



24 February 2014

The Manager Companies  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

(5 pages by email)

Dear Madam

## ORIGIN ENERGY LIMITED PEL 514 GAS FARM-OUT

### HIGHLIGHTS

- **Landmark gas farm-out agreed between Origin and Senex.**
- **Targeting tight gas sands and providing exposure to gas in shales and coals within the Permian section ('Deeps').**
- **Origin earning up to 40% of the Deeps within a portion of PEL 514.**
- **Work programs to include 250 km<sup>2</sup> of 3D seismic and the drilling of up to seven gas exploration and appraisal wells.**
- **Work program expenditure of up to \$80 million spread equally across Stages 1 and 2.**
- **Possible additional expenditure of up to \$67 million by the joint venture.**

The Directors of Planet Gas Limited ('Planet Gas') are pleased to announce that a landmark gas farm-out agreement has been agreed between leading energy company Origin Energy Limited ('Origin', ASX: ORG) and Planet Gas' joint venture partner Senex Energy Limited ('Senex', ASX: SXY). The agreement relates to PEL 514 in South Australia's Cooper Basin of which Planet Gas holds a 20% interest.

The farm-out agreement comprises 904 km<sup>2</sup>, or approximately 47% of the area of PEL 514 covering part of the Patchawarra Trough. A stratigraphic division separates the 'Deeps' and 'Shallows' with the Origin agreement relating to the Deeps of the Permian system (see Figures 1 and 2).

The Deeps work program is split into Stages 1 and Stage 2 with total expenditure of up to \$80 million (see Table 1). The joint venture parties may also elect to fund additional work programs of up to \$67 million. Stage 1 will evaluate the potential of the tight gas sands, provide exposure to gas in shales and deep coal seams, and provide proof of concept of the Permian system. Stage 2 will evaluate the commerciality of the gas resource by undertaking extended flow testing through separate pilot programs.

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Through Stage 1, Origin will earn a 30% interest in the Deeps from Senex and may increase its interests by a further 10% upon the completion of Stage 2. Senex will reduce to a 40% interest after Stage 2 while Planet Gas will maintain its 20% interest.

Senex will be the operator of the programs with Origin having the right to become operator following the completion of Stage 2.

The existing farm-in arrangements between Planet Gas and Senex with regards to oil exploration will continue in the remainder of PEL 514 covering 1,013 km<sup>2</sup> ('Remainder area') and also in the Shallows. Planet Gas' 20% interest continues to be free carried by Senex for oil exploration.

Managing Director Anthony McClure described the transaction as a substantial material step in the potential development of the Company's gas interests in PEL 514.

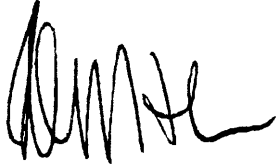
"We are delighted to be partnering with Origin. Their entry is a considerable endorsement of the Company's foresight in investing in PEL 514 and partnering with Senex to unlock its oil and gas potential."

<b>Transaction Details PEL 514</b>	
<b>Petroleum Licence Area (PEL)</b>	1,917 km <sup>2</sup>
<b>Farm-out area to Origin</b>	904 km <sup>2</sup> (47% of total area) Deeps only
<b>Stage 1 Work Program</b>	\$40 million
<b>Participating interest earned by Origin</b>	30%
<b>Planet Gas participating interest</b>	20%
<b>Stage 2 Work Program</b>	\$40 million
<b>Participating interest earned by Origin</b>	10%
<b>Planet Gas participating interest</b>	20%
<b>Additional Work Programs (Stage 1 and 2 - equity basis)</b>	\$67 million (subject to operating committee approval)
<b>Total Work Program</b>	\$147 million

**Table 1: Transaction Details PEL 514**

For further information, contact Anthony McClure or Peter Nightingale on +61 2 9300 3322. Also please refer to announcements of today's date by Origin Energy Limited (ASX: ORG) and Senex Energy Limited (ASX: SXY).

Yours sincerely

A handwritten signature in black ink, appearing to read 'PJN', with a long horizontal flourish extending to the right.

Peter J. Nightingale  
Director

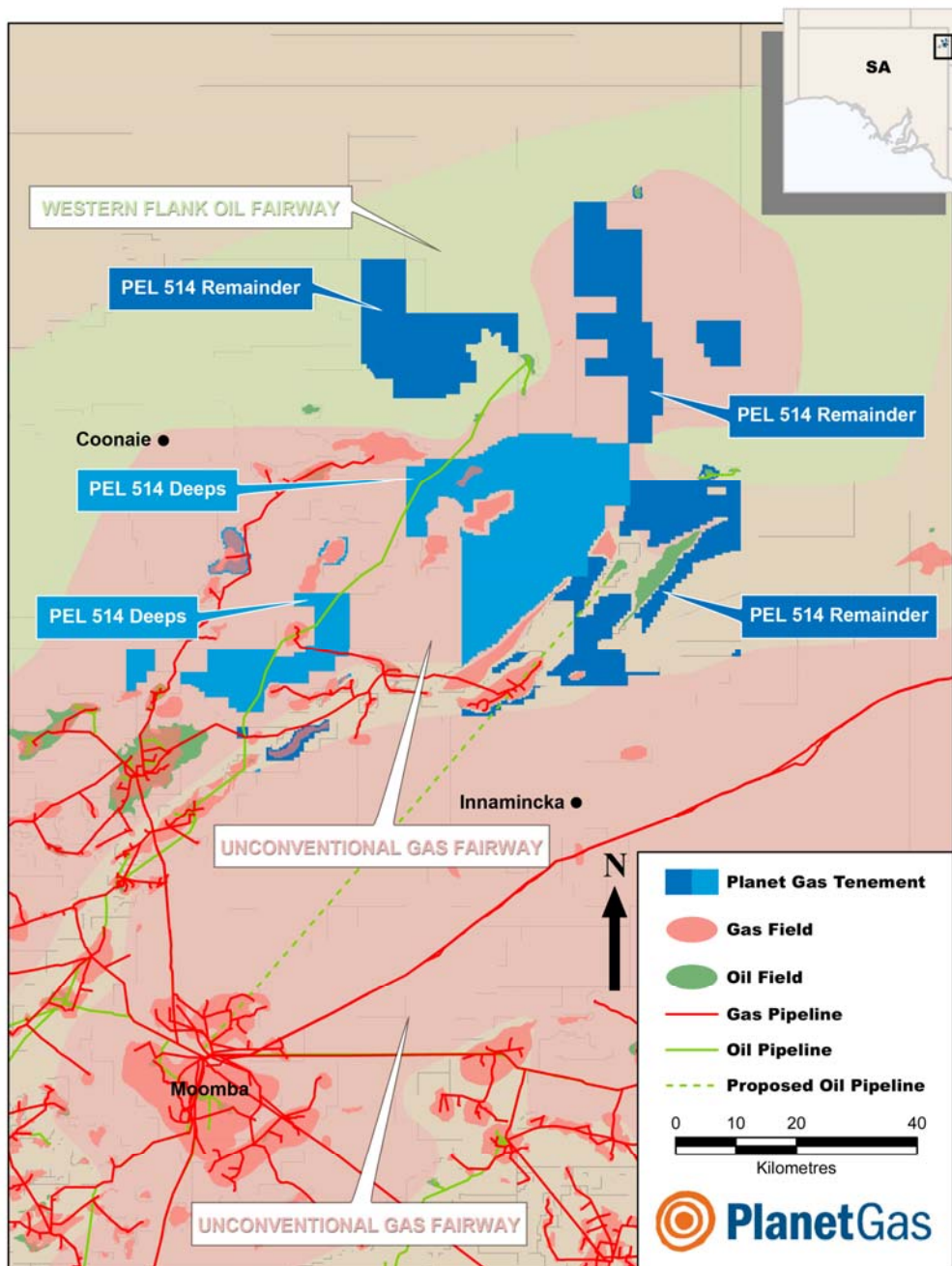
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### **About Origin Energy Limited**

Origin is the leading Australian integrated energy company focused on gas and oil exploration and production, power generation and energy retailing.

The company is the largest energy retailer in Australia and is responsible for around 13 per cent of Australia's electricity generation. Through Australia Pacific LNG, in joint venture with ConocoPhillips and Sinopec, Origin is developing one of Australia's largest liquefied natural gas projects. The project is located in Gladstone, Queensland with the first train module scheduled for production from mid 2015.

Origin is a member of the S&P/ASX 20 Index and has a market capitalisation of approximately \$16 billion.



**Figure 1: Location of PEL 514 Deeps and Remainder areas**

### **PEL 514 (Deeps ONLY)**

The Deeps area comprises a 904 km<sup>2</sup> portion of the Permian system of PEL 514 (Deeps) in the Patchawarra Trough in the northern South Australian Cooper Basin (see Figure 1).

Planet Gas and Senex retain their interests in the oil prone sequences above the Permian (Shallows) (see Figure 2) and in the Remainder area. The Deeps work programs will involve a 250 km<sup>2</sup> 3D seismic survey, the drilling of up to seven exploration and appraisal wells, fracture stimulation and flow testing.

In addition to Stage 1 and Stage 2, the joint venture parties may elect to fund additional work programs, subject to operating committee approval, totalling up to \$67 million. This will involve additional exploration and appraisal work during both Stages.

