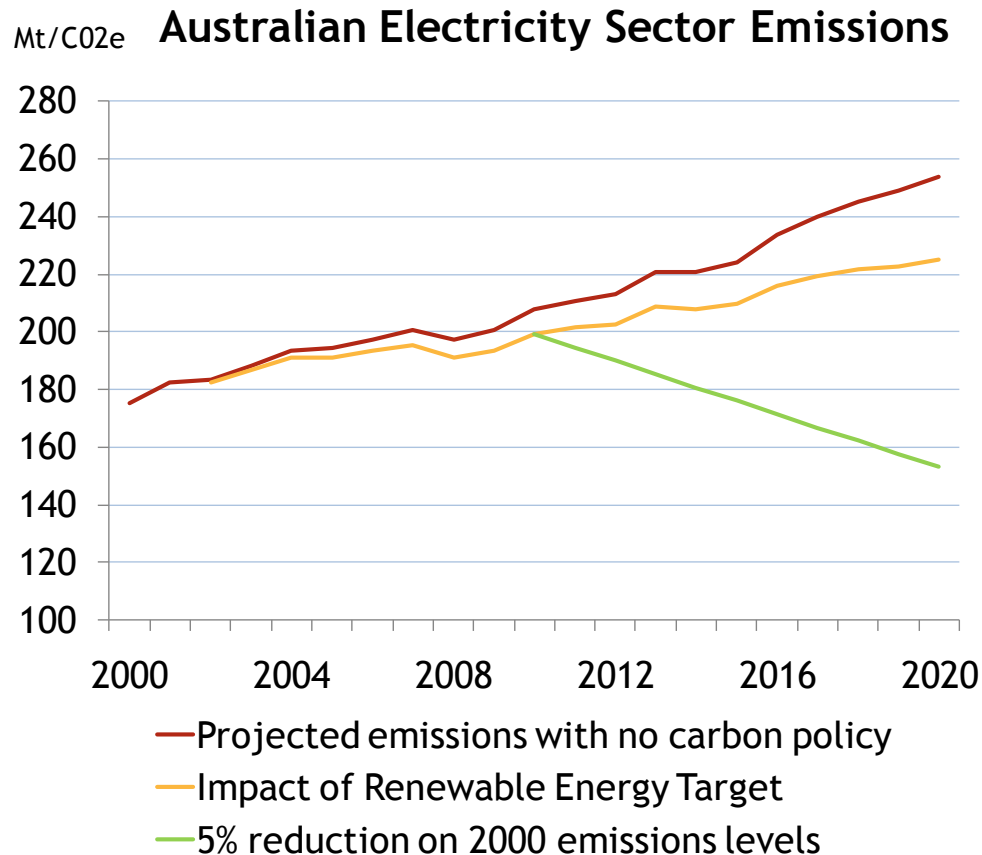
A reference to Contact is a reference to Contact Energy of New Zealand, a 52% subsidiary of Origin.

A reference to Australia Pacific LNG or APLNG is a reference to Australia Pacific LNG Pty Limited, an incorporated joint venture that Origin holds a 50% interest in.

All comparative data is in relation to the prior corresponding period, 1 July 2008 to 30 June 2009, unless otherwise stated. Certain comparative amounts have been reclassified to conform with the current year's presentation.



Both of Australia's main political parties support a goal to reduce carbon emissions by 5 per cent from 2000 levels by 2020



Source: Origin

- Ambitious target, particularly as the CPRS has been delayed until at least 2013 and its future remains unclear
- Without a price on carbon there is no incentive to drive replacement of coal fired power with lower emission gas
- The energy sector contribution to the 2020 target therefore relies on renewables and energy efficiency
- In these circumstances, the energy sector is unlikely to provide its “fair share” of the reductions required to meet the 2020 target
- The energy sector will also become increasingly reliant on intermittent wind and solar power - requiring back-up peaker plant at additional cost

Without a carbon price, the energy sector is almost certain not to contribute its “fair share” of the 2020 target



The proposed development would provide power for rural communities and support development in western PNG ...



- Capacity to generate approximately 1800 MW of renewable baseload electricity
- Reliable source of power for remote villages and rural communities in Papua New Guinea, transforming the area's economic development prospects
- Would facilitate improvements in the provision of basic health and education services and create opportunities for local communities
- Power would also be exported to far north Queensland, north Queensland and the National Electricity Market (NEM)
- It would deliver into Queensland approximately five times the renewable energy currently generated in the State
- It would be the first project to deliver year-round baseload renewable power energy into mainland Australia*

- The hydro power stations on the Australian mainland are not baseload, and the small amount of baseload biomass on the mainland is seasonal. Very little of Tasmania's hydro is exported to mainland Australia.

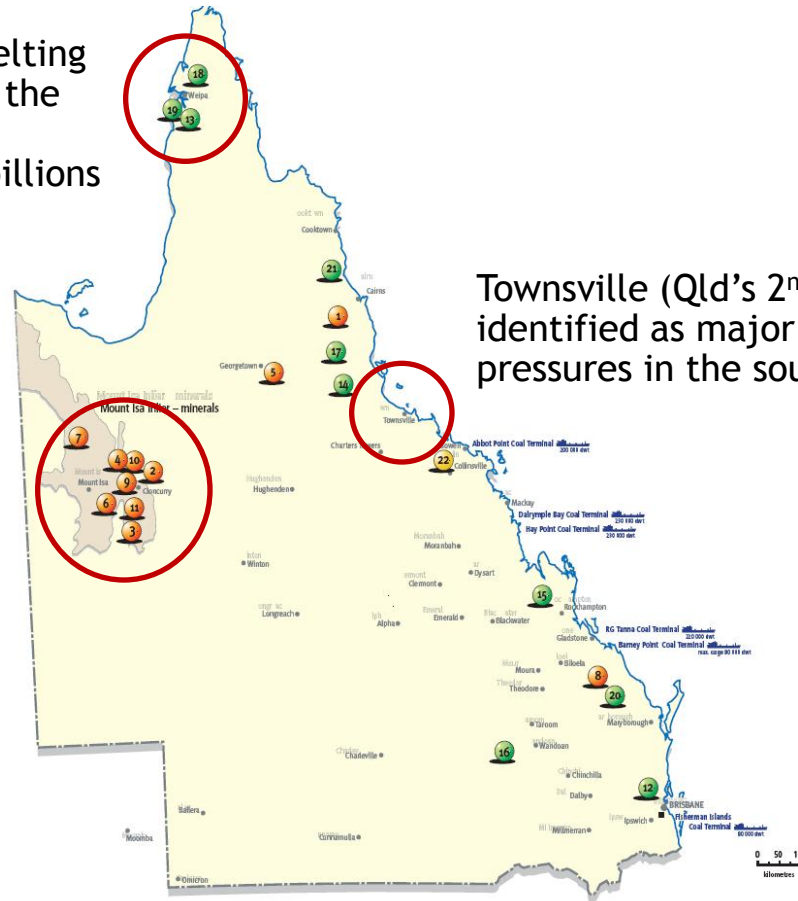
... and would also be the first project to deliver year-round baseload renewable energy into mainland Australia



Access to baseload renewable power will enable development of Queensland's outstanding minerals potential - helping to drive significant growth in north and far north Queensland

Demand from alumina smelting and aluminium refining in the Cape potentially up to thousands of MW, with \$ billions of associated investment

Demand from NW Queensland mineral processing estimated at 350 MW to 500 MW



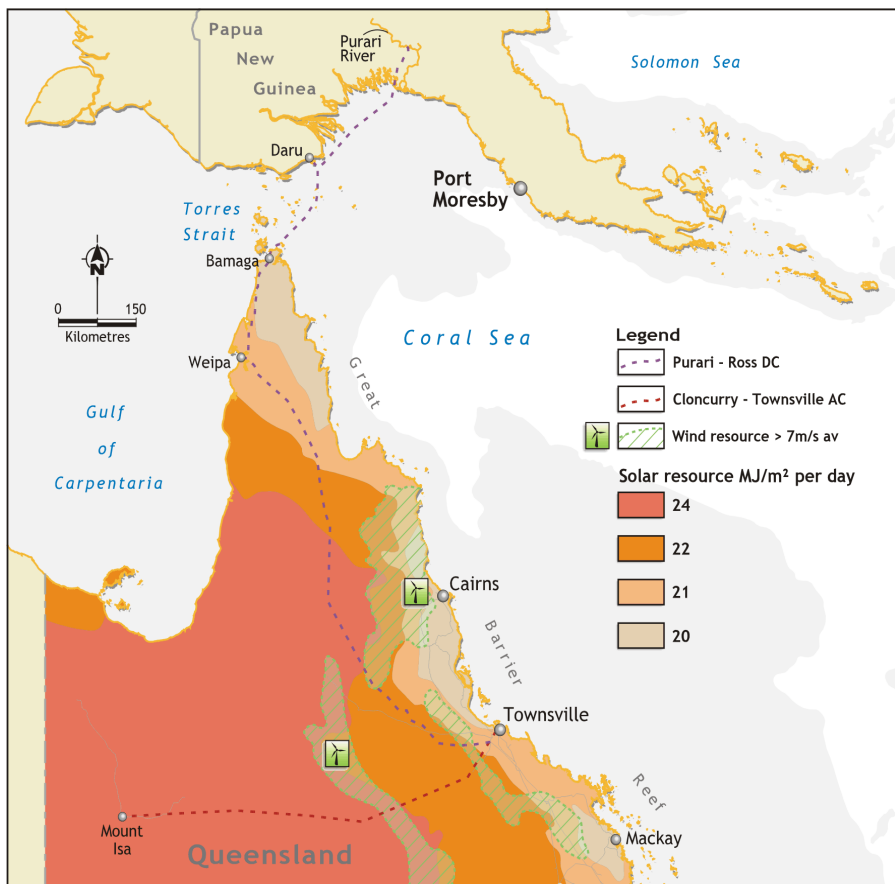
Townsville (Qld's 2nd largest city) and Bowen identified as major growth areas to alleviate pressures in the south east

Queensland's advanced mineral projects (October 2008)
www.dme.qld.gov.au

In a carbon constrained world, access to large-scale baseload renewable power will become a significant source of competitive advantage for energy intensive minerals projects



The proposed development would also open up a vast corridor of opportunities to connect some of Queensland's best solar and renewable energy resources into the national grid...



- Some of Queensland's best wind and solar resources are located in the far north of the State
- New transmission line would help solve the 'chicken and egg' problem - that new renewable projects need to know they will have connection to the grid before they can progress, and grid investments need to know there are projects to support before they can be built
- Project would complement the CopperString project (Cloncurry to Mt Isa line) which will add to Queensland's growing demand for baseload energy
- The project's baseload characteristics also help support an electricity system that will need to manage an increasing proportion of intermittent renewables such as wind and solar

The baseload nature of the project provides a perfect complement to the inherent intermittency of renewables such as wind and solar



The unique attributes of the catchment combined with the region's year round high consistency rainfall provide river flows that are well suited for hydro power while maintaining downstream river characteristics.

- Capturing the power of existing river flows, the development under consideration would have the capacity to generate approximately 1,800MW of reliable renewable power, with a capacity factor expected to be in excess of 90 per cent.
- A series of engineering and environmental studies undertaken over the past 30 years have identified the Wabo site as a favourable location for a hydro power project, due to its specific geographic characteristics.
- The JV parties have reviewed the existing studies in light of today's technical, environmental and social standards. All ongoing work, including options assessment, downstream impacts assessment and the sharing of benefits, is being undertaken in full collaboration with the Gulf and Papua New Guinea governments.
- A comprehensive feasibility study covering all technical, environmental and social aspects of the project is expected to be completed in 2012.
- The project will undertake extensive consultation with communities and all levels of government in both Queensland and Papua New Guinea.
- The joint venture will be guided by international environmental and social standards including those endorsed by the Australian and PNG governments, the International Finance Corporation, the World Commission on Dams and the International Hydropower Association.
- The project builds on Origin's existing portfolio of renewable developments and options including wind, geothermal and solar and the Company's experience with hydro technologies through its interest in New Zealand's Contact Energy.
- Origin's LPG gas supply business has been operating in Papua New Guinea for 30 years.





PNG Renewable Energy Project

September 2010

