



ASX/Media Release

29 November 2011

Origin lodges replacement prospectus with ASIC

Origin Energy Limited (Origin) today advised that a replacement prospectus (Prospectus) has been lodged with the Australian Securities and Investments Commission (ASIC) in respect of its proposed Offer of Origin Energy Subordinated Notes (Notes).

Following discussions with ASIC, Origin has amended terms relating to the mandatory deferral of interest payments and other aspects of the prospectus lodged with ASIC on 15 November 2011 (Original Prospectus), described in more detail in the Replacement Prospectus.

As advised on 23 November 2011, the exposure period will end on 29 November 2011. Origin expects the Offer to open on 1 December 2011, following the announcement of the Margin.

Key dates for the Offer are set out below:

Lodgement of this Prospectus with ASIC	29 November 2011
Announcement of the Margin and lodgement of the Replacement Prospectus with ASIC	1 December 2011
Opening Date of the Offer	1 December 2011
Closing Date for the Shareholder Offer and General Offer	5.00pm Sydney time on 14 December 2011
Closing Date for the Broker Firm Offer	10.00am Sydney time on 21 December 2011
Issue Date	22 December 2011
Notes begin trading on ASX (on a deferred settlement basis)	23 December 2011
Holding Statements despatched by	28 December 2011
Notes begin trading on ASX (on a normal settlement basis)	29 December 2011
First Interest Payment Date	22 March 2012

The key dates and times for the Offer are indicative only and may change without notice.

The Prospectus lodged today with ASIC differs from the Original Prospectus lodged on 15 November 2011 including in the following key respects:

- A Mandatory Deferral Event will now be tested by reference to Origin's Interest Cover Ratio¹ and Leverage Ratio² (refer to Section 4.5 of the Prospectus); and
- Inclusion of details of the binding heads of agreement signed on 17 November 2011 by Australia Pacific LNG and The Kansai Electric Company for the sale

¹ Interest Cover Ratio is defined in the Terms of the Prospectus.

² Leverage Ratio is defined in the Terms of the Prospectus.



and purchase of approximately 1 million tonnes of LNG per year for 20 years (refer to Section 3.3 of the Prospectus).

Other changes have been made, including to the definition of Change of Control Event, and the addition of a table comparing key features of Ordinary Shares, Notes and bonds. Investors should consider the Prospectus in deciding whether to apply for Notes even if they have read the Original Prospectus. Investors should be aware that the Original Prospectus and presentation lodged by Origin with ASX no longer reflect the terms of the Notes and should not be used.

Attached to this ASX/Media release is the Prospectus. The Prospectus has been lodged with ASIC and is available for download within Australia and New Zealand at www.originoffer.com.au or by calling the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday - 8:30am to 5:30pm Sydney time).

A Replacement Prospectus, containing the Margin and Application Forms, will be available from the Opening Date of the Offer. Applications may be made using the Application Form attached to or accompanying the Replacement Prospectus, or online through the offer website at www.originoffer.com.au.

Capitalised terms in this release have the meaning given to them in the Prospectus.

ENDS

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Notice

This notice is not an offer of, or an invitation to apply for, Notes. The offer of Notes will be made in, or accompanied by, a copy of a replacement prospectus. Anyone wishing to apply for Notes should consider that prospectus and will need to complete the Application Form in, or accompanying, that prospectus. Once available, the prospectus will be able to be downloaded within Australia and New Zealand at www.originoffer.com.au or by calling the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday - 8.30am to 5.30pm Sydney time).

U.S. restrictions

This ASX/Media Release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. This ASX/Media Release may not be distributed or released in the United States. Notes have not been, and will not be, registered under the U.S. Securities Act of 1933 (the U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons (as that term is defined in Regulation S of the U.S. Securities Act) except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.



Prospectus

ORIGIN ENERGY SUBORDINATED NOTES

Prospectus relating to an offer of Origin Energy Subordinated Notes at \$100 each to raise \$500 million with the ability to raise more or less



Arranger

UBS

Joint Lead Managers

ANZ Securities
Commonwealth Bank
Macquarie
National Australia Bank
UBS

Co-Managers

Bell Potter
JBWere
Morgan Stanley Smith Barney
RBS Morgans
Westpac

IMPORTANT NOTICES

This Prospectus

This Prospectus is dated and was lodged with the Australian Securities and Investments Commission ("ASIC") and with the New Zealand Companies Office ("NZCO") on 29 November 2011. This is a replacement prospectus that replaces the prospectus dated and lodged with ASIC on 15 November 2011 ("Original Prospectus"). This Prospectus expires on the date which is 13 months after 15 November 2011 ("Expiry Date") and no Origin Energy Subordinated Notes ("Notes") will be issued on the basis of this Prospectus after the Expiry Date.

Neither ASIC, ASX nor NZCO takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is available to Australian investors and Eligible Shareholders within Australia and New Zealand in electronic form at www.originoffer.com.au. The Offer constituted by this Prospectus in electronic form is available only to persons accessing and downloading or printing the electronic copy of the Prospectus within Australia or Eligible Shareholders within Australia and New Zealand and is not available to persons in any other jurisdictions (including the United States) without the prior approval of Origin and the Joint Lead Managers. Persons in Australia and Eligible Shareholders within Australia and New Zealand having received a copy of this Prospectus in its electronic form may, before the Closing Date of the Offer, obtain a paper copy of this Prospectus (free of charge) by telephoning the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm). Applications for Notes may only be made on an Application Form that is attached to or accompanying this Prospectus following the opening of the Offer. A printable version of this Prospectus may be downloaded in its entirety from www.originoffer.com.au. If you access an electronic copy of this Prospectus, then you should read "Electronic access to Prospectus" in Section 6.1 for further information.

Offer and issuer

The Offer contained in this Prospectus is an initial public offering by invitation of Origin Energy Limited ("Origin") of \$500 million Notes at \$100 per Note with the ability to raise more or less. Refer to Section 1 for further information.

Restrictions on distribution

This Prospectus does not constitute an offer of Notes or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. Refer to Section 6.3.2 for further information.

Important information for New Zealand investors

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008. This Offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and Regulations (Australia) set out how the Offer must be made. There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities. Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, Wellington, New Zealand. The Australian and New Zealand regulators will work together

to settle your complaint. The taxation treatment of Australian securities is not the same as for New Zealand securities. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant. If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the securities are able to be traded on a securities market and you wish to trade the securities through that market, you will have to make arrangements for a participant in that market to sell the securities on your behalf. If the securities market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

Exposure period

In accordance with the Corporations Act, the Original Prospectus was subject to an exposure period of seven days from the date of lodgement of the Original Prospectus with ASIC which was extended by ASIC for a further period of seven days ("Exposure Period"). The purpose of the Exposure Period is to enable the Original Prospectus to be examined by market participants prior to the raising of funds. Pursuant to ASIC Class Order 00/169, this Prospectus is not subject to any additional exposure period. If there are any deficiencies, any application received may need to be dealt with in accordance with the Corporations Act. Applications received during the Exposure Period will not be processed until after the expiry of that period. No preference will be conferred on applications received during the Exposure Period.

Financial information and forward looking statements

Section 4 sets out in detail the financial information referred to in this Prospectus. The basis of preparation of that information is set out in Section 4.

All financial amounts contained in this Prospectus are expressed in Australian dollars and rounded to the nearest million unless otherwise stated. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

This Prospectus contains forward looking statements which are identified by words such as "may", "could", "believes", "estimates", "expects", "intends" and other similar words that involve risks and uncertainties.

Any forward looking statements are subject to various risk factors that could cause Origin's actual results to differ materially from the results expressed or anticipated in these statements. Forward looking statements should be read in conjunction with risk factors as set out in Section 5, and other information in this Prospectus.

Defined terms

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary in Appendix B of this Prospectus (page 103) and in Clause 17.2 of the Terms in Appendix A (page 97). If there is any inconsistency in definitions between the Prospectus and the Terms, the definitions in the Terms prevail.

Time

Unless otherwise stated or implied, references to times in this Prospectus are to Sydney time.

Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. You should rely only on information in this Prospectus.

Except as required by law, and only to the extent so required, neither Origin nor any other person warrants or guarantees the future performance of Origin, or any return on any investment made pursuant to this Prospectus.

Reserves disclosure

The statements in this Prospectus relating to reserves and resources have been compiled by Andrew Mayers, a full-time employee of Origin, and all information is consistent with the Origin Energy 2011 Annual Reserves Report released to the ASX on 28 July 2011. Andrew Mayers is qualified in accordance with Listing Rule 5.11 and has consented to the form and context in which these statements appear. Origin's interests in exploration and production tenements (held directly or indirectly) may change from time to time and some of Australia Pacific LNG's CSG tenements are subject to commercial arrangements under which, after the recovery of acquisition, royalty, and development and operating costs, plus an uplift on development and operating costs, a portion of some of the interests may revert to previous holders of the tenements. Origin has assessed the potential impact of reversionary rights associated with such interest based on economic tests consistent with these CSG reserves and based on that assessment does not consider that reversion will impact the reserves quoted within this Prospectus.

Website

Origin maintains a website at www.originenergy.com.au. Information contained in or otherwise accessible through this or a related website is not a part of this Prospectus.

Further queries

If you are considering applying for Notes under the Offer, this document is important and should be read in its entirety.

If you have any questions in relation to the Offer, please call the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm).

ASIC has published a guide for retail investors who are considering investing in corporate bonds called "Investing in corporate bonds?" (the "ASIC Guide"). A free copy of the ASIC Guide can be obtained from ASIC's website at www.fido.asic.gov.au/corporate-bonds or by calling ASIC on 1300 300 630. The ASIC Guide describes, in general terms, potential features of corporate bonds. Investors should carefully assess the specific terms of Notes as described in this Prospectus, which may differ from the general terms described in the ASIC Guide.

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs as an investor. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues). Refer to Section 5 for further information.

If you do not understand any part of this Prospectus, or are in any doubt as to whether to invest in Notes or not, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before deciding whether to invest.

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KEY DATES

Key dates for the Offer	Date
Lodgement of the Original Prospectus with ASIC	15 November 2011
Bookbuild to determine the Margin commenced	22 November 2011
Lodgement of this Prospectus with ASIC	29 November 2011
Announcement of the Margin and lodgement of the Replacement Prospectus with ASIC	1 December 2011
Opening Date for the Offer	1 December 2011
Closing Date for the Shareholder Offer and General Offer	5:00pm on 14 December 2011
Closing Date for the Broker Firm Offer	10:00am on 21 December 2011
Issue Date	22 December 2011
Notes begin trading on ASX (on a deferred settlement basis)	23 December 2011
Holding Statements despatched by	28 December 2011
Notes begin trading on ASX (on a normal settlement basis)	29 December 2011
Key dates for Notes	Date
First Interest Payment Date ¹	22 March 2012
First Call Date	22 December 2016
Step-Up Date	22 December 2036
Maturity Date	22 December 2071

Dates may change

The key dates for the Offer are indicative only and may change without notice.

Origin and the Joint Lead Managers may agree to vary the timetable, including extending any Closing Date, closing the Offer early without notice or accepting late applications, whether generally or in particular cases, or withdrawing the Offer at any time before Notes are issued.

You are encouraged to apply as soon as possible after the Opening Date.

Changes in this Prospectus from the Original Prospectus

This Prospectus dated 29 November 2011 differs from the Original Prospectus, including in the following areas:

(i) a Mandatory Deferral Event will now be tested by reference to Origin's Interest Cover Ratio and Leverage Ratio (refer to Section 4.5 for further information on these ratios); (ii) an amendment to the definition of Change of Control Event (refer to Clause 17.2 of the Terms on page 97); (iii) a table comparing certain key features of Ordinary Shares, Notes and bonds (refer to page 8); (iv) on 17 November 2011, Australia Pacific LNG signed a binding heads of agreement with The Kansai Electric Power Company ("Kansai Electric") for the sale and purchase of LNG (refer to Section 3.3 for further information); and (v) key dates for the Offer have been revised (see above).

In light of the changes made to the Original Prospectus, you are encouraged to review carefully this Prospectus even if you have read the Original Prospectus.

1. Interest Payments are scheduled to be paid quarterly in arrears on the Interest Payment Dates being each 22 March, 22 June, 22 September and 22 December. If any Interest Payment Date is not a Business Day, then the Interest Payment Date will occur on the next Business Day. Refer to Section 2.2.7 for further information.

CHAIRMAN'S LETTER



29 November 2011

Dear investor

On behalf of the Board, I am pleased to offer you the opportunity to invest in Origin Energy Subordinated Notes.

Notes are dated, unsecured, subordinated, cumulative notes to be issued by Origin and are intended to be listed on ASX.

Holders will be entitled to receive quarterly interest payments unless deferred, based on a floating rate of interest plus a fixed margin. Notes will mature on 22 December 2071, unless redeemed earlier. Origin has the right to redeem Notes from 22 December 2016 or earlier in certain circumstances, but is not obliged to do so.

Origin intends to raise \$500 million through the offer of Notes with the ability to raise more or less. The proceeds of the offer will be used for general corporate purposes, in particular to assist in funding Origin's contribution to the Australia Pacific LNG project. The offer forms part of Origin's ongoing capital management strategy.

This Prospectus contains information about Origin and the offer. You should read this Prospectus carefully before deciding whether to invest in Notes and, in particular, you should consider the risk factors set out in Section 5 before deciding whether to apply for Notes.

If, after reading this Prospectus, you have any questions about the offer or how to apply for Notes, please call the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm) or contact your syndicate broker or other professional adviser.

On behalf of the Board, I invite you to consider this investment opportunity.

Yours faithfully

A handwritten signature in black ink, appearing to read "Kevin McCann", with a long horizontal flourish extending to the right.

Kevin McCann
Chairman
Origin Energy Limited



1

INVESTMENT OVERVIEW

- 1.1 Key features of the Offer
- 1.2 Key terms of Origin Energy Subordinated Notes
- 1.3 Comparison between Ordinary Shares, Origin Energy Subordinated Notes and bonds issued by Origin
- 1.4 Overview of Origin
- 1.5 Key risks associated with Origin Energy Subordinated Notes
- 1.6 Key risks associated with Origin
- 1.7 Further information about the Offer
- 1.8 Key information about people, interests and benefits
- 1.9 What should you do?



1. INVESTMENT OVERVIEW

This Section provides a summary of information that is key to a decision to invest in Notes.

1.1 Key features of the Offer

Topic	Summary	Further information
Who is the issuer?	<ul style="list-style-type: none">Origin Energy Limited.	Section 3
What are Notes?	<ul style="list-style-type: none">Notes are dated, unsecured, subordinated, cumulative notes to be issued by Origin, which will mature on 22 December 2071 unless redeemed before that date.	Section 2
What are the key Offer details?	<ul style="list-style-type: none">Offer size is \$500 million, with the ability to raise more or less.Issue price is \$100 per Note. This is also the Face Value.	Section 2.1
What is the purpose of the Offer?	<ul style="list-style-type: none">The proceeds of the Offer will be used for general corporate purposes, in particular to assist in funding Origin's contribution to the Australia Pacific LNG project. The offer forms part of Origin's ongoing capital management strategy.	Section 2.1
Important matters to be aware of	<ul style="list-style-type: none">While Origin may redeem Notes in certain circumstances before their Maturity Date in 60 years, it is not obliged to do so. Holders have no rights to request redemption of Notes. Holders may seek to sell Notes on ASX but there is no guarantee they will be able to do so, or do so at an acceptable price. This may particularly be the case if Notes remain outstanding for a long period and Origin's financial position or performance, or broader economic or market conditions, materially deteriorate. Further, while interest payments are cumulative, Origin may at its discretion, or may be required to, defer the payment of interest payments potentially until redemption of Notes. Notes are not convertible into Ordinary Shares and have no rights to vote with Ordinary Shares.If you do not understand any part of this Prospectus, or are in any doubt as to whether to invest in Notes or not, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before deciding whether to invest.	Section 1.3, Section 1.5 and Section 5

1. INVESTMENT OVERVIEW

1.2 Key terms of Origin Energy Subordinated Notes

Topic	Summary	Further information
Interest Payments	<ul style="list-style-type: none"> Floating interest rate equal to the sum of the Bank Bill Rate plus the Margin. The Margin is to be determined under the Bookbuild and is expected to be in the range of 4.00% and 4.50%. Interest is to be paid quarterly in arrears, subject to deferral. Interest is to be paid in cash. Interest Payments will not have any franking credits attached to them. 	Section 2.2 Clause 3.2 of the Terms
Deferrable Interest Payments	<ul style="list-style-type: none"> Origin may defer an Interest Payment at its discretion. All Optionally Deferred Interest Payments are cumulative and may be paid on any Interest Payment Date (except in the limited circumstances described in Section 2.3). Origin intends to pay any Deferred Interest Payments within five years after the deferral of the then longest outstanding Deferred Interest Payment. In certain circumstances Origin must pay Optionally Deferred Interest Payments. Except in limited circumstances, while any Optionally Deferred Interest Payments are outstanding, Origin is restricted from paying dividends, distributions or interest on, or redeeming, reducing, cancelling, purchasing or buying-back, any equal ranking obligations (currently the Euro Capital Securities, although Origin may create further equal ranking obligations in the future) or Ordinary Shares. If Origin's Interest Cover Ratio¹ is less than the Minimum Level (being 3.5 times) in relation to a Testing Date, or if Origin's Leverage Ratio¹ is above the Maximum Level (being 4.0 times) in relation to two consecutive Testing Dates, Origin must defer payment of all Interest Payments until payment is permitted under the Terms. 	Section 2.3 Clauses 3.3 and 3.5 of the Terms Section 2.3 Clause 3.4 of the Terms Section 2.3 Clause 3.6 of the Terms
Maturity Date	<ul style="list-style-type: none"> 60 years (maturing on 22 December 2071), unless redeemed earlier. Origin is not obliged to redeem Notes before the Maturity Date. The circumstances in which Origin may redeem Notes before the Maturity Date are described below. 	Section 2.1 Clause 4.1 of the Terms
Step-Up Date	<ul style="list-style-type: none"> If Notes have not been redeemed by 22 December 2036 ("Step-Up Date"), the Margin will increase by 1.00%. 	Section 2.2 Clause 3.2 of the Terms
Change of control	<ul style="list-style-type: none"> The Margin will increase by an additional 5.00% if a Change of Control Event occurs and Origin does not elect to redeem Notes following that event. 	Section 2.4 Clause 3.8 of the Terms

1. Interest Cover Ratio and Leverage Ratio are defined in the Terms on page 98 and discussed in further detail in Section 4.5.

Topic	Summary	Further information
Origin's redemption rights	<ul style="list-style-type: none"> • Redeemable on the First Call Date (22 December 2016), or any Interest Payment Date thereafter. • Redeemable at any time if a Gross-Up Event, Capital Event, Tax Event or Change of Control Event occurs. 	<p>Section 2.4</p> <p>Clauses 4.2, 4.3 and 4.4 of the Terms</p>
Unsecured	<ul style="list-style-type: none"> • Repayment is not secured by a mortgage, charge or other security over any asset. 	<p>Section 2.5</p> <p>Clause 2.1 of the Terms</p>
Ranking	<ul style="list-style-type: none"> • Notes will effectively rank in an event of insolvency (for example, if a liquidator is appointed to wind up Origin) as if they were the most junior class of Origin preference shares on issue at that time, that is: <ul style="list-style-type: none"> – ahead of Ordinary Shares; – equal with any equal ranking obligations (including the Euro Capital Securities); and – behind all creditors and all other classes of shares. 	<p>Section 2.5</p> <p>Clause 2.1 of the Terms</p>
Listing	<ul style="list-style-type: none"> • Application has been made for Notes to be quoted on ASX under the code "ORGHA". 	<p>Section 2.1</p>

1. INVESTMENT OVERVIEW

1.3 Comparison between Ordinary Shares, Origin Energy Subordinated Notes and bonds issued by Origin

There are differences between Ordinary Shares, Notes and bonds issued by Origin. You should consider these differences in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) before deciding to invest in Notes.

The following comparison is a summary only, and does not encompass all of Origin's funding sources. For further information about Origin's funding sources and capital management strategy, refer to Section 4.6.

	Ordinary Shares	Origin Energy Subordinated Notes	Bonds
Legal form	Shares	Notes	Notes or debentures
Security	Not applicable	Unsecured	Typically unsecured
Ranking ¹	Ordinary Shares rank behind all other securities and obligations	Notes rank ahead of Ordinary Shares, equally with Equal Ranking Obligations and behind all creditors and all other classes of shares	Bonds are typically unsubordinated, meaning that they rank ahead of all subordinated creditors and all classes of shares
Term	Perpetual (unless bought back)	60 years	Typically three to 15 years
Call date(s)	Not applicable	From year 5 (or earlier in certain circumstances)	Typically none
Payments	Dividends, payable at the absolute discretion of the Board	Interest Payments, deferrable at the absolute discretion of Origin, and in certain circumstances must be deferred	Interest payments, typically payable on a compulsory basis with no discretion to defer or cancel payments
Payment amounts	Based on Origin's level of profitability and the Board's prevailing dividend policy (though ultimately at the absolute discretion of the Board)	Based on a floating interest rate equal to the sum of the Bank Bill Rate plus the Margin	Based on a floating or fixed interest rate
Payment accumulation	None	Any deferred Interest Payments are cumulative and compounding	Any unpaid interest payments are cumulative and compounding
Participation in Origin's profits on a winding up	Yes	No	No
Rights to be repaid at end of Term	Not applicable	Yes	Yes
Voting rights at a general meeting of Origin shareholders	Yes	No	No
Transferrability and liquidity	Yes, quoted on ASX Market capitalisation of \$14.9 billion ² Likely to be more liquid than Notes and bonds	Yes, quoted on ASX Offer size of \$500 million, with the ability to raise more or less Likely to be less liquid than Ordinary Shares	Yes, although typically not quoted Likely to be less liquid than Ordinary Shares

1. See Section 2.5.4 for an illustration of the ranking of Origin's obligations in respect of existing debt instruments, with both debt and equity features (hybrids) and equity.

2. As at 25 November 2011.

1.4 Overview of Origin

Topic	Summary	Further information
Overview	<ul style="list-style-type: none"> • Leading integrated energy company in Australia¹. • Operations include selling energy, generating electricity, and gas and oil exploration and production. • Holds 52.8% of New Zealand's Contact Energy and 42.5% of Australia Pacific LNG. • Listed on ASX and an S&P/ASX 20 company by market capitalisation (approximately \$14.9 billion as at 25 November 2011). • Over 5,200 employees (in addition, Contact Energy employs over 1,050 employees). 	Section 3.1
Integrated supplier to energy markets in Australia and New Zealand	<ul style="list-style-type: none"> • Retail segment <ul style="list-style-type: none"> – Leading energy retailer with the largest retail energy customer base in Australia. Accounts for 33% of electricity and natural gas customer accounts in the National Electricity Market or "NEM" regions as at 30 June 2011.² • Generation segment <ul style="list-style-type: none"> – Large, flexible and diversified generation portfolio across multiple fuel sources and geographic regions providing Origin with the ability to respond quickly to changes in market conditions. – Largest share of NEM scheduled market generation³ with lower average carbon intensity than the NEM average. • Exploration and Production segment <ul style="list-style-type: none"> – Diversified fuel supply position with substantial gas and long term contracts for supply. – Focus on exploring gas resources close to existing markets with the potential for growth in demand. • Contact Energy <ul style="list-style-type: none"> – 52.8% interest in one of New Zealand's largest integrated energy companies. – Contact Energy exposes Origin to New Zealand's second largest energy retailer with 22% electricity and 24% natural gas market share and a flexible portfolio of generation assets across geothermal, hydro and gas fuel sources. • Integrated business model provides natural hedges and reduces exposure of earnings to fluctuations in wholesale electricity and gas prices and provides stability of cash flows. 	Section 3.2

1. By market capitalisation, share of NEM scheduled generation and number of customer accounts as at 30 June 2011.

2. Based on number of Origin customer accounts as at 30 June 2011 over total market number of customer accounts as at 30 June 2010.

3. Based on NEM registered capacity of scheduled market generation as at 30 June 2011 (includes scheduled generation from Mortlake Power Station which commences commercial operations in late 2011).

1. INVESTMENT OVERVIEW

Topic	Summary	Further information
Supplier of energy to growing export markets through Australia Pacific LNG	<ul style="list-style-type: none"> • Australia Pacific LNG has Australia's largest CSG 2P Reserves base, with contracts supplying domestic and export markets. • Joint venture with ConocoPhillips and Sinopec, with expertise in CSG development and the construction of CSG to LNG technology. • The Australia Pacific LNG project includes a reserves maturation program, construction of new gas facilities, CSG production and pipeline construction, construction and development of a LNG plant. • CSG to LNG project to export LNG to Asia where there is a growing demand for LNG. 	Section 3.3
An expanding portfolio of diversified energy resource opportunities	<ul style="list-style-type: none"> • Well positioned to develop new energy resources to meet market opportunities created by changing social and economic needs and changes in regulation relating to climate change. • Continued investment in domestic and international gas exploration opportunities as well as alternative clean energy development opportunities including wind, geothermal, hydro and solar. 	Section 3.4
Strong financial profile and performance	<ul style="list-style-type: none"> • Strong balance sheet and diversified debt portfolio, assists access to domestic and international capital markets. • Statutory Profit for the year ended 30 June 2011 was \$186 million while Underlying Profit was \$673 million. • Underlying Profit and free cash flow has exhibited solid growth over the past 10 years with a compound annual growth rate of 22% and 26% respectively for the period 2000-2011. • Further financial information on Origin, including Origin's key financial ratios calculated as at 30 June 2011 (Gearing Ratio, Leverage Ratio and Interest Cover Ratio) and Origin's capital management strategy, is set out at Section 4. 	Section 3.2 and Section 4
Experienced management team	<ul style="list-style-type: none"> • Strong and experienced management team with track record of successfully executing energy-related projects. 	Section 8.2

1.5 Key risks associated with Notes

Topic	Summary	Further information
Notes are subordinated obligations	<ul style="list-style-type: none"> • There may be a shortfall of funds to pay all amounts ranking senior to and equally with Notes in an event of insolvency of Origin. This would result in Holders not receiving any payment if claims ranking senior to Notes were not satisfied in full, or otherwise not receiving a full return of capital or any interest due but unpaid at that time. 	Section 5.1.1
Interest Payments may be deferred potentially to the Maturity Date (22 December 2071)	<ul style="list-style-type: none"> • A deferral of Interest payments will mean that Holders will not receive payment of an amount of interest which may be disadvantageous to Holders from a cash flow timing perspective. Deferral of Interest Payments may occur (including mandatorily) and may have an adverse effect on the market price of Notes. • If Origin's financial condition deteriorates to the extent that its Interest Cover Ratio¹ risks falling below the Minimum Level (being 3.5 times), or if its Leverage Ratio¹ risks being above the Maximum Level (being 4.0 times), this may increase the expectation that Interest Payments may be deferred which may have an adverse effect on the market price of Notes. • If its Interest Cover Ratio falls below the Minimum Level in relation to a Testing Date, or if its Leverage Ratio is above the Maximum Level (being 4.0 times) in relation to two consecutive Testing Dates, Interest Payments will be deferred in accordance with the Terms. • As a result, the market price of Notes may become more volatile than the market prices of other debt securities that are not subject to such payment deferral rights. 	Section 2.3.5 and Section 5.1.2
Notes are long-dated	<ul style="list-style-type: none"> • Notes will mature on the Maturity Date (22 December 2071). Although Origin may redeem Notes in certain circumstances prior to such date, Origin is under no obligation to do so. 	Section 5.1.3
Origin may redeem Notes under certain circumstances	<ul style="list-style-type: none"> • Redemption Amount may be less than the current market value of Notes at the time of redemption. • Timing of redemption of Notes may not accord with a Holder's individual financial circumstances or tax position. 	Section 5.1.4
No rights for Holders to request redemption before the Maturity Date (22 December 2071)	<ul style="list-style-type: none"> • Holders have no right to request or require redemption of Notes before the Maturity Date (22 December 2071). 	Section 5.1.5
No limitation on issuing senior or equal ranking securities	<ul style="list-style-type: none"> • Issue of equal or senior ranking securities or the incurrence of any such other debt obligations may reduce the amount (if any) recoverable by Holders in an event of insolvency of Origin if it were to occur. 	Section 5.1.6

1. Interest Cover Ratio and Leverage Ratio are defined in the Terms on page 98 and discussed in further detail in Section 4.5.

1. INVESTMENT OVERVIEW

Topic	Summary	Further information
Changes in Interest Rate	<ul style="list-style-type: none"> The Interest Rate calculated by reference to the Bank Bill Rate, which is influenced by a number of factors and may fluctuate over time. The Interest Rate may become less attractive compared to rates of return available on other securities. 	Section 5.1.7
Risks related to the market generally	<ul style="list-style-type: none"> Market price of Notes may fluctuate and trade below the Issue Price due to various factors, including investor perceptions, economic conditions, interest rates and credit spreads. Market for Notes likely to be less liquid than the market for Origin's Ordinary Shares. Holders who wish to sell their Notes may be unable to do so at an acceptable price, if at all. 	Section 5.2

1.6 Key risks associated with Origin

Topic	Summary	Further information
Volatility in wholesale electricity prices	<ul style="list-style-type: none"> Wholesale electricity prices in both Australia and New Zealand are volatile and are influenced by many factors that are difficult to predict. Movements in wholesale electricity prices may have an adverse impact on Origin's profitability. 	Section 5.3.1
Competition in energy retailing, power generation and oil and gas exploration and production	<ul style="list-style-type: none"> The markets in which Origin sells electricity and gas to retail, commercial and industrial customers are highly competitive. Increased competition with other energy providers, power generators or suppliers of gas may lead to downward pressure on prices and margins, as well as losses in customer accounts, which may adversely impact Origin's profitability. 	Section 5.3.2
Regulation of retail electricity and gas prices	<ul style="list-style-type: none"> If prices set by independent regulatory bodies in certain states do not reflect Origin's cost structure, Origin's retail profit margins may decrease. 	Section 5.3.3
Inability to secure fuel at competitive prices	<ul style="list-style-type: none"> To meet future customer and power generation demand, Origin may be required to enter into new contracts and/or incur exploration and development costs, source gas or coal supplies from developers or suppliers or purchase electricity from the wholesale electricity market at potentially higher prices than currently anticipated which may impact profit margins to the extent Origin is unable to pass the additional costs through to customers. 	Section 5.3.4

Topic	Summary	Further information
Delays in project delivery and cost overruns	<ul style="list-style-type: none"> Major projects, including the Australia Pacific LNG project, could be delayed, cost could be more than intended or not perform as planned which may lead to lower returns on investment and reduced profitability. There is currently a public debate in the Australian community on the environmental and social impact of CSG production, including the impact on agricultural land, local communities, underground water aquifers and marine areas. To the extent this debate adversely influences regulations in relation to these matters, this may cause a delay or cost overruns in the Australia Pacific LNG project which may lead to lower returns on investment and reduced profitability on the project. 	Section 5.3.5
Other	<ul style="list-style-type: none"> There are a number of other risks that Origin faces, which are discussed in more detail in Section 5.3. 	Section 5.3

1.7 Further information about the Offer

Topic	Summary	Further information
When is the Offer Period?	<ul style="list-style-type: none"> The key dates, including details of the Offer Period, are set out on page 2. Further details are included in Section 6. 	Key Dates Section 6
Is there a minimum amount to be raised?	<ul style="list-style-type: none"> No. The Offer is for the issue of Notes to raise \$500 million, with the ability to raise more or less. 	
Is the Offer underwritten?	<ul style="list-style-type: none"> No. 	
What is the pro forma balance sheet of Origin following the Offer?	<ul style="list-style-type: none"> Refer to Section 4.3. 	
How is the Offer structured and who can apply?	<ul style="list-style-type: none"> The Offer comprises: <ul style="list-style-type: none"> an Institutional Offer to Institutional Investors; a Broker Firm Offer made to Australian resident retail clients of Syndicate Brokers; a Shareholder Offer made to Eligible Shareholders; and a General Offer made to members of the general public who are resident in Australia. 	Section 6.1 and Section 6.2
Who is an Eligible Shareholder?	<ul style="list-style-type: none"> A registered holder of Ordinary Shares with a registered address in Australia or New Zealand at 7:00pm on 14 November 2011. 	
How can I apply?	<ul style="list-style-type: none"> Broker Firm Applicants should contact their Syndicate Broker. Shareholder Applicants and General Applicants should complete an electronic or paper copy of the Application Form and pay the application monies either electronically or by cheque or money order. 	Section 6.2

1. INVESTMENT OVERVIEW

Topic	Summary	Further information
What is the allocation policy?	<ul style="list-style-type: none"> The allocation policy for Broker Firm Applicants will be determined by the Syndicate Brokers. Allocations for Shareholder Applicants and General Applicants will be determined by Origin and the Joint Lead Managers after the Closing Date. In the event of any scale back, Shareholder Applicants will be entitled to an allocation of Notes in priority to General Applicants. Origin will endeavour to provide Shareholder Applicants with an allocation under the Shareholder Offer of at least 50 Notes. However, Origin does not guarantee any minimum allocation under the Shareholder Offer and the extent of any allocation will ultimately depend on the total level of applications under the Offer. 	Section 6.2
Is there a minimum application size?	<ul style="list-style-type: none"> Your application must be for a minimum of 50 Notes (\$5,000). If your application is for more than 50 Notes, then you must apply in incremental multiples of 10 Notes – that is, for incremental multiples of \$1,000. 	Section 6.2
Is brokerage, commission or stamp duty payable?	<ul style="list-style-type: none"> No brokerage, commission or stamp duty is payable by you on your application. You may be required to pay brokerage if you sell your Notes on ASX after Notes have been quoted on ASX. 	Section 6.1
What are the tax implications of investing in Notes?	<ul style="list-style-type: none"> A general description of the Australian taxation consequences of investing in Notes is set out in Section 7. That discussion is in general terms and is not intended to provide specific advice in relation to the circumstances of any particular investor. Accordingly, investors should seek independent advice in relation to their individual tax position. 	Section 7
When will I receive confirmation that my application has been successful?	<ul style="list-style-type: none"> If you are an applicant in the Shareholder Offer, General Offer or Broker Firm Offer, you will be able to call the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm) from 22 December 2011 to confirm your allocation. Applicants under the Broker Firm Offer will also be able to confirm their allocation through the Syndicate Broker from whom they received their allocation. 	Section 6.2
When will Notes be issued?	<ul style="list-style-type: none"> Origin expects that Notes will be issued on 22 December 2011. 	Key Dates
When will Notes begin trading?	<ul style="list-style-type: none"> Origin expects that Notes will begin trading on 23 December 2011 on a deferred settlement basis. 	Key Dates
When will Holding Statements be despatched?	<ul style="list-style-type: none"> Origin expects that Holding Statements will be despatched by 28 December 2011. 	Key Dates
Where can I find more information about this Prospectus or the Offer?	<ul style="list-style-type: none"> If you have any questions in relation to the Offer, please call the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm). If you are a Broker Firm Applicant, you should contact your Syndicate Broker. 	Section 6

1.8 Key information about people, interests and benefits

Topic	Summary	Further information
Who are the Origin Directors?	<ul style="list-style-type: none"> • H. Kevin McCann AM (Chairman) • Grant King • John Akehurst • Bruce Beeren • Trevor Bourne • Gordon Cairns • Karen Moses • Helen Nugent AO 	Section 8.1
Who are the senior management team?	<ul style="list-style-type: none"> • Grant King (Managing Director) • Karen Moses (Executive Director, Finance and Strategy) • David Baldwin (Chief Development Officer) • Dennis Barnes (Chief Executive Officer, Contact Energy) • Frank Calabria (Chief Executive Officer, Energy Markets) • Andrew Clarke (Group General Counsel & Company Secretary) • Carl McCamish (Executive General Manager, Corporate Affairs) • Andrew Stock (Director, Executive Projects) • Rob Willink (Director, Exploration Projects) • Paul Zealand (Chief Executive Officer, Upstream) 	Section 8.2
What significant benefits and interests are payable to Directors and other persons associated with the Offer or Origin?	Interest or benefit: <ul style="list-style-type: none"> • Directors – Director’s fees • Management – Remuneration • Advisers and other service providers – Fees for services 	Section 8.3
How will the expenses of the Offer be paid?	<ul style="list-style-type: none"> • The total expenses of the Offer will be paid out of the proceeds of the Offer. 	Section 8.4

1. INVESTMENT OVERVIEW

1.9 What should you do?

Topic	Summary
Read this Prospectus in full	<ul style="list-style-type: none">• If you are considering applying for Notes under the Offer, this document is important and should be read in its entirety.
Determine if you are eligible to apply	<ul style="list-style-type: none">• The Offer is being made to:<ul style="list-style-type: none">– Institutional Investors;– Australian resident retail clients of Syndicate Brokers who are invited to apply under the Broker Firm Offer;– Eligible Shareholders, who may apply under the Shareholder Offer; and– members of the general public who are resident in Australia, who may apply under the General Offer.
Consider and consult	<ul style="list-style-type: none">• Consider all risks and other information regarding an investment in Notes in light of your particular investment objectives and circumstances.• If you do not understand any part of this Prospectus, or are in any doubt as to whether to invest in Notes or not, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before deciding whether to invest.
Complete and submit your Application Form	<ul style="list-style-type: none">• The application process varies depending on whether you participate in the Institutional Offer, Broker Firm Offer, Shareholder Offer or General Offer.• See Section 6 for more details.• The Offer may close early so you are encouraged to consider submitting your application as soon as possible after the Opening Date.



Origin employees,
Queensland

2 ABOUT ORIGIN ENERGY SUBORDINATED NOTES

- 2.1 General
- 2.2 Interest Payments
- 2.3 Deferral of Interest Payments
- 2.4 Redemption
- 2.5 Security and ranking
- 2.6 Other



2. ABOUT ORIGIN ENERGY SUBORDINATED NOTES

This Section provides information about Notes.

2.1 General


Topic	Summary	Further information
2.1.1 What are Notes?	<ul style="list-style-type: none"> Notes are dated, unsecured, subordinated, cumulative notes to be issued by Origin, which will mature on 22 December 2071 unless redeemed before that date. Notes entitle Holders to receive floating rate, cumulative Interest Payments payable quarterly in arrears, subject to deferral. Notes are not convertible into Ordinary Shares or any other securities. 	<p>Clause 1 of the Terms</p> <p>Section 2.2</p>
2.1.2 What is the Offer?	<ul style="list-style-type: none"> The Offer is for the issue of Notes to raise \$500 million, with the ability to raise more or less. 	Section 6
2.1.3 What am I required to pay?	<ul style="list-style-type: none"> The Issue Price is \$100 per Note. This is also the Face Value. Applications must be for a minimum of 50 Notes (\$5,000). If your application is for more than 50 Notes, then you must apply in incremental multiples of 10 Notes – that is, incremental multiples of \$1,000. 	<p>Clause 1.2 of the Terms</p> <p>Section 6.2</p>
2.1.4 Why is Origin issuing Notes of this nature?	<ul style="list-style-type: none"> The proceeds of the Offer will be used for general corporate purposes, in particular to assist in funding Origin's contribution to the Australia Pacific LNG project. The Offer forms part of Origin's ongoing capital management strategy. Origin expects that Notes will provide an amount of equity credit for the periods referred to below. The equity credit classification of an instrument provides an indication of the extent to which a rating agency treats an instrument as equity rather than as debt when evaluating the quantitative aspects of an issuer's corporate credit rating. An equity credit classification is not a credit rating. Origin expects that Notes will provide an amount of equity credit for quantitative purposes for one rating agency until 22 December 2016, and for another until 22 December 2061. Origin also expects that Notes will provide qualitative support to its capital management strategy until redemption, but that this support will be minimal. In Origin's financial statements, Notes will be classified as debt until redemption. 	Section 4
2.1.5 What is the term and maturity of Notes?	<ul style="list-style-type: none"> 60 years (maturing on 22 December 2071), unless redeemed before that date. The circumstances in which Origin may redeem Notes before 22 December 2071 are described in Section 2.4. Origin may elect to redeem Notes at its option on 22 December 2016 ("First Call Date") or any Interest Payment Date thereafter. 	<p>Clause 4.1 of the Terms</p> <p>Clause 4.2 of the Terms</p>
2.1.6 Will Notes be quoted on ASX?	<ul style="list-style-type: none"> Origin has applied for Notes to be quoted on ASX and are expected to trade under ASX code "ORGHA". 	Section 6.3.3
2.1.7 Will Notes be rated?	<ul style="list-style-type: none"> No. Notes will not be rated. 	

2.2 Interest Payments

Topic	Summary	Further information						
2.2.1 What are Interest Payments?	<ul style="list-style-type: none"> Interest Payments are floating rate, cumulative interest payments payable quarterly in arrears, subject to deferral. 	Clause 3 of the Terms						
2.2.2 Will Interest Payments be franked or unfranked?	<ul style="list-style-type: none"> Unfranked. Interest Payments will not have any franking credits attached to them. 	Section 7						
2.2.3 How will the Interest Rate be calculated?	<ul style="list-style-type: none"> The Interest Rate will be calculated as follows until the Step-Up Date (see below): <p style="text-align: center;">Interest Rate = Bank Bill Rate + Margin</p> where: Bank Bill Rate means the Bank Bill Rate on the first Business Day of the Interest Period; and Margin will be determined under the Bookbuild and is expected to be in the range of 4.00% to 4.50% per annum. As an example, assuming the Bank Bill Rate for the first Interest Period is 4.60% per annum and the Margin is 4.00% per annum: <table border="1" data-bbox="501 981 1235 1102" style="margin-left: 20px;"> <tbody> <tr> <td>Bank Bill Rate</td> <td style="text-align: right;">4.60% per annum</td> </tr> <tr> <td>plus Margin</td> <td style="text-align: right;">4.00% per annum</td> </tr> <tr> <td>Illustrative Interest Rate</td> <td style="text-align: right;">8.60% per annum</td> </tr> </tbody> </table> The Margin will increase by 1.00% from the Step-Up Date (22 December 2036) if Notes have not been redeemed before that date. 	Bank Bill Rate	4.60% per annum	plus Margin	4.00% per annum	Illustrative Interest Rate	8.60% per annum	Clause 3.2(a) of the Terms
Bank Bill Rate	4.60% per annum							
plus Margin	4.00% per annum							
Illustrative Interest Rate	8.60% per annum							

2. ABOUT ORIGIN ENERGY SUBORDINATED NOTES

Topic	Summary	Further information										
<p>2.2.4 How will Interest Payments be calculated for each Interest Period?</p>	<ul style="list-style-type: none"> Interest Payments scheduled to be paid on each Interest Payment Date will be calculated using the following formula: $\frac{\text{Face Value} \times \text{Interest Rate} \times \text{N}}{365}$ <p>where:</p> <p>Face Value means \$100 per Note;</p> <p>Interest Rate means the rate (expressed as a percentage per annum) calculated as set out in Section 2.2.3; and</p> <p>N means the number of days in the Interest Period calculated as set out in the Terms.</p> Following the example above, if the Interest Rate was 8.60% per annum, then the Interest Payment on each Note for the first Interest Period would be calculated as follows: <table border="1" data-bbox="464 857 1198 1126"> <tbody> <tr> <td>Illustrative Interest Rate</td> <td>8.60% per annum</td> </tr> <tr> <td>Multiplied by the Face Value</td> <td>x \$100.00</td> </tr> <tr> <td>Multiplied by the number of days in the Interest Period</td> <td>x 91</td> </tr> <tr> <td>Divided by 365</td> <td>÷ 365</td> </tr> <tr> <td>Illustrative Interest Payment for the first Interest Period per Note</td> <td>\$2.14</td> </tr> </tbody> </table> The above example is for illustrative purposes only and does not indicate, guarantee or forecast the actual Interest Payment for the first or any subsequent Interest Period. Actual Interest Payments may be higher or lower than this example. The Interest Rate for the first Interest Period will be set on the Issue Date and will include the Margin to be determined under the Bookbuild. 	Illustrative Interest Rate	8.60% per annum	Multiplied by the Face Value	x \$100.00	Multiplied by the number of days in the Interest Period	x 91	Divided by 365	÷ 365	Illustrative Interest Payment for the first Interest Period per Note	\$2.14	<p>Clause 3.2(a) of the Terms</p>
Illustrative Interest Rate	8.60% per annum											
Multiplied by the Face Value	x \$100.00											
Multiplied by the number of days in the Interest Period	x 91											
Divided by 365	÷ 365											
Illustrative Interest Payment for the first Interest Period per Note	\$2.14											
<p>2.2.5 How will Interest Payments be paid to Holders?</p>	<ul style="list-style-type: none"> Interest Payments will be paid in Australian dollars by direct credit into an account denominated in Australian dollars at a financial institution notified by the Holder to the Registry no later than the Record Date or otherwise at Origin's discretion. 	<p>Clause 5.1 of the Terms</p>										

Topic	Summary	Further information
<p>2.2.6 What is the Bank Bill Rate?</p>	<ul style="list-style-type: none"> The Bank Bill Rate is a benchmark interest rate for the Australian money market commonly used by major Australian financial institutions to lend cash to each other over a 90 day period. This rate changes to reflect the supply and demand within the cash market. The graph below illustrates the movement in the Bank Bill Rate over the last 10 years. The rate on 25 November 2011 was 4.60% per annum. <p>Bank Bill Rate</p>  <ul style="list-style-type: none"> The above graph is for illustrative purposes only and does not indicate, guarantee or forecast the actual Bank Bill Rate. The actual Bank Bill Rate for the first and any subsequent Interest Periods may be higher or lower than the rates in the above graph. 	<p>Clause 3.2(a) of the Terms</p>
<p>2.2.7 When are the Interest Payment Dates?</p>	<ul style="list-style-type: none"> Interest Payments are scheduled to be paid quarterly in arrears on the Interest Payment Dates being each 22 March, 22 June, 22 September and 22 December. If any of these dates are not Business Days, then the Interest Payment Date will occur on the next Business Day. The first Interest Payment Date will be 22 March 2012. 	<p>Clauses 3.2, 17.1 and 17.2 of the Terms</p>

2.3 Deferral of Interest Payments

Topic	Summary	Further information
<p>2.3.1 Is Origin <i>permitted</i> to defer Interest Payments at its discretion?</p>	<ul style="list-style-type: none"> Yes. Origin may, at its discretion, defer any Interest Payment. If any Optionally Deferred Interest Payments remain outstanding five years after the deferral of the then longest outstanding Optionally Deferred Interest Payment, Origin intends to make those payments on the next Interest Payment Date. However, Origin is not obliged to do so. 	<p>Clauses 3.3 and 3.5 of the Terms</p>
<p>2.3.2 Is Origin <i>permitted</i> to pay any outstanding Optionally Deferred Interest Payments at its discretion at any time before they finally become payable?</p>	<ul style="list-style-type: none"> Yes, unless a Mandatory Deferral Event exists (see Section 2.3.5). 	<p>Clause 3.5 of the Terms</p>

2. ABOUT ORIGIN ENERGY SUBORDINATED NOTES

Topic	Summary	Further information
2.3.3 Is Origin <i>required</i> to pay Optionally Deferred Interest Payments in any circumstances?	<ul style="list-style-type: none"> • All Optionally Deferred Interest Payments must be paid if any of the following occur: <ul style="list-style-type: none"> – any dividend, distribution or interest is paid on any equal ranking obligations (including the Euro Capital Securities) or Ordinary Shares (except in limited circumstances), unless a Mandatory Deferral Event exists (see Section 2.3.5); – any redemption, purchase, buy-back or capital return is made in relation to any equal ranking obligations (including the Euro Capital Securities) or Ordinary Shares (except in limited circumstances), unless a Mandatory Deferral Event exists (see Section 2.3.5); – all Notes are redeemed; – Notes mature on 22 December 2071; or – an order is made or a resolution is passed for the winding-up of Origin. 	Clauses 3.5 and 17.2 of the Terms
2.3.4 What are the consequences of optionally deferring an Interest Payment?	<ul style="list-style-type: none"> • If Origin has optionally deferred an Interest Payment, it must not (except in limited circumstances): <ul style="list-style-type: none"> – declare or pay any dividend, distribution or interest on any equal ranking obligations or Ordinary Shares; or – redeem, reduce, cancel, purchase or buy-back any equal ranking obligations (including the Euro Capital Securities) or Ordinary Shares, unless all Optionally Deferred Interest Payments that then remain outstanding are paid or all Notes have been redeemed. These restrictions do not apply when a Mandatory Deferral Event exists (see Section 2.3.5). 	Clause 3.4 of the Terms
2.3.5 Is Origin <i>required</i> to defer Interest Payments in any circumstances?	<ul style="list-style-type: none"> • Yes. Interest Payments must be deferred if a Mandatory Deferral Event exists. A Mandatory Deferral Event may occur if there is a material deterioration in the financial profile of Origin that affects its Interest Cover Ratio or Leverage Ratio. • A Mandatory Deferral Event will commence if Origin's Interest Cover Ratio in relation to a Testing Date is less than the Minimum Level (being 3.5 times), or if Origin's Leverage Ratio in relation to two consecutive Testing Dates is above the Maximum Level (being 4.0 times), and will continue until Origin's Interest Cover Ratio in relation to a Testing Date is above the Minimum Level and its Leverage Ratio has not been above the Maximum Level in relation to two consecutive Testing Dates. For details on how the ratios are calculated, see Section 4.5. • In the event that Origin's financial profile materially deteriorates such that it risks having an Interest Cover Ratio below the Minimum Level, or a Leverage Ratio above the Maximum Level, Origin intends to take one or more measures to support these financial ratios and restore its credit profile. These measures may include asset sales, further equity issuance, discontinuation of certain businesses, suspension of ordinary dividends, suspension of any share buy-backs and/or changes to Origin's other financial policies. 	Clause 3.6 of the Terms and Section 4.5 and Section 4.6

Topic	Summary	Further information
<p>2.3.6 Is Origin <i>permitted</i> to pay any Mandatorily Deferred Interest Payments at its discretion at any time before they finally become payable?</p>	<ul style="list-style-type: none"> • No. Origin may only pay Mandatorily Deferred Interest Payments if: <ul style="list-style-type: none"> – Origin’s Interest Cover Ratio in relation to a Testing Date is not below the Minimum Level and its Leverage Ratio in relation to two consecutive Testing Dates is not above the Maximum Level; or – five years have elapsed since the payment would have otherwise been due. <p>Even where these requirements are satisfied, Origin may in some circumstances be able to optionally defer the relevant interest payments in which cases the consequences described in Section 2.3.4 would apply.</p> <ul style="list-style-type: none"> • If any Mandatorily Deferred Interest Payments remain outstanding five years after the deferral of the then longest outstanding Mandatorily Deferred Interest Payment, Origin intends to make those payments on the following Interest Payment Dates. However, Origin is not obliged to do so. 	<p>Clauses 3.7 and 17.2 of the Terms</p>
<p>2.3.7 Is Origin <i>required</i> to pay Mandatorily Deferred Interest Payments in any circumstances?</p>	<ul style="list-style-type: none"> • Yes. If Origin has paid a dividend on or bought back its Ordinary Shares when a Mandatory Deferral Event exists, Origin will be required to pay any and all Mandatorily Deferred Interest Payments: <ul style="list-style-type: none"> – when the Mandatory Deferral Event ceases; or – on the fifth anniversary of the deferral, even if the Mandatory Deferral Event is continuing. <p>(If Origin has not paid a dividend on its Ordinary Shares in these circumstances, the above requirements to pay these interest payments will not apply, and Origin may elect to defer payment of them as described in Section 2.3.6).</p> • Origin must also pay any and all Mandatorily Deferred Interest Payments in certain other limited circumstances, including, if all Notes are redeemed, at Maturity, or if an order is made or a resolution is passed for the winding-up of Origin. 	<p>Clauses 3.7 and 17.2 of the Terms</p>
<p>2.3.8 Are Deferred Interest Payments cumulative?</p>	<ul style="list-style-type: none"> • Yes. Both Optionally and Mandatorily Deferred Interest Payments are cumulative and compounding. • Optionally and Mandatorily Deferred Interest Payments will accrue interest at the prevailing Interest Rate up to but excluding the date of actual payment of that Deferred Interest Payment. This amount will be calculated on a daily basis and compounded quarterly. 	<p>Clauses 3.3(a) and 3.6(a) of the Terms</p>

2. ABOUT ORIGIN ENERGY SUBORDINATED NOTES

Topic	Summary	Further information
2.3.9 Do Origin's obligations in respect of the Euro Capital Securities affect Notes?	<ul style="list-style-type: none"> Notes and the Euro Capital Securities are equal ranking obligations of Origin. Under the terms of the Euro Capital Securities Origin will not pay any interest on Notes or redeem or purchase Notes while any distributions on the Euro Capital Securities are optionally deferred or remain outstanding (other than payments made on Notes pro rata with payments on equal ranking obligations, such as the Euro Capital Securities). No such distributions are outstanding, and Origin has no intention to defer any such distributions, at the date of this Prospectus. Under the Terms of Notes Origin is under equivalent restrictions on payments on the Euro Capital Securities while Interest Payments on Notes are deferred or remain outstanding. 	<p>Clause 2.1 of the Terms</p> <p>Clause 3.4 of the Terms</p>

2.4 Redemption

Topic	Summary	Further information
2.4.1 When can Origin redeem Notes?	<ul style="list-style-type: none"> Origin may elect to redeem Notes at its option on: <ul style="list-style-type: none"> – 22 December 2016 (i.e. the First Call Date); or – any Interest Payment Date thereafter. Origin may also elect to redeem Notes at any time if any of the following (summarised below in Section 2.4.7) occur: <ul style="list-style-type: none"> – Gross-Up Event; – Capital Event; – Tax Event; or – Change of Control Event. Origin intends that (unless it believes that its credit profile is substantially the same or better than as at the date of this Prospectus, and subject to other exceptions) any redemption or repurchase of Notes, prior to the Step-Up Date, will only occur to the extent that the aggregate Face Value of Notes redeemed or repurchased does not exceed the net proceeds received by Origin from the sale or issue of securities which are assigned, by the relevant rating agency at the time of the sale or issue, an equity credit classification that is equal to or greater than the equity credit assigned to Notes on their issue, subject to limited exceptions. 	<p>Clause 4.2 of the Terms</p> <p>Clauses 4.3 and 17.2 of the Terms</p> <p>Section 9.3</p>

Topic	Summary	Further information
2.4.2 What will happen on the First Call Date?	<ul style="list-style-type: none"> • Origin may, but is not obliged to, redeem Notes on the First Call Date. • Origin expects that Notes will cease to provide equity credit for quantitative purposes for one rating agency after the First Call Date. Origin also expects that Notes will provide qualitative support to its capital management strategy until redemption, but that this support will be minimal. • Origin will consider a broad range of factors when evaluating the role of Notes in its ongoing capital management strategy, including whether to redeem Notes on the First Call Date or at any other time prior to the Maturity Date. Such factors may include the level of equity credit support provided by Notes, as well as Origin's financial position, operational performance, funding requirements and access to capital in the financial markets from time to time. 	Clause 4.2 of the Terms Section 2.1.5
2.4.3 What will happen in a Change of Control Event?	<ul style="list-style-type: none"> • The Margin will increase by an additional 5.00% if the following criteria are satisfied: <ul style="list-style-type: none"> – a change of control of Origin occurs (see Section 2.4.7); and – Origin does not elect to redeem Notes following that event within a specified period of time. • Prior to exercising this redemption right, Origin intends to make an offer to repurchase any of its senior debt (other than senior debt that have in their terms a redemption right in favour of holders, or otherwise a requirement for Origin or related bodies corporate to repay that debt) on a change of control of Origin. Any such offer will be at the lower of the relevant debt's market value, or face value plus accrued interest. 	Clause 3.8 of the Terms
2.4.4 What will happen on the Maturity Date?	<ul style="list-style-type: none"> • Unless previously redeemed, all outstanding Notes will be redeemed on 22 December 2071. 	Clauses 4.1 and 17.2 of the Terms
2.4.5 What will I receive on redemption of Notes?	<ul style="list-style-type: none"> • Holders will receive the sum of: <ul style="list-style-type: none"> – 100% of the Face Value of each Note being redeemed (i.e. \$100 per Note) in all cases except where Notes are being redeemed before the First Call Date pursuant to the occurrence of a Capital Event, in which case Holders will receive 101% of the Face Value of each Note being redeemed (i.e. \$101 per Note); – all Deferred Interest Payments in respect of that Note that remain unpaid; and – any accrued but unpaid Interest Payment for the final Interest Period in respect of that Note. <p>The aggregate of those amounts is called the Redemption Amount.</p> • Refer to Section 2.5.3 for information on what may be received if an event of insolvency occurs. 	Clauses 1.2, 4 and 17.2 of the Terms
2.4.6 Can I request redemption before the Maturity Date?	<ul style="list-style-type: none"> • No, Holders do not have a right to request redemption of Notes. 	

2. ABOUT ORIGIN ENERGY SUBORDINATED NOTES

Topic	Summary	Further information
2.4.7 What is a Gross-Up Event, Change of Control Event, Capital Event or Tax Event?	<ul style="list-style-type: none"> A summary of these events, which give Origin the right to redeem Notes is as follows: <ul style="list-style-type: none"> a Gross-Up Event will occur, in summary, if Origin is required to pay any Additional Amounts (refer Clause 6.1 of the Terms for a definition) under Notes as a result of the imposition of a withholding tax at a rate exceeding 30% (or such other percentage reflecting the prevailing corporate tax rate) as a result of a change in tax laws or regulations, or any change in the application or official interpretation of such laws or regulations; a Change of Control Event will occur, in summary, if the following conditions are satisfied: <ul style="list-style-type: none"> Origin becomes a subsidiary or another person or a person and their associates come to have a relevant interest in more than 50% of the voting shares in the capital of Origin; and as a result, Origin or a subsidiary redeems, cancels or buys-back, or there is a step-up in the applicable margin, interest rate or distribution rate, of any of the Origin group's listed or listable debt or hybrid securities that are on issue at that time; a Capital Event will occur if Notes will no longer be eligible for the same or higher category of equity credit from a rating agency as was initially attributed to Notes at the time of issue, as a result of a change in a rating agency's assessment criteria. Equity credit is explained in Section 2.1.4; and a Tax Event will occur, in summary, if any Interest Payment would not be deductible for tax purposes as a result of a change in law. 	Clauses 4.3 and 17.2 of the Terms
2.4.8 Can Origin buy Notes on ASX?	<ul style="list-style-type: none"> Yes. From 31 December 2016, Origin or any Subsidiary of Origin may purchase or procure others to purchase beneficially for its account Notes in any manner and at any price subject to any applicable laws and Listing Rules. Such acquired Notes may be surrendered for cancellation or held or resold. 	Clause 4.4 of the Terms

2.5 Security and ranking

Topic	Summary	Further information
2.5.1 Notes are described as "unsecured". What does this mean?	<ul style="list-style-type: none"> Repayment of the Face Value (or other money owing in respect of Notes) is not secured by a mortgage, charge or other security over any of Origin's assets. Notes are "unsecured notes" for the purposes of the Corporations Act (section 283BH). 	Clause 1.1 of the Terms

Topic	Summary	Further information
<p>2.5.2 Notes are described as “subordinated”. What does this mean and how will Notes rank in an event of insolvency?</p>	<ul style="list-style-type: none"> • Claims of Holders in respect of Notes are subordinated to claims of all creditors of Origin (including any other creditors who are subordinated creditors, and claims of creditors mandatorily preferred by law) except holders of equal ranking obligations from time to time in that, if at any time an event of insolvency occurs in relation to Origin, the amount payable to Holders will only be paid after amounts owing to all other creditors of Origin (except holders of equal ranking obligations) have been paid in full. • The only equal ranking obligations existing as at the date of this Prospectus are the Euro Capital Securities. Origin may create further equal ranking obligations (or senior ranking obligations) in the future. • Holders will rank equally among themselves and equally among the rights and claims of holders of equal ranking obligations. • To give effect to the above, the amount payable to a Holder in respect of a Note may not be the Redemption Amount (described in Section 2.4.5) but a lesser amount determined in the manner described below. 	<p>Clause 1.1 of the Terms</p>
<p>2.5.3 What will be payable to Holders if an event of insolvency occurs?</p>	<ul style="list-style-type: none"> • Notes will effectively rank in an event of insolvency (for example, if a liquidator is appointed to wind up Origin) as if they were the most junior class of Origin preference shares on issue at that time, that is: <ul style="list-style-type: none"> – ahead of Ordinary Shares; – equally with equal ranking obligations (including the Euro Capital Securities); and – behind all creditors and all other classes of shares. • This is because: <ul style="list-style-type: none"> – claims of Holders in respect of Notes are subordinated to claims of all creditors of Origin except holders of equal ranking obligations; and – the amount payable to Holders will be the amount determined by a formula (which could be less than the Redemption Amount per Note). That formula will calculate the amount Holders would receive if Origin first fully repaid all creditors (including liabilities preferred by law, such as employee entitlements, and excluding any equal ranking obligations) and all classes of shares issued by Origin, except for Ordinary Shares, before repaying Notes and any equal ranking obligations. • In the event of a shortfall of funds where there is an event of insolvency, there is a risk that Holders will not receive the Redemption Amount in full. 	<p>Clause 2 of the Terms</p>

2. ABOUT ORIGIN ENERGY SUBORDINATED NOTES

Topic	Summary	Further information																		
2.5.4 Illustration of ranking of Origin's obligations in respect of existing debt instruments, hybrid instruments and equity upon a liquidation	<p>The table below illustrates how Notes would rank upon a liquidation of Origin against Origin's obligations in respect of existing debt instruments, hybrid instruments and equity. This is a simplified capital structure and does not specifically identify every type of security issued by Origin or every potential claim against Origin in a liquidation.</p> <table border="1" data-bbox="432 510 1161 1059"> <thead> <tr> <th></th> <th>Type</th> <th>Existing debt instruments, hybrid instruments⁵ and equity¹</th> <th>Amount drawn²</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Higher ranking ↑</td> <td>Debt</td> <td>– Bank loans and facilities and bonds</td> <td>\$3,444 million³</td> </tr> <tr> <td rowspan="2">Hybrids⁵ ↓</td> <td>– NZ\$ Preference Shares</td> <td>\$150 million</td> </tr> <tr> <td></td> <td>– Origin Energy Subordinated Notes and Euro Capital Securities</td> <td>\$500 million and \$675 million</td> </tr> <tr> <td>Lower ranking</td> <td>Equity</td> <td>– Ordinary shares</td> <td>\$12,699 million⁴</td> </tr> </tbody> </table> <p>1. As at 29 November 2011, Origin had no shares on issue other than ordinary shares. There are no restrictions on the amount of securities, guarantees or other liabilities which Origin may issue or incur and which rank (legally or in effect) senior to, or equally with, the rights and claims of Holders in respect of Notes. Any such security, guarantee or other liability will rank ahead of Notes, unless it is an Equal Ranking Obligation. Liabilities preferred by law, such as employee entitlements, would rank higher than Notes. For further information on the amount of trade and other payables, and other liabilities of Origin as at 30 June 2011 which (apart from Notes and Euro Capital Securities) would rank ahead of Notes in the case of a winding up of Origin (if then existing), see Section 4.3.</p> <p>2. Amount calculated as at 30 June 2011, adjusted to include the items set out in Section 4.3 (including \$500 million to be raised under this Offer). Assumes a USD/AUD exchange rate of 0.9312, a EUR/AUD exchange rate of 1.3501 and an NZD/AUD exchange rate of 0.7730 (all as at 30 June 2011). Excludes \$3.9 billion available liquidity from undrawn debt facilities, excluding Contact Energy and its subsidiaries (see Section 4.6).</p> <p>3. Excludes Contact Energy and its subsidiaries.</p> <p>4. Total pro forma parent entity equity interest (see Section 4.3).</p> <p>5. Hybrid instruments are instruments with both debt and equity features.</p>		Type	Existing debt instruments, hybrid instruments ⁵ and equity ¹	Amount drawn ²	Higher ranking ↑	Debt	– Bank loans and facilities and bonds	\$3,444 million ³	Hybrids ⁵ ↓	– NZ\$ Preference Shares	\$150 million		– Origin Energy Subordinated Notes and Euro Capital Securities	\$500 million and \$675 million	Lower ranking	Equity	– Ordinary shares	\$12,699 million ⁴	
	Type	Existing debt instruments, hybrid instruments ⁵ and equity ¹	Amount drawn ²																	
Higher ranking ↑	Debt	– Bank loans and facilities and bonds	\$3,444 million ³																	
	Hybrids ⁵ ↓	– NZ\$ Preference Shares	\$150 million																	
		– Origin Energy Subordinated Notes and Euro Capital Securities	\$500 million and \$675 million																	
Lower ranking	Equity	– Ordinary shares	\$12,699 million ⁴																	

2.6 Other

Topic	Summary	Further information
2.6.1 Can Origin issue further Notes, or other instruments?	<ul style="list-style-type: none"> • Origin reserves the right to issue further Notes or other instruments upon such terms as to ranking (including those that rank ahead of Notes), dividends or interest, conversion, redemption and otherwise as Origin may determine at the time of issue. • Notes do not confer on Holders any right to subscribe for new securities in Origin, or to participate in any bonus issues. 	<p>Clause 8 of the Terms</p> <p>Clause 7 of the Terms</p>
2.6.2 What voting rights do Notes carry at meetings of holders of Ordinary Shares?	<ul style="list-style-type: none"> • Holders have no voting rights at meetings of holders of Shares in Origin. 	
2.6.3 What is an Event of Default?	<ul style="list-style-type: none"> • An Event of Default will occur, in summary, if: <ul style="list-style-type: none"> – Origin fails to pay an amount within 30 days after it has become due and payable under Notes; or – an order is made or a resolution is passed for the winding-up of Origin. • Deferral of an Interest Payment in accordance with the Terms will not be an Event of Default. 	<p>Clause 9 of the Terms</p> <p>Clause 17.2 of the Terms</p>
2.6.4 What will happen if an “Event of Default” occurs?	<ul style="list-style-type: none"> • If an Event of Default occurs, the Trustee may notify Origin that the Redemption Amount on Notes is immediately due and payable and institute proceedings for the winding-up of Origin, prove in the winding-up of Origin, or claim in the liquidation of Origin, for the amount payable under the Terms. • The Trustee’s ability to enforce any right or remedy under or in respect of Notes is limited as provided by the Terms. • The Trustee may not take proceedings to enforce any payment obligation (other than for the winding-up of Origin). • An Event of Default may also trigger cross-default provisions in Origin’s other contracts and debt facilities. • Generally, only the Trustee (and not a Holder) has the right to enforce any right or remedy under or in respect of Notes. 	<p>Clause 9.1 of the Terms</p> <p>Clause 9.2 of the Terms</p> <p>Clause 9.2 of the Terms</p>
2.6.5 Can Origin amend the Terms?	<ul style="list-style-type: none"> • Yes. Subject to complying with all applicable laws and the Terms, Origin may amend the Terms without the consent of Holders if the amendment is, in the opinion of Origin: <ul style="list-style-type: none"> – made to cure any ambiguity or correct a manifest error; – of a formal, minor or technical nature; – made to comply with any law or the Listing Rules; or – is not materially prejudicial to Holders generally. • Origin may also amend the Terms if the amendment has been approved by Special Resolution of Holders. 	<p>Clause 10.2 of the Terms</p> <p>Clause 10.1 of the Terms</p>



Residential energy customers

3 ABOUT ORIGIN



3. ABOUT ORIGIN

3.1 Origin's business model and strategy

Origin is the leading integrated energy company in Australia¹.

Origin's operations include selling energy including electricity, natural gas and LPG to wholesale and retail customers, generating electricity through a portfolio of owned and contracted power stations in Australia, and gas and oil exploration and production in domestic and international locations. Origin also has a 52.8% share in Contact Energy, an integrated energy company listed on the New Zealand Stock Exchange.

Origin is listed on ASX and is an S&P/ASX 20 company by market capitalisation (approximately \$14.9 billion as at 25 November 2011). Origin has more than 5,200 employees. In addition, Contact Energy employs over 1,050 employees.

Origin's strategy is to source fuels to supply energy markets and to be integrated across the competitive segments of the energy supply chain. This helps Origin manage risk by providing natural hedges against energy price movements; enhances the range of growth opportunities; and provides the ability to leverage knowledge and skills across Origin's business segments. Since listing in 2000, Origin has grown each of its businesses and increased integration across segments through investments designed to deliver benefits across the energy supply chain. To date, most investments have been within the Australian and New Zealand domestic energy markets. Origin is also pursuing

new opportunities targeting the export of gas to growing Asian markets and other markets seeking new competitive sources of fuel.

There are three key components to Origin's strategy:

- Integrated supplier to energy markets in Australia and New Zealand
- Supplier of energy to growing export markets through Australia Pacific LNG
- An expanding portfolio of energy resource opportunities

3.1.1 Integrated supplier to energy markets in Australia and New Zealand

Australia

Position business in the competitive segments of the energy supply chain

The Australian energy industry consists of a regulated segment, covering transmission and distribution assets, and competitive segments, comprising energy retailing, electricity generation and exploration and production. Through its business segments; Retail, Generation, and Exploration and Production, Origin focuses its activities on the competitive segments of the energy supply chain, supplying fuel through its Exploration and Production segment to each of its Generation and Retail segments, as outlined in the diagram below.



Extensive fuel position

- Strong domestic gas supply business with access to fuel at existing contract prices
- Access to existing Eraring coal contracts at legacy prices and flexible coal stockpile
- Ability to optimise energy supply through fuel-switching between assets and regions



Australia's largest energy portfolio²

- Diversified across different fuels, regions and operational regimes
- Flexible operation, with the ability to respond rapidly to market conditions
- Large portfolio of generation development options



Australia's largest energy retailer³

- Large, incumbent position in the NEM regions
- Diversified customer base well matched to generation position
- Leading Australian green energy retailer
- Leading supplier of solar PV
- Diverse portfolio of customer energy solutions



1. By market capitalisation, share of NEM scheduled generation and number of customer accounts as at 30 June 2011.
2. Based on NEM registered capacity of scheduled market generation, as at 30 June 2011 (includes scheduled generation from Mortlake Power Station which commences commercial operations in late 2011).
3. Based on Origin customer accounts as at 30 June 2011 over total market number of customer accounts as at 30 June 2010.

3. ABOUT ORIGIN

Capture the benefits of the integrated business model

Origin focuses on monetising fuel resources close to growing energy markets through the sale of energy to end users. This integrated business model provides natural hedges to help manage risk and support stability of earnings and cash flows.

In Australia, Origin's fuel interests supply gas to a range of customers including wholesale and retail customers and gas-fired generation assets. Combining these fuel interests with the generation plants helps to provide a natural hedge against the impact of fuel price movements on wholesale electricity.

Manage the risk of energy procurement in wholesale markets by its Retail segment

The wholesale electricity market in Australia has been characterised by low, stable electricity prices the majority of the time, together with short periods of highly volatile prices due to peak demand or constraints on transmission or generation capacity.

The integration of Origin's owned and contracted fuel supply and generation portfolio with the Retail electricity business, helps to provide a natural hedge for the Retail electricity business, which assists in managing risks associated with procuring wholesale electricity during extreme price events. Origin's Retail segment also procures additional hedge cover through contracts with third parties to manage this exposure.

New Zealand

In New Zealand, Contact Energy is an integrated generator and retailer of energy that uses a diverse fuel base of geothermal, gas and hydro. Contact Energy focuses on developing low cost baseload and flexible generation capacity so that it can cost effectively meet the energy requirements of its customers and the energy market. The integration of fuels and generation with a retail business provides Contact Energy with a natural hedge to assist in managing the risks associated with wholesale electricity prices in the New Zealand market.

Further information about Origin's integrated energy business is described in Section 3.2.

3.1.2 Supplier of energy to growing export markets through Australia Pacific LNG

Origin has a 42.5% share in the Australia Pacific LNG joint venture which owns extensive CSG reserves, predominantly in the Surat and Bowen basins in Queensland. Having established a successful domestic business that already supplies the equivalent of over 40%¹ of Queensland's gas requirements, Australia Pacific LNG is pursuing a CSG to LNG project to export LNG to customers in Asia, where there is a growing demand for LNG.

Further information about Australia Pacific LNG is described in Section 3.3.

3.1.3 An expanding portfolio of energy resource opportunities

Origin plans to continue developing new channels to market through a diversified portfolio of domestic and international energy opportunities, including gas, wind, geothermal, hydro and solar. Origin seeks to identify, secure and add value to energy resources capable of meeting market opportunities created by changing social and economic needs and in response to changing government regulation in relation to climate change.

Further information about Origin's investment in energy resource opportunities is described in Section 3.4.

3.2 Origin's integrated business segments

Origin's integrated energy business operates in four business segments:

- Retail – Australia's largest energy retailer²
- Generation – Australia's largest generation portfolio³
- Exploration and Production – extensive fuel supply position
- Contact Energy – majority owned integrated energy company in New Zealand

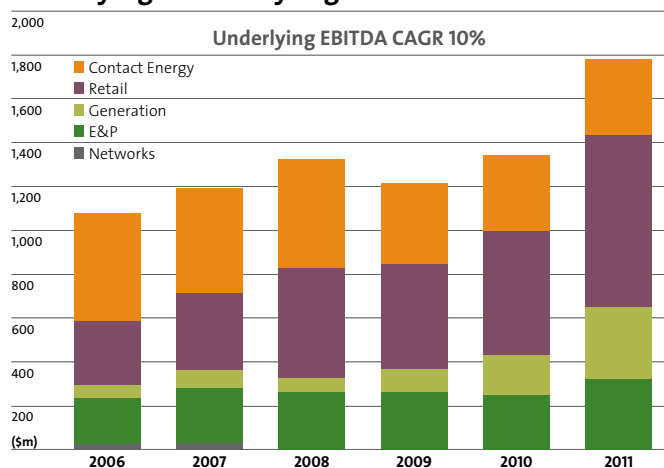
The following charts highlight the composition of Underlying EBITDA by segment, the growth in Underlying Profit, Productive Capital and free cash flow for the years ended 30 June 2006 to 30 June 2011 inclusive, and Productive Capital by segment for the year ended 30 June 2011.

1. EnergyQuest Quarterly Report, August 2011.

2. Based on number of Origin customer accounts as at 30 June 2011 over total market number of customer accounts as at 30 June 2010.

3. By NEM registered capacity of scheduled market generation as at 30 June 2011 (includes scheduled generation from Mortlake Power Station which commences commercial operations in late 2011).

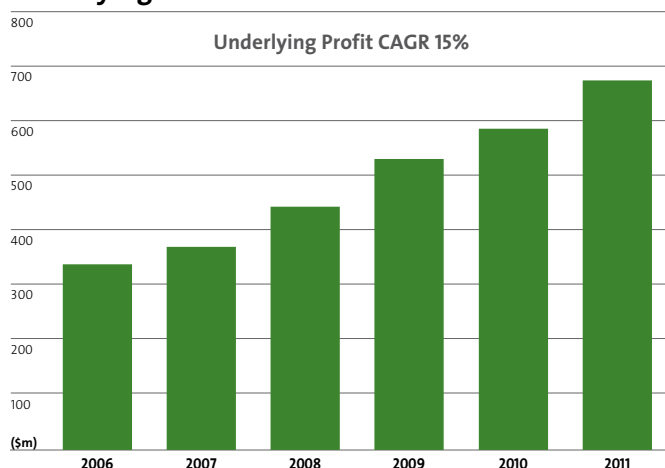
Underlying EBITDA by segment¹



The table below shows the Statutory EBITDA for the years ended 30 June 2006 to 30 June 2011 inclusive:

FINANCIAL YEARS (\$M)	2006	2007	2008	2009	2010	2011
Statutory EBITDA	1,095	1,293	1,435	8,098	1,333	1,114

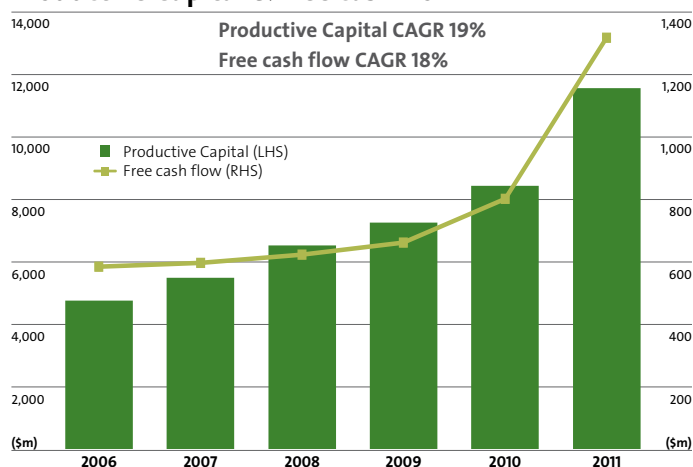
Underlying Profit



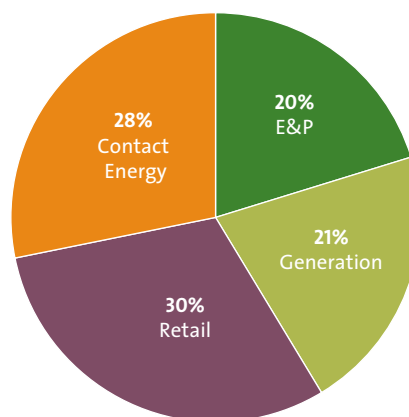
The table below shows the Statutory Profit for the years ended 30 June 2006 to 30 June 2011 inclusive:

FINANCIAL YEARS (\$M)	2006	2007	2008	2009	2010	2011
Statutory Profit	332	457	517	6,941	612	186

Productive Capital & free cash flow²



Productive Capital by segment – FY2011



Note: Underlying EBITDA and Underlying Profit (and Underlying EBIT Margin referred to in Section 3.2.1) are defined in the Glossary and exclude items that do not reflect the performance of Origin's ongoing business to illustrate better the performance of those businesses and to enable a relevant comparison to the prior periods ongoing operating results. Refer to Section 4 for further financial information about Origin. CAGR (or compound annual growth rate) is calculated from 30 June 2006 to 30 June 2011. Past performance of Origin cannot be relied upon as an indicator of future performance.

The four segments of Origin's integrated energy business referred to above are described below.

3.2.1 Retail

Origin has the largest retail customer base in the NEM regions of Australia, with approximately 4.5 million electricity, natural gas and LPG customer accounts. Origin's retail business accounts for approximately 33% of electricity and natural gas customer accounts across the NEM regions as at 30 June 2011³.

1. The Networks business was divested in 2007.

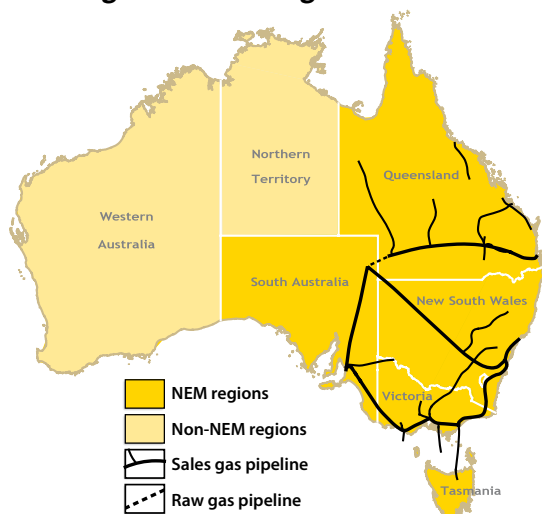
2. Productive Capital is defined in the Glossary; free cash flow is cash available to fund distributions to shareholders and growth capital expenditure, including deductions for stay-in-business capital expenditure, interest and tax.

3. Based on number of Origin customer accounts as at 30 June 2011 over total market number of customer accounts as at 30 June 2010.

3. ABOUT ORIGIN

As outlined below, Origin is the largest electricity retailer in Victoria, Queensland and New South Wales and the second largest electricity retailer in South Australia based on the number of customer accounts as at 30 June 2011. The size of Origin’s Retail segment provides scale and operating efficiencies for that business.

Energy retailing in the NEM regions



Top 3 electricity and natural gas retailers in NEM regions as at 30 June 2011¹



	QLD	NSW	VIC	SA	NEM
Top 3 retailers ¹	1. Origin 2. Government 3. AGL	1. Origin 2. TRUenergy 3. AGL	1. Origin 2. AGL 3. TRUenergy	1. AGL 2. Origin 3. TRUenergy	1. Origin 2. AGL 3. TRUenergy

In March 2011, Origin acquired the Integral Energy and Country Energy retail businesses from the NSW Government. The integration of these businesses into Origin’s retail portfolio is progressing well. The integration process involves the migration of customer data from Integral Energy’s and Country Energy’s existing billing and management systems onto Origin systems.

Origin is also in the process of replacing its billing and customer management system. To date, 1.3 million of Origin’s customer accounts have been migrated successfully onto a new SAP integrated billing and customer management system as part of Origin’s retail transformation program. Further migrations are planned for NSW and Queensland customers in December 2011, while Integral Energy and Country Energy customer accounts will be migrated in later waves in line with business transition plans.

Origin is Australia’s leading green energy retailer with approximately 437,000 customers participating in the GreenPower Accredited Renewable Energy Program (“GreenPower”), an Australian government accreditation program for renewable energy, representing a 53% market share of GreenPower customers. In addition, Origin is a leading provider of green gas in Australia² with approximately 130,000 green gas customer accounts, reflecting Origin’s market leadership in this area. Origin has also developed a leading solar rooftop installation business marketing solar photovoltaic and solar thermal systems and other renewable energy products. Origin’s strength as a leading green energy retailer assists Origin to broaden its retail customer base.

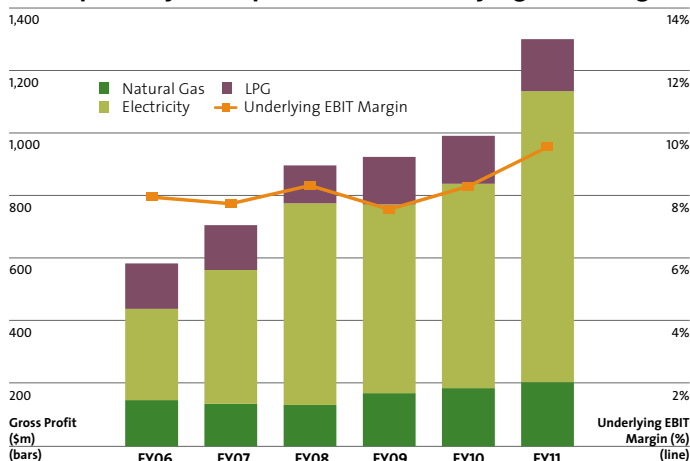
The Retail segment’s activities include the procurement of electricity and gas, as well as the sale of these products to end customers. Electricity is purchased on the wholesale

market and on-sold to customers. Gas is sourced from Origin’s own equity interests in gas production or from third parties and is either on-sold to customers or used for power generation.

The Retail segment also receives revenue from the sale of electricity on the wholesale market by Origin’s merchant generation plants and pays an internal tolling charge to the Generation segment for the right to capacity of the generation portfolio.

The integration of Origin’s owned and contracted fuel supply and generation portfolio with the Retail electricity business provides a natural hedge which has helped to provide a stable Underlying EBIT Margin. The stability of earnings in the retail segment is shown in the chart below which reflects gross profit by retail product (electricity, natural gas and LPG) and Underlying EBIT Margin from FY2006 to FY2011.

Gross profit by retail product and Underlying EBIT Margin

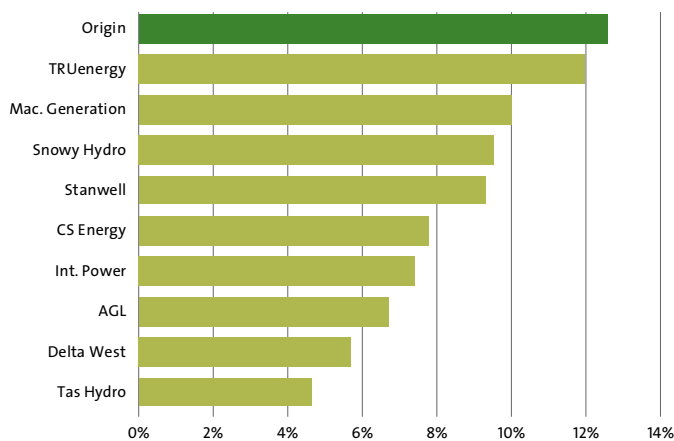


1. Based on number of Origin customer accounts as at 30 June 2011 over total market number of customer accounts as at 30 June 2010.
 2. Green gas refers to a product offered to Origin retail customers which offsets greenhouse gas emissions generated by household natural gas usage through verified greenhouse gas offset programs.

3.2.2 Generation

Origin has a large, flexible and diverse portfolio of owned and contracted generation capacity as well as a range of thermal and renewable development opportunities at various stages of development. As at 30 June 2011, Origin's generation portfolio included 5,310 MW of operating capacity with a further 550 MW of capacity to be added in late 2011 as the Mortlake Power Station commences commercial operations. This generation portfolio represents approximately 13% of the registered capacity of NEM scheduled market generation.

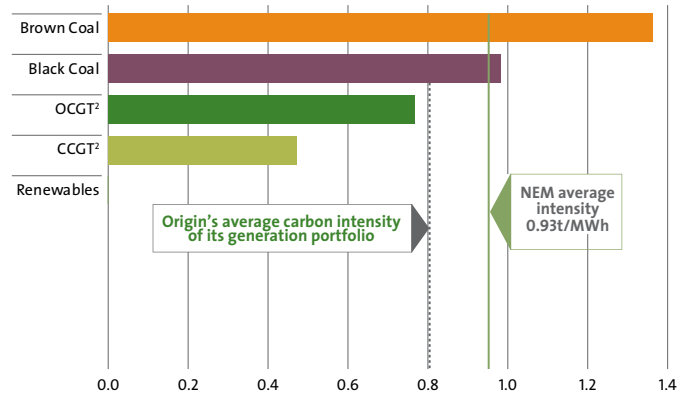
NEM market share of scheduled generation capacity¹



Origin's generation portfolio includes gas distillate and black coal fired power stations, gas cogeneration plants, a wind farm and a pumped storage hydro-electric power stations. A large portion of Origin's generation portfolio is gas-fired peaking generation which Origin strategically utilises to manage the Retail business exposure to wholesale price movements. This has recently been complemented with additional intermediate, baseload generation and peaking generation capabilities, including the Darling Downs Power Station (630 MW) completed in July 2010, and entry into the Earing GenTrader Arrangements for up to 3,040 MW in March 2011. The fast start capability provided by open cycle gas turbines and hydro generation, combined with the ability to ramp up the output of the combined cycle gas turbines and contracted coal-fired generation from minimum generation levels, provides Origin with considerable generation flexibility. A flexible generation portfolio enables Origin to respond to a wide range of market conditions, including responding quickly to volatile demand within the NEM.

Origin's owned and contracted generation portfolio has a lower average carbon intensity than the average carbon intensity of generation facilities in the NEM and is therefore well placed to operate competitively when a price on carbon is introduced in Australia from 1 July 2012.

Average market carbon intensity² by generation type³



The Generation segment derives revenue and earnings through capacity payments from Origin's Retail segment for the internally contracted power stations (calculated as a return on cost of capital employed plus operating and maintenance costs) and from the sale of electricity and steam from externally contracted cogeneration plants. Capacity payments are also received from the Retail segment for the Earing GenTrader Arrangements in relation to the Earing and Shoalhaven power stations.

Increased demand, reduced generation capacity, increased operating costs or transmission constraints can create substantial wholesale price increases. This creates a price risk associated with purchases of wholesale electricity. To seek to hedge that price risk, Origin owns or has contractual rights to a portfolio of generators and has entered into a variety of contractual supply and hedging arrangements. Origin's baseload generation provides cost certainty in relation to energy it delivers to its Retail segment, while Origin's peaking generators are typically run at times of high prices, helping to provide a natural hedge for the Retail segment against extreme electricity pricing events.

1. Based on NEM registered capacity of scheduled market generation as at 30 June 2011 (includes scheduled generation from Mortlake Power Station which commences commercial operations in late 2011).

2. Carbon intensity is a measure of carbon dioxide (CO₂) emissions per unit of energy that is used to compare the carbon emissions from different sources of energy such as black coal, brown coal, open cycle gas turbines (OCGT), closed cycle gas turbines (CCGT) and renewable energy sources.

3. AEMO Carbon Dioxide Equivalent Intensity Index based on FY07-FY11 weighted average energy output. Origin's average carbon intensity of its generation portfolio calculated by Origin.

3. ABOUT ORIGIN

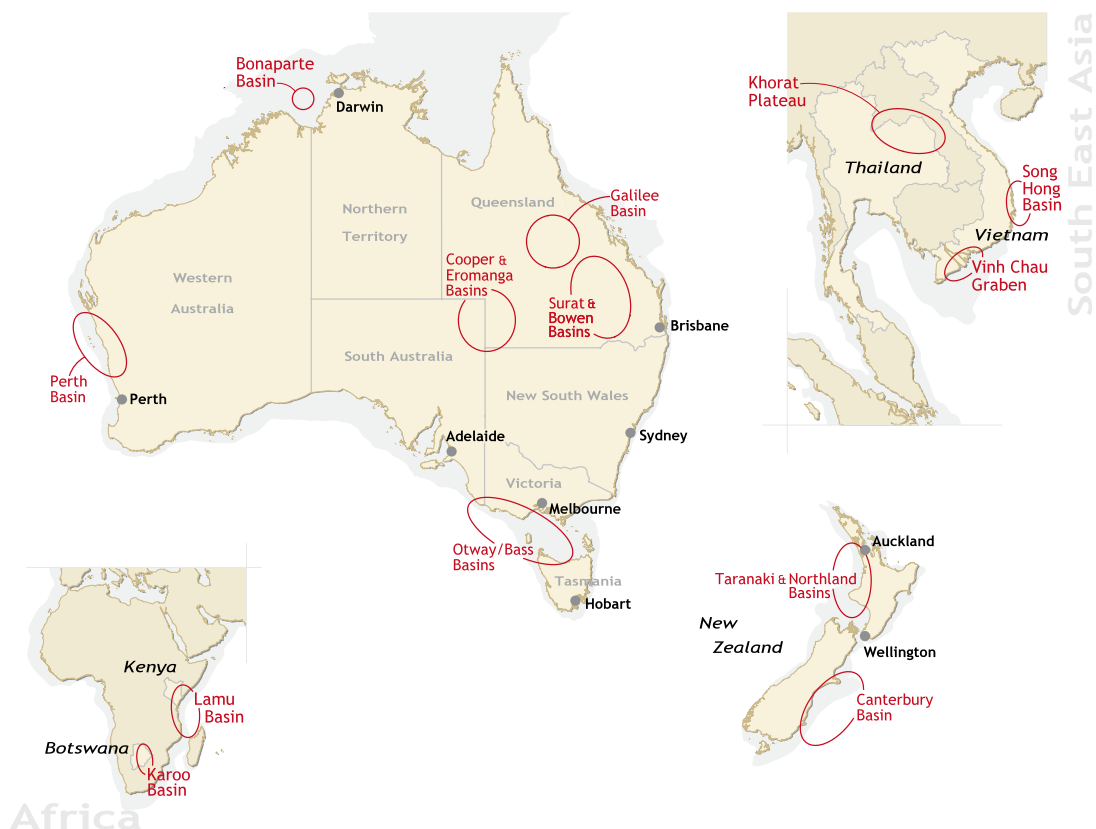
3.2.3 Exploration and Production

Origin's primary gas and oil exploration and production interests are located in Australia and New Zealand, with minor exploration interests in South East Asia and Africa. Origin's Australian production interests are an important supplier to Origin's gas generation portfolio and retail gas activities as well as to other customers. Origin currently holds a 42.5% interest in Australia Pacific LNG, a joint venture with ConocoPhillips (42.5%) and Sinopec (15%) that produces gas for the domestic market and is developing a large scale CSG to LNG project for export in Queensland (refer to Section 3.3).

Origin's main production assets in Australia are in the Otway and Bass basins off the Victorian coast, the Surat and Bowen basins in Queensland, the Cooper/Eromanga Basin in Central Australia and the Perth Basin in Western Australia. Origin also operates Australia Pacific LNG's major CSG fields, which are located in the Surat and Bowen basin areas. In New Zealand, Origin's main production assets are located in onshore and offshore Taranaki Basin.

Origin has significant exploration interests in the Surat, Bowen, Bass and Otway basins in Australia and the Taranaki, Northland and Canterbury basins in New Zealand. Origin also has interests in four exploration blocks operated by Salamander Energy plc across North-East Thailand and Vietnam and is pursuing small scale exploration opportunities in the Karoo Basin in Botswana (subject to approval by the Botswana government), the Lamu basin in Kenya and the Song Hong Basin in Vietnam.

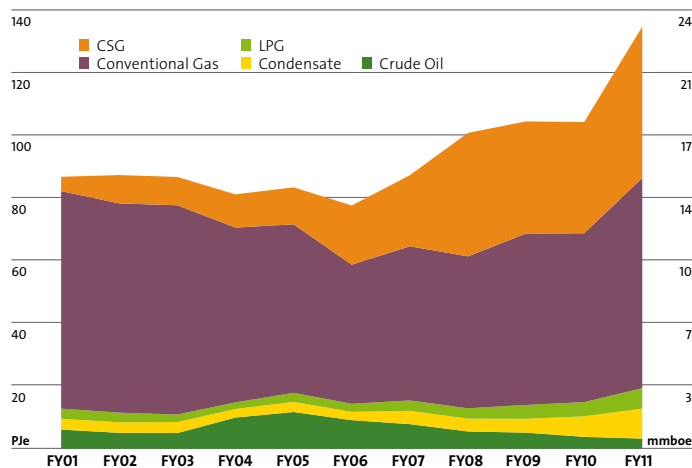
The following map illustrates the footprint of Origin's exploration and production interests in Australia, New Zealand, South East Asia and Africa:



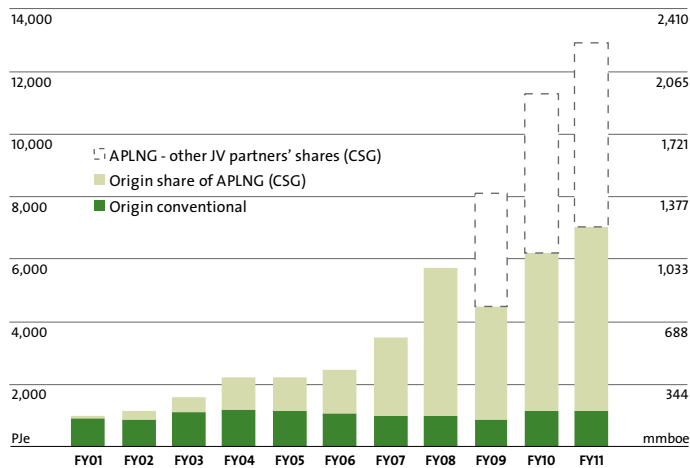
Origin's production operations have experienced substantial growth in recent years. In the year ended 30 June 2011, Origin produced 135 PJe of gas and liquids across its areas of interest, as shown in the production history chart below.

Origin has progressively built its fuel position by focussing on gas resources close to existing markets which it considers to have potential for growth in demand. As at 30 June 2011, Origin held 7,041 PJe of 2P Reserves, as shown in the 2P Reserves chart below. On 9 August 2011, a subscription agreement was completed between Sinopec and Australia Pacific LNG which reduced Origin's Share in Australia Pacific LNG from 50% to 42.5%. A pro forma adjustment to Origin's reserves at 30 June 2011 as if the subscription agreement had completed at 30 June 2011, would have seen Origin's 2P Reserves reduced by 883 PJe to 6,158 PJe.

Production history



Origin and Australian Pacific LNG 2P Reserves as at 30 June 2011¹



Note: This chart is not adjusted to reflect the dilution of Origin's interest in Australia Pacific LNG from 50% as at 30 June 2011 to 42.5% upon completion of Sinopec's subscription for a 15% interest in Australia Pacific LNG on 9 August 2011.

3.2.4 Contact Energy

Origin holds a 52.8% equity interest in Contact Energy, one of New Zealand's largest integrated energy companies with a market capitalisation of approximately NZ\$3.8 billion as at 25 November 2011. Contact Energy has approximately 1,050 employees and has its head office in Wellington, New Zealand.

Contact Energy's operations include electricity generation and wholesaling and the retailing of electricity, natural gas and LPG. At present, Contact Energy is pursuing the development of flexible generation assets involving four key fuels: geothermal, gas, wind and hydro.

Contact Energy is the second largest energy retailer in New Zealand, supplying electricity, gas and LPG to approximately 566,300 commercial and residential customers. As at 30 June 2011 Contact Energy had approximately 22% of New Zealand's total retail electricity market by number of customer accounts, and approximately 24% of New Zealand's natural gas market by number of customer accounts. As at 30 June 2011, Contact Energy (through Rockgas, Contact Energy's LPG business) had approximately 47% of New Zealand's LPG market by volume.

Contact Energy owns and operates ten power stations across New Zealand, comprising 2,063 MW of generation capacity, or approximately 25% of New Zealand's total annual electricity generation capacity for the year ended 30 June 2011. For the year ended 30 June 2011, approximately 39% of Contact Energy's generation was from hydro, 23% from geothermal and 38% from natural gas.

Origin's 52.8% interest in Contact Energy provides it with a geographically diverse business with a broad revenue base.

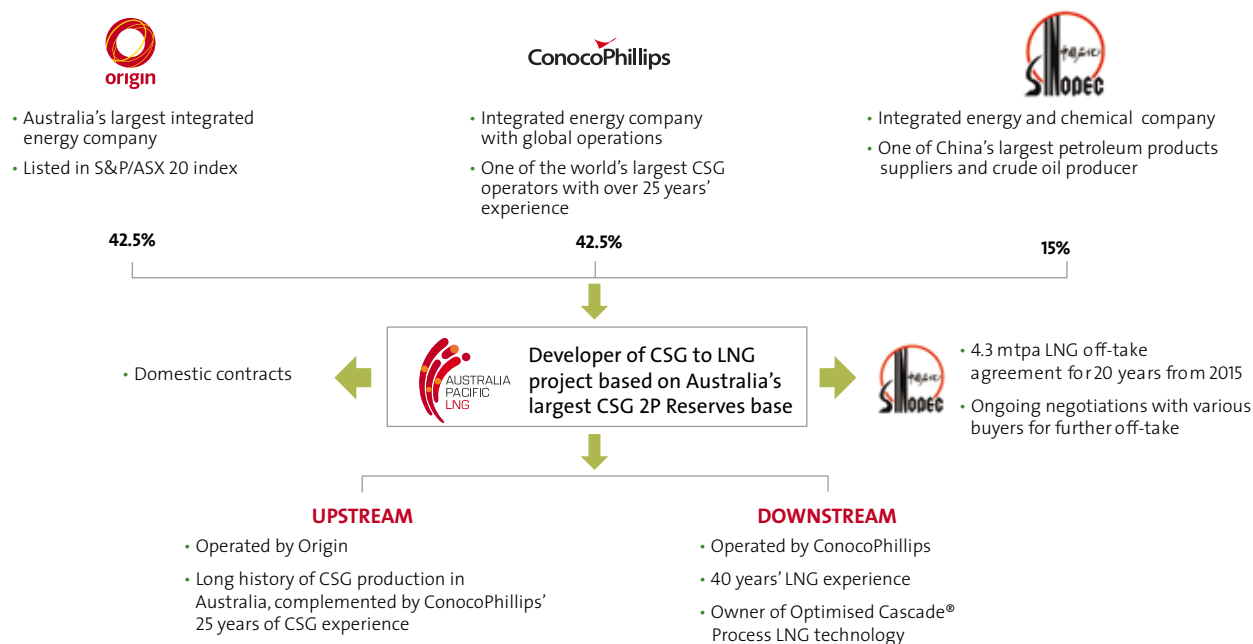
1. Refer to the Important Notices section of this Prospectus (page ii) for information relating to Origin's disclosure of its reserves.

3. ABOUT ORIGIN

3.3 Australia Pacific LNG

Australia Pacific LNG currently supplies the equivalent of over 40% of Queensland's domestic gas requirements¹ and is developing a large scale CSG to LNG project that will see LNG exported to supply the growing demand in the Asian region under long term supply contracts. As at 30 June 2011, Australia Pacific LNG held 11,775 PJe of 2P Reserves and 14,742 PJe of 3P Reserves.

The structure of Australia Pacific LNG is illustrated below:



Origin is responsible for the execution and management of Australia Pacific LNG's upstream activities, including a reserves maturation program, construction of new gas facilities, CSG production and pipeline construction, and is reimbursed for these activities on the basis of cost recovery plus overhead. ConocoPhillips is responsible for the project's downstream activities, including the construction and development of the LNG plant on a similar cost recovery plus overhead basis.

In July 2011, Australia Pacific LNG made a final investment decision ("FID") for the first liquefied natural gas processing line ("LNG train") of the proposed two train project. The approved capital expenditure was US\$14 billion for the development of the first LNG train for an initial 4.5 million tonnes per annum ("mtpa") and infrastructure to support a second LNG train of the same size (Origin's 42.5% pro rata share being US\$6 billion). This amount includes provision for approximately US\$1.7 billion in contingencies. This commitment is supported by an LNG sale contract with Sinopec Corp to supply 4.3 mtpa² for 20 years commencing in 2015.

On 17 November 2011, Australia Pacific LNG and The Kansai Electric Power Company ("Kansai Electric") signed a binding heads of agreement for the sale and purchase of approximately 1 million tonnes of LNG per year for 20 years. Under the terms of the agreement, Australia Pacific LNG will supply Kansai Electric with LNG from its LNG facility on Curtis Island, with deliveries anticipated to commence in mid-2016. The agreement is conditional on Australia Pacific LNG making a final investment decision on the second LNG train, which is targeted for early 2012.

Australia Pacific LNG is in continuing discussions with a range of other possible buyers of LNG from its CSG to LNG project, including discussions which could result in other agreements to purchase LNG being signed prior to the close of the Offer.

Origin currently estimates the two train project will have a total capital cost of US\$20 billion, including US\$2.5 billion in contingencies (Origin's 42.5% pro rata share being US\$8.5 billion). Origin expects over 60% of the capital costs for the Australia Pacific LNG project will be paid through fixed price or unit rate contracts. These contracts seek to optimise returns by allocating risk to where it can be most efficiently managed.

1. EnergyQuest Quarterly Report, August 2011.

2. For calendar year 2015, which is targeted as the first year of LNG production, LNG is expected to be delivered at a pro rata rate of 2.5 mtpa.

State and federal government approvals have been received for the project to proceed, including the approval of an Environmental Impact Statement (which considered input from over 6,000 stakeholders) and included approval for up to four LNG trains and up to 10,000 wells in the Walloons gas fields in Queensland over a 49 year operating period.

Australia Pacific LNG has created a social impact management plan to identify community needs arising from the project and regional community consultative committees to receive community feedback. Australia Pacific LNG has also budgeted \$50m for community investment to be spent by 2016 with further funds to be allocated for post 2016 in due course. These funds are to be used for contributions to social infrastructure, community partnerships, sponsorships and donations and employee volunteering.

3.4 An expanding portfolio of energy resource opportunities

Origin continues to invest in a diversified portfolio of energy opportunities to establish new channels to market. This includes domestic and international energy opportunities, including gas, wind, geothermal, hydro and solar.

Origin's exploration strategy is to add gas reserves located close to existing markets. With this in mind, Origin has focused on the Bass and Otway basins in offshore Victoria (for conventional gas reserves), the Cooper Basin in Central Australia (for both conventional and unconventional gas reserves), the Surat and Bowen basins in Queensland (for both conventional gas and CSG reserves) and the Taranaki and Canterbury basins in New Zealand (for conventional gas reserves). Internationally, Origin seeks specific opportunities which combine markets and geological conditions it has assessed as favourable, with strong joint venture parties and flexible commercial arrangements.

Origin has a pipeline of development opportunities including over 3,600 MW of thermal opportunities and up to 3,000 MW of wind opportunities in Australia. These opportunities are at various stages of the planning process and are subject to further commercial agreements, regulatory approvals and/or internal approval. Origin is also selectively pursuing geothermal opportunities in international markets that it believes have high growth potential. This includes the Sorik Marapi geothermal concession in Indonesia and a portfolio of opportunities in Chile held by Energia Andina, a company in which Origin holds a 40% equity interest. Origin is also evaluating the development of a hydro-electric scheme on the Purari River in the Gulf Province in Papua New Guinea, with potential capacity to generate approximately 1,800 MW of renewable baseload electricity, which, if developed, may be able to be exported to the NEM through Queensland.

Spring Gully gas plant,
Queensland



4 FINANCIAL INFORMATION



4. FINANCIAL INFORMATION

4.1 Introduction

The summary consolidated financial information has been extracted from the audited financial statements for the years ended 30 June 2010 and 30 June 2011. The information presented has, except as otherwise noted, been prepared in accordance with the measurement and recognition requirements, but not the disclosure requirements, of the Australian Accounting Standards and other mandatory reporting requirements in Australia.

The summary consolidated financial information for the year ended 30 June 2011 reflects Origin's acquisition of the retail assets of Integral Energy and Country Energy and Origin's entry into the Eraring GenTrader Arrangements, including their contribution to Origin's financial performance and cash flows for the period from 1 March 2011 through 30 June 2011. The summary consolidated financial information for periods ending prior to 30 June 2011 does not include these assets or any contribution of such assets to financial performance or cash flows.

Statutory Profit after tax for the year ended 30 June 2011 was \$186 million. Origin's Statutory Profit contains a number of items that do not portray the ongoing operating performance of the business. Underlying Profit excludes the impact of these items to better illustrate the performance of Origin's business and to enable a relevant comparison to the prior period ongoing operating results. It is a matter for the judgement of the Directors as to which items ought to be excluded for the purposes of computing Underlying Profit. For the year ended 30 June 2011, Origin reported an Underlying EBITDA of \$1,782 million and an Underlying Profit after tax of \$673 million.

The financial information in this Section has been included to illustrate Origin's financial position and performance for the financial years ended 30 June 2010 and 30 June 2011. The financial year ended 30 June 2009 has not been included, as a significant gain on dilution of Origin's interest in Australia Pacific LNG was recognised having a large impact on the consolidated income statement and consolidated statement of cash flows, which makes comparing statutory results over recent years less meaningful.

Investors should note that past performance is not a reliable indicator of future performance.

4.2 Consolidated income statement

The following table sets out Origin's consolidated income statement for the financial years ended 30 June 2010 and 30 June 2011.

YEAR ENDED 30 JUNE (\$M)	ACTUAL 2010	ACTUAL 2011
Revenue	8,534	10,344
Other income	56	9
Total expenses, excluding net financing costs	(7,734)	(9,857)
Share of results of equity accounted investees	144	54
Net financing costs	(124)	(155)
Profit before income tax	876	395
Income tax expense	(196)	(147)
Profit for the period	680	248
Non-controlling interests	(68)	(62)
Statutory Profit attributable to members of the Parent Entity	612	186

RECONCILIATION OF STATUTORY PROFIT TO UNDERLYING PROFIT

Statutory Profit attributable to members of the Parent Entity	612	186
Impairment of assets	(23)	(160)
(Decrease)/increase in fair value of financial instruments ¹	10	(140)
Australia Pacific LNG unwinding of discounts ²	39	12
Transition and transaction costs ³	(20)	(235)
Other	21	36
Total items excluded from Underlying Profit	27	(487)
Underlying Profit attributable to members of the Parent Entity	585	673

Source: Origin Energy Limited Annual Report for the financial year ended 30 June 2011.

1. Change in fair value of financial instruments primarily relates to instruments that are effective economic hedges but do not qualify for hedge accounting.
2. Australia Pacific LNG unwinding of discounts represents unwinding of the discounted liability payable to Australia Pacific LNG and Origin's share of the unwinding of discounted receivables within Australia Pacific LNG.
3. Transition and transaction costs represent costs incurred in relation to successful and unsuccessful acquisition and transition activity. The year ended 30 June 2011 includes costs incurred for the acquisition of the NSW Government energy retail assets and entering into the Eraring GenTrader Arrangements, including estimated

4. FINANCIAL INFORMATION

stamp duty payable on the transaction of \$150 million.

4.3 Pro forma consolidated statement of financial position

The following table presents Origin's consolidated statement of financial position as at 30 June 2010 and 30 June 2011, as well as the pro forma consolidated statement of financial position as at 30 June 2011 which is presented on the assumption that the following pro forma adjustments had occurred as at 30 June 2011:

- \$500 million raised from this Offer less transaction costs of \$11 million, recognised within non-current interest bearing liabilities. The amount of net proceeds raised from the Offer is assumed to be used to repay existing non-current interest bearing liabilities. Consequently, except for the transaction costs, there is no net effect upon drawn non-current interest bearing liabilities;
- US\$500 million (\$510 million as announced on 7 October 2011) raised via a 144A bond issue less transaction costs of \$5 million, recognised within non-current interest bearing liabilities. The amount of net proceeds raised in the 144A bond issue has been used to repay existing non-current interest bearing liabilities. Consequently, except for the transaction costs, there is no net effect upon drawn non-current interest bearing liabilities;
- \$266 million increase in share capital and adjustment against retained earnings as a result of the final dividend for the financial year ended 30 June 2011 paid in September 2011 being fully underwritten;
- \$467 million increase in investments accounted for using the equity method as a consequence of the dilution by 7.5% of Origin's investment in Australia Pacific LNG due to Sinopec's subscription, which comprises a gain recognised in retained earnings of \$464 million and an adjustment to reserves of \$3 million; and
- \$300 million bridge financing repayment and cancellation in July 2011 that was due to mature in the 2012 financial year. The repayment was funded by the drawing of a debt facility maturing in the 2015 financial year and therefore this transaction transfers the maturity of debt from current to non-current interest bearing liabilities.

Origin's consolidated statement of financial position includes the financial position of Contact Energy as a non-wholly owned subsidiary. Contact Energy announced on 23 November 2011 that it is making an offer of NZ\$150 million (with the ability to accept oversubscriptions of up to a further NZ\$100 million) of unsecured, subordinated capital bonds. If Contact Energy proceeds with the offer of capital bonds, this may have an impact on Origin's consolidated statement of financial position. The financial effect of this proposed transaction is not included in the 30 June 2011 pro forma consolidated statement of financial position.

AS AT 30 JUNE (\$M)	ACTUAL 2010	ACTUAL 2011	PRO FORMA ADJUSTMENTS	PRO FORMA 2011
Current assets				
Cash and cash equivalents	823	728	(16)	712
Other current assets	2,205	3,133	-	3,133
Total current assets	3,028	3,861	(16)	3,845
Non-current assets				
Investments accounted for using the equity method	5,395	5,470	467	5,937
Property, plant and equipment	9,168	10,313	-	10,313
Exploration, evaluation and development assets	1,115	965	-	965
Intangible assets	2,796	5,433	-	5,433
Other non-current assets	332	598	-	598
Total non-current assets	18,806	22,779	467	23,246
Total assets	21,834	26,640	451	27,091
Current liabilities				
Trade and other payables	1,205	2,020	-	2,020
Interest-bearing liabilities	113	595	(300)	295
Other financial liabilities, including derivatives	398	2,217	-	2,217
Other current liabilities	168	277	-	277
Total current liabilities	1,884	5,109	(300)	4,809
Non-current liabilities				
Trade and other payables	65	412	-	412
Interest-bearing liabilities	3,373	4,193	284	4,477
Other financial liabilities, including derivatives	3,813	2,282	-	2,282
Other non-current liabilities	1,261	1,128	-	1,128
Total non-current liabilities	8,512	8,015	284	8,299
Total liabilities	10,396	13,124	(16)	13,108
Net assets	11,438	13,516	467	13,983
Equity				
Share capital	1,683	4,029	266	4,295
Reserves	(199)	(301)	3	(298)
Retained earnings	8,765	8,504	198	8,702
Total parent entity interest	10,249	12,232	467	12,699
Non-controlling interests	1,189	1,284	-	1,284
Total equity	11,438	13,516	467	13,983

Source: Origin Energy Limited Annual Report for the financial year ended 30 June 2011 (except pro forma columns).

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4.4 Consolidated statement of cash flows

The following table sets out Origin's consolidated cash flow statements for the financial years ended 30 June 2010 and 30 June 2011.

YEAR ENDED 30 JUNE (\$M)	ACTUAL 2010	ACTUAL 2011
Cash flows from operating activities		
Cash receipts from customers	9,052	10,362
Cash paid to suppliers	(7,883)	(8,768)
Cash generated from operations	1,169	1,594
Income taxes received/(paid)	(102)	3
Acquisition transaction costs	(7)	(205)
Other	14	9
Net cash from operating activities	1,074	1,401
Cash flows from investing activities		
Acquisition of property, plant and equipment, exploration and development assets and other assets	(2,876)	(1,676)
Acquisition of businesses, net of cash acquired	(8)	(3,125)
Tax paid on dilution of interest in Australia Pacific LNG	(548)	–
Other investing activities	111	43
Net cash used in investing activities	(3,321)	(4,758)
Cash flows from financing activities		
Net Proceeds from/(repayment) of borrowings	(143)	1,597
Interest paid	(285)	(308)
Dividends paid by the Parent Entity	(374)	(381)
Dividends paid to non-controlling interests	(35)	(27)
Proceeds from issue of share capital	13	2,385
Net cash from/(used in) financing activities	(824)	3,266
Net decrease in cash and cash equivalents	(3,071)	(91)
Cash and cash equivalents at the beginning of the year	3,891	819
Effect of exchange rate changes on cash	(1)	(4)
Cash and cash equivalents at the end of the year	819	724

Source: Origin Energy Limited Annual Report for the financial year ended 30 June 2011.

4.5 Financial ratios

This Section contains three of Origin's key financial ratios. The Leverage Ratio and Interest Cover Ratio will be tested six monthly to determine whether or not a Mandatory Deferral Event exists. Refer to Section 2.3.5.

Gearing Ratio

(Adjusted Net Debt¹ to (Adjusted Net Debt plus Adjusted Equity²))

The Gearing Ratio provides an indication of Origin's level of net debt compared to (net debt plus equity). It provides important information about Origin's funding profile and capacity to take on additional debt. A low gearing ratio indicates that a company is primarily financed through equity and therefore has a greater potential level of financial flexibility.

The Net Debt¹ to (Net Debt plus Equity²) ratio as at 30 June 2011 was 23.1%.

Origin's Net Debt contains a favourable mark-to-market adjustment of \$223 million as at 30 June 2011 which lowers the debt balance. Adjusted Net Debt excludes the favourable mark-to-market adjustments and better illustrates the borrowings of Origin's business. The Equity balance includes an adjustment of \$123 million for the fair value balances in the hedging reserve and available-for-sale reserve.

As at 30 June 2011, Origin had an Adjusted Net Debt to (Adjusted Net Debt plus Adjusted Equity) Ratio of 23.9%³.

Ratios relevant to the Mandatory Deferral Event

Leverage Ratio

(Relevant Net Debt¹ / Underlying EBITDA⁴)

The Leverage Ratio provides an indication of the number of years it would take Origin to pay off its existing debt if net debt and EBITDA were held constant (ignoring factors of interest and taxes). It therefore provides important information about Origin's ability to repay its existing debt and capacity to take on additional debt obligations. A high Leverage Ratio may indicate that Origin may not be able to service its debt and could place downward pressure on Origin's credit profile.

The Net Debt¹ / Statutory EBITDA⁴ for the year ended 30 June 2011 was 3.6 times.

Origin's Net Debt and Statutory EBITDA contain a number of items that do not portray the ongoing performance of the business. Underlying EBITDA excludes the impact of these items to better illustrate the performance of Origin's business. Relevant Net Debt is Adjusted Net Debt¹ calculated to reflect the extent to which Origin's debt is ascribed equity credit categorisation and also includes Origin's share of the net debt of Australia Pacific LNG (if any).

The Leverage Ratio is calculated as Relevant Net Debt (divided by two) to Underlying EBITDA for the relevant six month period.

The table below shows the Leverage Ratio for the six months ended 31 December 2009 and 2010 and 30 June 2010 and 2011.

6 MONTHS ENDED (\$ MILLION)	31 DEC 2009	30 JUN 2010	31 DEC 2010	30 JUN 2011
Underlying EBITDA	706	640	818	964
Adjusted Net Debt	1,731	2,835	3,058	4,283
Less: 100% of Euro Capital Securities ⁵	–	–	–	(675)
Add: 50% of NZ\$ Preference Shares ⁵	78	79	74	75
Relevant Net Debt ⁷	1,809	2,914	3,132	3,683
Relevant Net Debt ⁷ (divided by two)	905	1,457	1,566	1,842
Leverage Ratio ⁶ (times)	1.3	2.3	1.9	1.9

1. Net Debt and Adjusted Net Debt are defined in the Glossary. As at 30 June 2011, Adjusted Net Debt was \$4.3 billion. Adjusted Net Debt removes any short term volatility caused by changes in fair value of financial instruments and is therefore a better long-term measure of the strength of Origin's capital structure than Net Debt. Relevant Net Debt is defined in Clause 17.2 of the Terms.

2. Equity and Adjusted Equity are defined in the Glossary. Adjusted Equity removes any short term volatility caused by changes in fair value of financial instruments.

3. The Gearing Ratio would not change significantly if other debt issues since 30 June 2011, including this Offer, were taken into account in each calculation as the pro forma net impact on interest bearing liabilities is a decrease of \$16 million due to the capitalisation of the transaction costs.

4. Underlying EBITDA and Statutory EBITDA are defined in the Glossary.

5. Converted into AUD at the exchange rate as at the relevant reporting date.

6. The Leverage Ratios calculated above do not take into account this Offer, the Capital Bonds proposed to be issued by Contact Energy or Origin's share of the net debt of Australia Pacific LNG because these items did not exist for the relevant calculation periods. The Leverage Ratio for the six months ended 30 June 2011 would be 1.7 times if the Offer were taken into account (assuming \$500m is raised). The Leverage Ratio would not change significantly if the other debt issues since 30 June 2011, excluding this Offer, were taken into account as the pro forma net impact on Relevant Net Debt is a decrease of \$5m due to the capitalisation of transaction costs.

7. Other securities referred to in the definition of Relevant Net Debt in the Terms have a zero balance in respect of periods shown in this table.

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Interest Cover Ratio (Underlying EBITDA¹ / Net Interest Paid¹)

The Interest Cover Ratio provides an indication of Origin's ability to meet its interest payments from earnings. It therefore provides important information about Origin's ability to meet its interest payments from operating cash flows and the risks associated with Origin's level of borrowings. A low Interest Cover Ratio may indicate that Origin could face difficulties in servicing the interest payable on its debt (including the interest payable on debt like Notes) if earnings decrease or interest rates increase.

Statutory EBITDA¹ / Net Interest Paid for the financial year ended 30 June 2011 was 4.1 times.

Origin's Statutory EBITDA contains a number of items that do not portray the performance of the ongoing business, several of which are significant non cash expenses. Underlying EBITDA excludes the impact of these items to better illustrate the performance of Origin's ongoing business.

The Interest Cover Ratio is calculated as Underlying EBITDA for the relevant six month period divided by Net Interest Paid for the relevant six month period.

The table below shows the Interest Cover Ratio for the six months ended 31 December 2009 and 2010 and 30 June 2010 and 2011.

6 MONTHS ENDED (\$ MILLION)	31 DEC 2009	30 JUN 2010	31 DEC 2010	30 JUN 2011
Underlying EBITDA	706	640	818	964
Interest paid	119	166	120	188
Interest received	(54)	(66)	(19)	(20)
Net Interest Paid	65	100	101	168
Interest Cover Ratio ² (times)	10.9	6.4	8.1	5.7

1. Underlying EBITDA and Statutory EBITDA are defined in the Glossary. Net Interest Paid is defined in the Terms.

2. The Interest Cover Ratio would not change significantly if other debt issues since 30 June 2011, including this Offer, were taken into account.

Sensitivity analysis on Leverage Ratio and Interest Cover Ratio

A Mandatory Deferral Event will commence if the Leverage Ratio is above the Maximum Level (being 4.0 times) in relation to two consecutive Testing Dates or the Interest Cover Ratio is below the Minimum Level (being 3.5 times) in relation to one Testing Date.

The table below shows the changes in Underlying EBITDA and Relevant Net Debt set out earlier in this Section which would have been required to cause the Leverage Ratio to increase to the Maximum Level at the relevant points in time.

6 MONTHS ENDING	31 DEC 2009	30 JUN 2010	31 DEC 2010	30 JUN 2011
Required decline in Underlying EBITDA (without any changes in Relevant Net Debt) (\$million)	480	276	427	504
Required decline in Underlying EBITDA (without any changes in Relevant Net Debt) (%)	68	43	52	52
Required increase in Relevant Net Debt (without any changes in Underlying EBITDA) (\$million)	3,839	2,206	3,412	4,029
Required increase in Relevant Net Debt (without any changes in Underlying EBITDA) (%)	212	76	109	109

The table below shows the changes in Underlying EBITDA and Net Interest Paid set out earlier in this Section which would have been required to cause the Interest Cover Ratio to decline to the Minimum Level at the relevant points in time.

6 MONTHS ENDING	31 DEC 2009	30 JUN 2010	31 DEC 2010	30 JUN 2011
Required decline in Underlying EBITDA (without any changes in Net Interest Paid) (\$million)	479	290	465	376
Required decline in Underlying EBITDA (without any changes in Net Interest Paid) (%)	68	45	57	39
Required increase in Net Interest Paid (without any changes in Underlying EBITDA) (\$million)	137	83	133	107
Required increase in Net Interest Paid (without any changes in Underlying EBITDA) (%)	210	83	131	64

The six month period ended 30 June 2011 included only three months Underlying EBITDA contribution from Origin's \$3.26 billion acquisition of the Integral and Country Energy retail businesses and the Eraring GenTrader arrangements. The six month period ending 31 December 2011 (and subsequent periods) will include a full six months Underlying EBITDA contribution from this acquisition.

The Leverage Ratio has never exceeded the Maximum Level (of 4.0 times) and the Interest Cover Ratio has never been lower than the Minimum Level (of 3.5 times) for any 6 month reporting period since Origin was listed on ASX in 2000. Further, in the event that Origin's financial profile materially deteriorates such that it risks having an Interest Cover Ratio below the Minimum Level or a Leverage Ratio above the Maximum Level, Origin intends to take one or more measures to support these financial ratios and restore its credit profile. These measures may include asset sales, further equity issuance, discontinuation of certain businesses, suspension of ordinary dividends, suspension of any share buybacks and/or changes to Origin's other financial policies.

Past performance of Origin cannot be relied upon as an indicator of future performance.

While Notes remain outstanding, Origin will determine the Interest Cover Ratio and Leverage Ratio in respect of each Testing Date and make that Interest Cover Ratio and Leverage Ratio available by releasing it to ASX.

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4.6 Capital management

Origin finances its operations and developments through cash flows from operations, borrowings from banks and proceeds from issuances of equity, hybrid capital and debt securities.

During the 2011 calendar year, Origin accessed a range of domestic and international capital markets including:

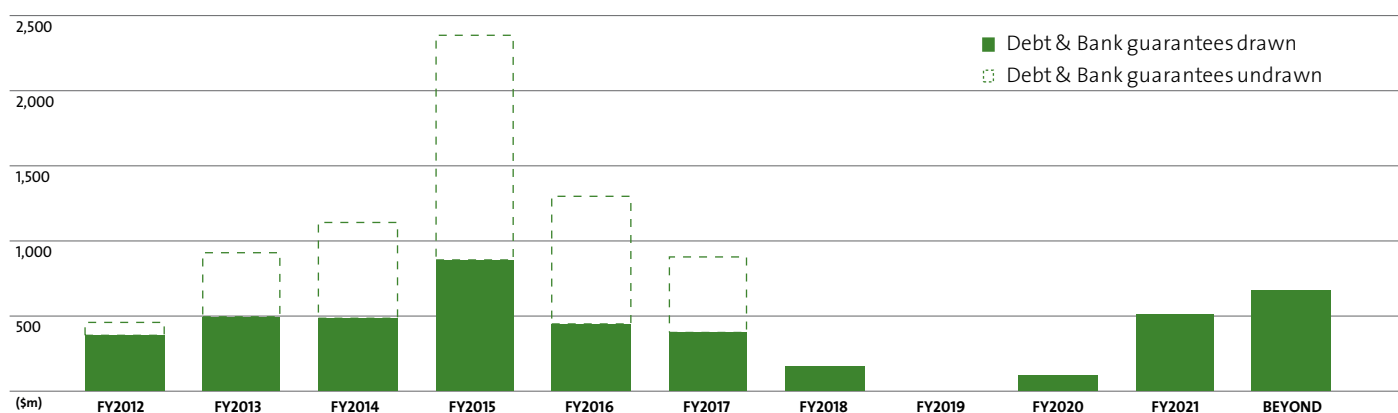
- raising \$2,302 million of equity through an entitlement issue completed in April 2011;
- establishing a \$2,150 million and US\$350 million syndicated bank facility in April 2011;
- raising €500 million through the issuance of the Euro Capital Securities completed in June 2011;
- entering into a new \$500 million bank loan facility in September 2011;
- raising US\$500 million through a 144A bond issue completed in October 2011; and
- entering into an underwritten dividend reinvestment plan covering four dividend payments to provide up to \$1 billion (including the recently completed final dividend for the financial year ended 30 June 2011).

Origin aims to maintain a diversified debt portfolio that enables it to access a range of debt markets and specific instruments to meet its ongoing business requirements and investment opportunities. As at 30 June 2011, Origin had debt (interest bearing liabilities) of \$4.0 billion, excluding Contact Energy and its subsidiaries, and \$3.9 billion¹ of available liquidity from undrawn debt facilities and cash and cash equivalents, excluding Contact Energy and its subsidiaries.

The chart below sets out the maturity profile of Origin's drawn and undrawn committed facilities as at 30 June 2011, excluding Contact Energy and its consolidated subsidiaries and adjusted for:

- the repayment and cancellation of \$300 million bridge financing in July 2011 that was due to mature in the 2012 financial year, which was funded via the drawing of a debt facility maturing in the 2015 financial year;
- the execution of the new \$500 million bank loan facility and the raising of US\$500 million through a 144A bond issue referred to above; and
- following these adjustments, Origin's currently available liquidity from undrawn debt facilities and cash and cash equivalents, excluding Contact Energy and its subsidiaries, is \$4.6 billion.

Origin's debt and bank guarantee maturity profile²



The chart above does not include the impact of this Offer. Following this Offer, Origin's debt facility maturity profile would include an additional amount in the "Beyond" period in respect of the total funds raised under the Offer with a reduction in the drawn balance equal to the amount of net proceeds in earlier years.

Origin's statement of financial position includes non-interest bearing loans (shown within "Other financial liabilities, including derivatives"). Included in the balance of these non-interest bearing loans is a \$3,576 million loan, as at 30 June 2011, from Australia Pacific LNG with \$1,731 million classified as a current liability and \$1,845 million classified as a non-current liability. This loan will be funded from a combination of available liquidity (from undrawn facilities and cash and cash equivalents) and operating cash flows.

Origin actively manages its funding position and, as required from time to time, will seek to raise additional debt and/or equity securities to ensure it has sufficient liquidity to fund its expected contributions to Australia Pacific LNG and other capital expenditure for the balance of its business.

In the event that Origin's financial profile materially deteriorates such that it risks having an Interest Cover Ratio below the Minimum Level or a Leverage Ratio above the Maximum Level, Origin intends to take one or more measures to support these financial ratios and restore its credit profile. These measures may include asset sales, further equity issuance, discontinuation of certain businesses, suspension of ordinary dividends, suspension of any share buy-backs and/or changes to Origin's other financial policies.

1. \$3.2 billion of undrawn committed debt facilities and \$0.7 billion of cash as at 30 June 2011 (excludes Contact Energy).

2. Excludes Contact Energy.

Darling Downs Power Station, Queensland



5 INVESTMENT RISKS



5. INVESTMENT RISKS

By investing in Notes you will be lending money to Origin and may be exposed to a number of risks which can be broadly classified as risks associated with Notes, the market generally and Origin.

This Section describes potential risks associated with Origin's business and risks associated with an investment in Notes and Origin. It does not purport to list every risk that may be associated with an investment in Notes now or in the future, and the occurrence or consequences of some of the risks described in this Section of the Prospectus are partially or completely outside the control of Origin, its Directors and senior management team.

The selection of risks has been based on an assessment of a combination of the probability of the risk occurring and impact of the risk if it did occur. This assessment is based on the knowledge of the Directors as at the date of this Prospectus but there is no guarantee or assurance that the importance of different risks will not change or other risks emerge.

There can be no guarantee that Origin will achieve its stated objective, that it will meet trading performance or financial results guidance that it may provide to the market, or that any forward looking statements contained in this Prospectus will be realised or otherwise eventuate. Investors should note that past performance is not a reliable indicator of future performance.

Before applying for Notes, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Notes are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position. If you do not understand any part of this Prospectus or are in any doubt as to whether to invest in Notes or not, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant or other independent and qualified professional adviser before deciding whether to invest.

5.1 Risks associated with Notes

5.1.1 Notes are subordinated obligations

In an Event of Insolvency of Origin, including a winding up of Origin involving a shortfall of funds, the amount (if any) which may be paid to Holders will be calculated as if Notes were the most junior class of preference shares on issue by Origin at that time, that is:

- ahead of Ordinary Shares; and
- behind all creditors and all other classes of shares (except for any obligations that are equivalently subordinated and the most junior class of preference shares in Origin, if any¹).

There may be a shortfall of funds to pay all amounts ranking senior to and equally with Notes if an Event of Insolvency of Origin occurs. This would result in Holders not receiving any payment if claims ranking senior to Notes were not satisfied in full or otherwise not receiving a full return of capital or any interest due and unpaid at that time.

5.1.2 Interest Payments may be deferred

Origin may in its sole discretion defer Interest Payments and must defer Interest Payments in some circumstances – see Section 2 and Clause 3 of the Terms for details. If there is a material deterioration in the business or financial profile of Origin (including in its Interest Cover Ratio² or Leverage Ratio²) this may increase the risk of an Interest Payment being deferred (including potentially mandatorily deferred).

Deferral of Interest Payments may occur (including mandatorily) and may have an adverse effect on the market price of Notes. If Origin's financial condition deteriorates to the extent that its Interest Cover Ratio risks falling below or close to the Minimum Level (being 3.5 times) or its Leverage Ratio risks rising above or close to the Maximum Level (being 4.0 times), this may increase the expectation that Interest Payments may be deferred which may have an adverse effect on the market price of Notes. Deferral may also be disadvantageous to Holders from a cash flow timing perspective. As a result, the market price of Notes may become more volatile than the market prices of other debt securities that are not subject to such payment deferral rights.

5.1.3 Notes are long-dated securities

Notes will mature in 60 years on 22 December 2071. Origin may redeem Notes in certain circumstances prior to this date, including from 22 December 2016 (the First Call Date) when Origin expects Notes will cease to provide equity credit for quantitative purposes for one rating agency. However, Origin does expect Notes will provide a minimal level of qualitative support to its capital management strategy until 22 December 2071, and there are no obligations for Origin to redeem Notes before that time.

Holdes have no right to request redemption of Notes. Holders may seek to sell Notes on ASX but there is no guarantee they will be able to do so, or do so at a price acceptable to the Holder. This may particularly be the case if Notes remain outstanding for a long period and Origin's financial position or performance, or broader economic or market conditions, materially deteriorate. Therefore, Holders should be aware that they may be required to bear financial risks associated with an investment in long-dated securities. For example, holding a note for a significant period, potentially to maturity, exposes an investor over that period to one company, and the risks associated with its operations, and to the likely risks associated with cyclical or volatile markets (including potentially depressed trading values and periods of illiquidity).

1. Origin's obligations under the guarantee it gave to holders of the Euro Capital Securities issued in June 2011 by its wholly owned subsidiary Origin Energy Finance Limited are equivalently subordinated. The only class of shares currently on issue in Origin are Ordinary Shares.

2. Interest Cover Ratio and Leverage Ratio are defined in the Terms on page 98 and discussed in further detail in Section 4.5.

5.1.4 Origin may redeem Notes under certain circumstances

Notes may be Redeemed at the option of Origin:

- on 22 December 2016;
- on any Interest Payment Date after 22 December 2016; or
- upon the occurrence of a Gross-Up Event, Tax Event, Capital Event or Change of Control Event.

Notes will be redeemed at their Face Value of \$100 per Note (plus any accrued and outstanding interest and any outstanding Deferred Interest Payments) except where they are being redeemed on account of the occurrence of a Capital Event, in which case Notes will be redeemed at \$101 per Note (plus any accrued and outstanding interest and any outstanding Deferred Interest Payments).

There is a risk that the relevant redemption amount may be less than the then current market value of Notes or the timing of such redemption may not accord with a Holder's individual financial circumstances or tax position.

5.1.5 No rights for Holders to request or require redemption

Holdings have no right to request or require redemption of their Notes, including where Origin does not elect to redeem Notes following a Change of Control Event (and regardless of whether Holders are adequately compensated for the change in the credit risk profile of Notes in those circumstances by the 5.00% increase in the Margin that would occur pursuant to Clause 3.8 of the Terms).

Holdings can only realise their investment in Notes by a sale on ASX or a private sale. There is a risk that the sale price on ASX or under private sale will be less than the Issue Price or market value of Notes. Brokerage may also be payable if Notes are sold through a broker.

5.1.6 No limitation on issuing senior or equal ranking securities

There are no restrictions on the amount of securities, guarantees or other liabilities which Origin may issue or incur and which rank (legally or in effect) senior to, or equal with, the rights and claims of Holders in respect of Notes. If Origin does issue such securities, guarantees or incur other liabilities, the amount (if any) recoverable by Holders on an Event of Insolvency of Origin may be reduced, and/or the likelihood of a deferral of Interest Payments under Notes may be increased.

5.1.7 Changes in Interest Rate

The Interest Rate is calculated for each Interest Period by reference to the Bank Bill Rate, which is influenced by a number of factors and may fluctuate over time. The Interest Rate will fluctuate (both increasing and decreasing) over time as a result of movements in the Bank Bill Rate. As the Interest Rate fluctuates, there is a risk that it may become less attractive compared to the rates of return available on other securities.

5.1.8 Modification, waivers and substitution

Origin may in certain circumstances amend the Terms without the consent of Holders (refer to Clause 10.2 of the Terms). Origin may also amend the Terms if the amendment has been approved by a Special Resolution of Holders (refer to Clause 10.1 of the Terms). Origin may also in certain circumstances substitute itself as the principal debtor under Notes without consent of Holders provided, along with other applicable conditions, Origin is satisfied that the interests of Holders are not materially prejudiced by the substitution (refer to Clause 11 of the Terms). There is a risk that an amendment or a substitution of Origin as principal debtor under these powers will occur, and with which Holders may not agree.

5.1.9 Australian tax consequences

A general description of the Australian taxation consequences of investing in Notes is set out in Section 7. That discussion is in general terms and is not intended to provide specific advice in relation to the circumstances of any particular investor. Accordingly, investors should seek independent advice in relation to their individual tax position. Holders should also be aware that future changes in Australian taxation law including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect the taxation treatment of an investment in Notes, or the holding and disposal of Notes.

5.1.10 New Zealand investors' currency and tax risk

The denomination and currency for payment for Notes is Australian dollars and not New Zealand dollars. If you are a New Zealand resident, the Offer may involve a currency exchange risk. The value of the securities will go up or down according to changes in the exchange rate between Australian dollars that currency and New Zealand dollars. These changes may be significant. Payments to Holders will be made in Australian dollars and Holders may incur fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

New Zealand resident Holders should seek their own advice for the New Zealand taxation consequences of investing in Notes.

5.2 Risks related to the market for Notes generally

5.2.1 Market price

The market price of Notes may fluctuate due to various factors, including investor perceptions, worldwide economic conditions, interest rates, credit spreads, movements in the market price of Origin's Ordinary Shares or senior or subordinated debt, and factors that may affect Origin's financial position and trading results and other factors beyond the control of Origin and its Directors. Notes may trade at a market price below the Issue Price. As a result, Holders who wish to sell their Notes may be unable to do so at an acceptable price (if at all). Where

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markets are volatile, there is the potential for fluctuations in the price of securities, sometimes markedly and over a short period. Investing in volatile conditions implies a greater level of volatility risk for investors than an investment in a more stable market.

5.2.2 Liquidity

Origin has applied for Notes to be listed on ASX. However, Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Insufficient liquidity may have a severely adverse effect on the market price of Notes which may trade at a market price below their Issue Price. Holders may not be able to sell their Notes easily or at an acceptable price. The extent of liquidity may also affect the volatility of the market price of Notes.

5.2.3 Change in credit ratings

Origin has obtained credit ratings from rating agencies which could be reviewed, suspended or downgraded. The rating agencies could also change the methodologies by which they rate Origin. Even though Notes will not be rated, such changes may adversely impact the market price and liquidity of Notes. Further, Origin's cost of funds, margins, access to capital markets and other aspects of its performance may be also be affected if it fails to maintain its credit ratings which may in turn affect Origin's ability to fulfil its obligations in respect of Notes.

5.3 Risks associated with Origin

5.3.1 Volatility in wholesale electricity prices

A key part of Origin's business involves securing wholesale supply of electricity and managing the associated volatility in the wholesale electricity market prices in Australia and New Zealand. Wholesale electricity prices in both Australia and New Zealand are volatile and are influenced by many factors that are difficult to predict, including weather and climate patterns; operating constraints of power stations; transmission and distribution infrastructure; generator competitive behaviour; power station and gas plant reliability; the type and amount of newly built power stations; and actions of the market operator. Spot prices can also reach very high levels for short periods at times of peak demand or constraints on transmission or generation capacity.

Whilst Origin hedges electricity procurement costs using a combination of derivative contracts and Origin owned or contracted generation capacity, it is not commercially practical to mitigate or hedge all risks associated with the exposure to wholesale electricity prices, and movements in wholesale electricity prices may have an adverse impact on Origin's profitability.

5.3.2 Competition in energy retailing, power generation and oil and gas exploration and production

Origin's revenue is primarily derived from the sale of electricity, gas and LPG to customers across the NEM regions and New Zealand. The markets in which Origin

sells electricity and gas to retail, commercial and industrial customers are highly competitive, and customers are able to change providers. Competition with other energy providers may lead to downward pressure on prices and margins, as well as significant losses in customer accounts, which could reduce Origin's revenue below expected levels. High levels of customer churn affect the cost of acquiring and maintaining Origin's customer base which could reduce operating margins.

There are a number of competing power generators in the NEM regions. The competitiveness of Origin's generation fleet is dependent upon a number of factors, including the ability to source fuel (such as gas, distillate and coal) economically, the ability to operate with high availability and reliability and the ability to maintain reasonable operating costs. If Origin is unable to source fuel and operate power generators at competitive costs, this could adversely affect Origin's operating margins.

Origin is also exposed to competition in the upstream gas market in eastern Australia. The potential discovery of significant new gas resources in eastern Australia could have a significant impact on the supply and demand dynamics of the eastern Australia gas markets, which could impact wholesale gas prices and Origin's profitability.

5.3.3 Regulation of retail electricity and gas prices

Various states in Australia have retail price setting regimes administered by independent regulatory bodies, which cap the prices at which Origin and its competitors can sell electricity (in the case of South Australia, New South Wales and Queensland) and natural gas (in the case of South Australia and New South Wales) to small retail customers (other than those who enter into market contracts).

Each state's pricing regime is intended to appropriately reflect retailers' costs, including an allowance for an appropriate margin. There is a risk that the independent regulators may set prices that do not fully reflect Origin's underlying costs, which would cause deterioration in profit margins.

5.3.4 Inability to secure fuel at competitive prices

Origin secures fuel from a number of sources in order to fulfil retail demand and to supply Origin's gas and coal fired generators.

Origin's gas supplies are sourced from owned reserves, gas purchased under contract from joint venture partners, gas purchased under contract from third parties and gas purchased from the spot market. While Origin considers that it has sufficient supply to meet current demand, there will be a requirement to procure additional gas supplies to meet a potential future increased customer and power generation demand. There is a risk that Origin may be required to enter into new contracts and/or incur exploration and development costs at higher prices than currently estimated, which could impact margins to the extent additional costs cannot be passed through to customers. In addition, Origin's ability to competitively

operate its gas fired power stations to hedge its exposure to wholesale electricity prices could be limited and it would need to arrange alternate hedging arrangements, which may be on less favourable terms.

There is also a risk that Australia Pacific LNG's CSG to LNG project may be unable to develop sufficient reserves to meet its contractual obligations to deliver LNG to customers. This may require Australia Pacific LNG to source gas from other developers at a higher cost, or may lead to a breach of its contractual obligations as a result of non-delivery of LNG under customer contracts.

Pursuant to the Eraring GenTrader Arrangements, Origin is required to procure coal to supply the Eraring Power Station. Strong market demand for coal is putting considerable upward pressure on domestic coal prices. Origin may be required to source alternative coal supplies from the market as existing coal supply contracts for the Eraring Power Station roll off.

To manage coal procurement risk, Origin has entered into an agreement (the "Cobbora Coal Sale Agreement"), which provides for long term coal supply from 2015 from the yet to be developed Cobbora coal resource in New South Wales. Under certain circumstances, the contract price may be increased and the scheduled commencement date may be delayed. Furthermore, the Cobbora Coal Sale Agreement may be terminated by either of the parties under certain conditions, which would require alternative coal supplies to be sourced. Origin is also responsible for transportation of coal from the mine, which will require long term transport arrangements and may require upgrades to the existing rail infrastructure. These events may result in fuel procurement costs that are higher than Origin's expectations, which could have an adverse impact on the profit margins of its Retail segment to the extent it is unable to recover the additional costs through retail and wholesale markets.

Contact Energy obtains a significant amount of its generation capacity from hydro power stations and geothermal power stations. In periods of dry weather, there is a risk that Contact Energy may have to reduce generation from its hydro power stations and may be forced to purchase electricity from the wholesale electricity market at higher prices than it recovers from customers. Geothermal generation depends on continued production of steam from geothermal reservoirs. There is a risk that performance of the reservoirs may be impacted by factors such as catastrophic events, which may alter the physical state of the reservoir and the effectiveness of drilling programs targeted at maintaining and growing the geothermal output. Contact Energy's current gas supply contracts are scheduled to expire in 2014. Based on a comparison of current production and remaining reserves of New Zealand's gas producing operations, if additional reserves are not identified, New Zealand may face a gas shortage from the middle to the end of this decade restricting the amount of generation from Contact Energy's gas fired power stations.

5.3.5 Delays in project delivery and cost overruns

Origin undertakes investments in a variety of projects for the construction or expansion of gas, oil, hydro and solar plant, facilities, infrastructure, IT platforms and the development of new customer service and billing systems.

There is a risk that major projects, including the Australia Pacific LNG's CSG to LNG project, could be delayed, cost more than intended or not perform as planned. There is currently a public debate in the Australian community on the environmental and social impact of CSG production, including the impact on agricultural land, local communities, underground water aquifers and marine areas. To the extent this debate adversely influences regulations in relation to these matters, this may cause a delay or cost overruns in the Australia Pacific LNG project. These risks may lead to lower returns on investment, reduced profitability, output that is delayed or lower than originally planned, reduced ability to service customers, the obligation to pay damages to customers or projects becoming economically unviable or no longer compliant with applicable laws and regulations. If a major project is not completed on time or on budget, or if the project is terminated, Origin's profitability and financial condition could be materially adversely affected.

5.3.6 Fluctuations in oil, gas and LPG market conditions and prices

Origin's revenue includes the sale of commodities such as oil and gas, and other products whose prices are linked to external market prices of oil and gas, such as LPG and, potentially in the future, LNG. In addition, Origin purchases commodities such as gas, distillate and coal in order to supply its own power generators. There is a risk that changes in the price of commodities Origin sells or purchases may impact its revenue, profit margin and competitive position.

5.3.7 Demand for energy

The volume of electricity, natural gas and LPG that Origin sells is dependent on both wholesale and retail customer demand, which is influenced by a range of variables, including energy usage behaviours in people's homes and in business and industrial facilities; technological advancement; mandatory minimum appliance performance standards; new mandatory energy efficiency schemes; energy prices; prevailing consumer sentiment and economic conditions; weather conditions; long term climate and temperature trends; alternative power generation sources and other factors. There is a risk that customer demand will be adversely impacted by any one or more of the above factors, which may reduce Origin's revenue and profit.

5.3.8 Climate change regulations

In Australia and New Zealand, Origin and Contact Energy are required to comply with a range of regulations intended to reduce carbon emissions and increase the proportion of renewable electricity generation. There is a cost of complying with these regulations, which may

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increase if and as these regulations are amended and new legislation is introduced by government. While uncertainty as to the legislative framework remains, regulation of greenhouse gas emissions is likely to become more stringent over time. In general, the costs of complying with climate change regulations including the renewable energy target are recovered from customers. However, there is a risk that retail price regulation, market forces and contract terms limit the ability of Origin or Contact Energy to fully pass these costs through to customers.

The Australian Parliament has enacted legislation to introduce an emissions trading scheme (also referred to as a carbon tax). It will commence on 1 July 2012. The scheme places a cost on the carbon emissions of large emitters such as power generators, mining companies and oil and gas producers and certain gas suppliers. Some energy intensive, trade exposed activities, including the production of LNG will receive partial compensation for the carbon emissions liability.

While Origin considers that its generation portfolio is well placed in respect of the potential impacts of these climate change regulations, there is a risk that costs associated with carbon emissions may impact profitability to the extent that Origin is unable to pass these onto customers, and may impact the commercial viability and value of the existing generation interests and existing and proposed oil and gas reserves and production facilities (including the development of Australia Pacific LNG). Over time, the costs associated with climate change regulation may also reduce the competitiveness of some generation assets relative to other generation technologies.

5.3.9 Governmental regulation and changes in law and policy

Origin's business is influenced and affected by laws and government policy in Australia and New Zealand as well as a number of other jurisdictions globally. These influences and effects are both direct, through operations, and indirect, through relationships with third parties (for example, joint venture partners, suppliers and customers).

Changes in laws and government policy (or changes in the implementation or interpretation of existing laws and policies) in Australia, New Zealand or elsewhere, including regulations and license conditions, land access rights and the risk of government appropriation of private assets, could materially impact Origin's operations, assets, contracts, profitability and prospects.

Australia Pacific LNG has received the required state and federal approvals for up to a four train CSG to LNG project to proceed. If the conditions of these approvals are not met, if additional conditions or regulatory requirements are imposed, or if legislation changes (for example, in relation to land access), there is a risk that Australia Pacific LNG may incur higher than expected costs, be required to postpone or significantly change the scope of the project or, in extreme circumstances, be liable to pay damages to LNG customers or terminate project development.

Parliamentary inquiries at the state and federal level have been proposed or commenced recently in relation to industries in which Origin operates (including in relation to CSG exploration and production and wind farm development and operation). The outcomes of these inquiries or potential inquiries are not known at this time. If any of these inquiries recommend amendments to current laws or regulations and those recommendations are implemented, there could be a materially adverse impact on Origin's operations or financial condition of the type described in the previous paragraph.

5.3.10 Environmental regulations and environmental consequences

Origin's activities, including power generation, oil, gas and CSG exploration, production and operation and wind farm development and operation, must be operated within controls and processes to ensure compliance with various regulations, licenses, standards and community expectations so that these activities are undertaken in a way that does not cause unauthorised environmental harm.

Any failure of or non-compliance with these controls, processes or expectations may result in Origin breaching applicable environmental regulations, and/or may lead to environmental damage. This could result in delays, increased costs, significant monetary damages, suspension of operations and reputational damage, all of which may reduce profitability and ability of Origin to operate in the future.

Actual or perceived adverse health or environmental consequences of Origin's activities may harm relationships with employees and various external stakeholders, including certain communities, landholders, organisations and governments who are or are perceived to be impacted by Origin's operating and development activities. Deterioration in these relationships may lead to a change in regulation or conditions and thereby cause delays, increase costs or otherwise restrict the ability for Origin to operate or pursue development opportunities.

There is currently a public debate in the Australian community on the environmental consequences and safety of CSG operations, the relationship between CSG operators and landowners and the economic benefits of CSG. This debate includes concerns regarding the use of fracking in CSG operations, the potential contamination and depletion of water aquifers and the potential impact on the Great Artesian Basin of water extracted in the course of CSG operations. To the extent that this debate results in regulations which impose more onerous obligations on Origin's or Australia Pacific LNG's CSG operations, this may have an adverse impact on Origin's financial condition.

Origin owns certain contaminated sites. Some of these sites are subject to ongoing environmental management programs and some remain under continuing investigation by relevant regulators. It is difficult to estimate the cost of remediation in respect of these contaminated sites and

there is a risk that they may be greater than the amount Origin has already provided, which would have an adverse impact on Origin's profitability.

5.3.11 Operational risks

Origin undertakes complex and large scale operating activities, including offshore and onshore exploration activities and drilling for oil and gas, exploring for geothermal resources, construction and operation of hydrocarbon production facilities, shipping and other transportation activities, the operation of LPG facilities, the operation of electricity power generation plants, the development and operation of wind farms, the development and operation of CSG facilities, the development and construction of power plants and high pressure gas transmission pipelines and, through Australia Pacific LNG, the development of an LNG to CSG project. Origin faces operating hazards that are normally associated with these activities.

There is a risk that operating equipment and facilities may not operate as intended or may not be available from time to time as a result of operator error or unanticipated failures or other events outside of its control, such as fires, catastrophic breakdowns, unforeseen geological impacts, deliberate acts of destruction, interference, terrorism, natural disasters or extreme weather events, which may reduce profitability and the ability of Origin to operate in the future.

While Origin seeks to implement strict operational controls to protect the safety of employees, contractors, the environment and local communities, the size, nature and complexity of operations in many cases pose risks in relation to the safety of the employees and contractors involved, the environment and local communities, including employee injuries and loss of life, and oil spills, pollution or other environmental damage. Such events could lead to legal liability, regulatory action and/or damage to Origin's reputation and relationship with the communities in which it does business.

In accordance with customary industry practices, Origin maintains insurance coverage limiting financial loss resulting from certain operating hazards and performs cost/benefit analysis to determine insurance coverage. However, not all risks inherent to Origin's operations can be insured economically or at all and losses, liabilities and delays arising from uninsured or underinsured operational events could reduce Origin's revenue or increase costs.

5.3.12 Joint venture arrangements

Origin derives significant revenues and growth through joint venture arrangements. Origin's joint venture partners may have economic or other business interests or goals that are inconsistent with Origin's and may take actions contrary to the objectives or interests of Origin.

There is also the risk that Origin's joint venture partners might become bankrupt, default on or fail to fulfil as expected their obligations thereby frustrating the performance of the joint venture and adversely affecting Origin or its interests in the joint venture.

In some cases, Origin has joint liability for the performance of its joint venture partners. In other cases, Origin operates the joint venture and is liable for the performance of the joint venture's operations.

With regard to the joint venture assets where Origin is the operator, Origin has rights to pass onto the joint venture parties the cost or risk of those assets and the liabilities associated with them. However, that right may be contested or be unavailable in some cases and, even if available, may not be collectable against all joint venture parties. In these circumstances, Origin may be exposed to more operational risk than its pro rata share of the joint venture.

5.3.13 Viability of Origin's oil and gas exploration and development activities

Origin is involved in exploration for oil and gas reserves, which involves a number of significant risks. There is a risk that gas and/or oil will not be discovered in exploration tenements or that particular undeveloped reserves or resources will not proceed to development, be recovered ultimately or be viable commercially. In addition, there may be delays or cost overruns in relation to the development of reserves. These factors arising could have an adverse impact on Origin's profitability or its financial position and may result in impairment of assets.

5.3.14 Reliance on third party infrastructure

Origin relies on infrastructure, including electricity and gas transmission and distribution networks, to transport electricity and gas and to deliver these products to Origin's customers. This infrastructure may be required to transport high volumes of electricity and gas over significant distances. In most cases, Origin does not own the infrastructure that provides these transmission and distribution services. Any failure of infrastructure including, in particular, transmission infrastructure, could materially and adversely affect the ability of Origin to conduct business and operations.

In addition, Origin's retail business relies on the supply of power from the generation market to supply electricity to its customers. A major disruption in the supply of power in the generation market could impair its ability to supply electricity to its customers and could damage its reputation and increase market churn.

5.3.15 Counterparty credit risk

Origin often enters into major hedge contracts, such as swap and cap agreements, in relation to electricity and long term gas purchase agreements to hedge commodity price exposures. Origin also enters into agreements to sell electricity and gas to large commercial and industrial customers, and Australia Pacific LNG has entered into a 20 year agreement to sell LNG to Sinopec Corp and continues to seek additional LNG buyers to enter into long term contracts. Origin and Australia Pacific LNG are subject to the risk that some counterparties may fail to fulfil their obligations under these contracts, including making payments as they fall due. If those customers or

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counterparties fail to meet their financial or contractual commitments, or if Origin or Australia Pacific LNG fail to collect on receivables outstanding, this could have a material adverse effect on Origin's cash flows and financial condition.

In addition, Origin supplies gas and electricity to mass market customers, some of which may fail to pay Origin on time or at all for the services provided, particularly in times of economic hardship. If a large number of Origin's mass market customers fail to pay on time, this could cause a deterioration in Origin's working capital position. If those customers fail to pay at all, this may also reduce Origin's cash receipts and increase bad debt expenses.

5.3.16 Oil and gas reserves

There are numerous uncertainties inherent in estimating quantities of oil and gas reserves, including factors that are beyond the control of Origin. In general, estimates of economically recoverable oil and gas reserves are based upon a number of factors and assumptions, such as geological interpretations, historical production from the properties, comparisons with production from other producing areas, the assumed effects of regulation by government agencies and assumptions regarding future oil and gas prices and future operating costs, all of which may vary from actual results.

Accordingly, all estimates of Origin's oil and gas reserves and, similarly, the reserves of joint ventures in which Origin participates, including Australia Pacific LNG, are uncertain, and classifications of reserves are only attempts to define the degree of uncertainty involved. For these reasons, estimates of recoverable oil and gas reserves attributable to any particular group of properties and classification of such reserves based on risk of recovery and other factors may vary substantially. There is a risk that actual production from reserves may vary from that predicted and such variances could be material and could have an adverse impact on Origin's revenue and ability to supply its Generation segment as well as customers in its Retail segment.

Origin acquired certain CSG tenements from Tri-Star in 2002, including certain permits in the Fairview field and the Spring Gully field and exploration permits in the Surat Basin and the Galilee Basin. These tenements now form part of the Australia Pacific LNG joint venture. At the time of acquisition of these tenements, Tri-Star was granted reversion rights to them conditional on certain economic conditions being satisfied. Approximately 20% of Australia Pacific LNG's CSG 3P Reserves as of 30 June 2011 are subject to the reversion rights. If reversion occurs, Tri-Star will become an interest holder in those tenements to the extent of its reversionary rights for no additional consideration and, from the date of reversion, will own its share of CSG and receive revenue from sales of that CSG (although Tri-Star also would be required to contribute its share of future capital, operating and abandonment costs). If reversion occurs, it may mean that the reserves that are subject to reversion are not available for Australia Pacific LNG to sell or use after the date of reversion.

5.3.17 Litigation and legal proceedings

The nature of Origin's business means that it has been, and from time to time is likely to be involved in litigation, regulatory actions or similar dispute resolution processes arising from a wide range of possible matters, including disputes with suppliers, joint venture partners, contractors, employees, licensors, governments, customers and regulators. Origin may also be involved in investigations, inquiries or disputes, debt recoveries, native title claims, land tenure and access disputes, environmental claims or occupational health and safety claims. Any of these claims or actions could result in delays, increase costs or otherwise adversely impact Origin's assets, operations, prospects, profitability or the ability for Origin to operate or pursue operations or opportunities.

5.3.18 Labour shortages and industrial disputes

There is a risk that Origin may need to pay a higher than expected cost to acquire or retain the necessary labour for operations and development projects. This could result in a material and adverse increase in costs and/or development projects being delayed or becoming uneconomic and not proceeding as planned.

There is a finite availability of skilled labour in the Australian market with expertise in the sectors in which Origin operates, and certain operations may be reliant on particular individuals with specialist knowledge of a particular asset or a unique specialist skill set. The loss or failure to retain such skilled labour and individuals with specialist knowledge may impede the ability of Origin to undertake activities as efficiently and effectively as it otherwise would have been able to.

Origin is also exposed to the risk that industrial disputes may arise (for example, in relation to claims for higher wages or better conditions) which might disrupt some of Origin's businesses and lead to increases in project costs and delays to scheduled start-up dates of projects under construction.

5.3.19 Technological developments

The energy industry is the subject of considerable research and development in respect of electricity generation technologies, delivery of energy and electricity to homes and businesses, and management of energy usage throughout buildings and industrial sites. There is a risk that, over the medium to long term, technological developments may result in the existing assets of Origin becoming redundant or may result in substantial customer losses. This could reduce the value of Origin's assets or earnings and cash flows due to loss of customers and revenue.

5.3.20 Risks associated with the Eraring GenTrader Arrangements and the integration of the Integral Energy and Country Energy retail assets

On 1 May 2011, the NSW Government announced the establishment of a special commission of inquiry into the electricity privatisation process in NSW, including the sale of the Integral Energy and Country Energy retail businesses

and the Eraring GenTrader Arrangements to Origin. The Final Report of the Special Commission of Inquiry into the Electricity Transactions released on 31 October 2011 (“**Tamberlin Report**”) concluded that the governance structure adopted for the process by which the assets were offered to the market and the decision to sell the assets mentioned above were reasonable and appropriate. The Tamberlin Report made a number of recommendations including that the NSW Government sell the Cobbora mine and that legislation be enacted to enable the NSW Government to offer for sale, or long term lease, the Eraring and Delta West generators (which are subject to gen-trading agreements) and the Macquarie Generation and Delta Coastal generators. The NSW Government has advised that it will consider the recommendations set out in the Tamberlin Report.

Structure of the Eraring GenTrader Arrangements

Under the Eraring GenTrader Arrangements, Origin acquired contractual rights rather than ownership of the underlying power stations. These arrangements are similar to the long term power purchase agreements which Origin has with numerous counterparties.

Under the Eraring GenTrader Arrangements, Origin relies on the asset owner, Eraring Energy, to operate and maintain the plant (subject to the terms of the Eraring GenTrader Arrangements). The arrangements provide for some compensation to Origin for certain plant breakdown events. However, a failure of the Eraring Energy assets to generate, particularly during adverse market conditions, could negatively affect the ability for Origin to effectively manage wholesale market risk and could materially and adversely affect profitability.

Under the Eraring GenTrader Arrangements, any costs or operational constraints associated with changes in law, tax, or license conditions that may limit Eraring Energy’s ability to generate or increase its costs over the term of the agreement may be recovered by Eraring Energy from Origin. Any of these increased costs or operational constraints may impact Origin’s ability to dispatch power from the Eraring Power Station as planned, which could adversely affect profitability.

The integration of the retail assets

The integration of the retail assets of Integral Energy and Country Energy involves the migration of customer data from Integral Energy’s and Country Energy’s existing billing and customer management systems onto Origin’s billing and customer management systems. Origin will also need to manage customer relationships and its brand through the various stages of the integration process.

The integration process may not be implemented effectively and efficiently, which may result in Origin being unable to bill customers correctly or on time, delays in cash collection and cash flow, dissatisfied customers which could result in loss of customers, and the incurrence of additional cost to

rectify problems in the integration. There is also a risk that expected synergies do not materialise after integration.

5.3.21 Financial risks

Access capital in the financial markets

To meet its financial obligations, Origin is required to maintain sufficient cash and available funding through an adequate amount of committed credit facilities. Due to the dynamic nature of its business, Origin aims to maintain flexibility in funding by keeping committed credit lines available and ensuring that it has liquidity buffers in accordance with Board approved limits. If Origin fails to appropriately manage its liquidity position, or if markets are not available generally, or to Origin (or any entity in which Origin holds an interest, such as Australia Pacific LNG), at the time of any financing or refinancing that Origin (or such entity) requires, there is a risk that Origin’s credit ratings, business and prospects and financial flexibility may be adversely affected.

Fluctuations in foreign exchange rates

Origin is exposed to foreign exchange rate fluctuations in the Australian dollar value of foreign currency denominated assets, revenues, dividends received and expenses including interest expense. Sales of oil and associated liquids and Australia Pacific LNG’s future sale of LNG are denominated in U.S. dollars but a large portion of operating and capital expenditures are denominated in Australian dollars or other currencies. In addition, Contact Energy’s revenues, dividends received and expenses are denominated in New Zealand dollars. As such, fluctuations in the Australian dollar/U.S. dollar exchange rate and the Australian dollar/New Zealand dollar exchange rate can have a material effect on the reported Australian financial results, with a stronger Australian dollar resulting in a negative impact on reported revenues.

Tax liabilities

Origin is exposed to risks arising from the manner in which the Australian and international tax regimes may be amended, applied, interpreted and enforced.

Origin believes that it has in place controls and procedures designed to ensure compliance with applicable tax laws and regulations in order to manage its tax obligations appropriately. Despite that, any actual or alleged failure to comply with, or any change in the interpretation, application or enforcement of, applicable tax laws and regulations could significantly increase Origin’s tax liability and expose Origin to legal, regulatory and other actions that could adversely affect the reputation and financial position of Origin.

Origin has been, is and from time to time may be subject to tax reviews and audits. Although Origin considers that prior tax treatment for prior periods does not need to be amended, a material amendment to any tax treatment for prior periods may adversely affect Origin’s assets and financial condition. Origin monitors the state of any tax reviews and audits and adjusts its response, including provisioning, as appropriate.

5. INVESTMENT RISKS

There is also a risk that the Australian federal government or, where relevant, state or territory governments, or foreign governments, will alter tax regimes that apply to Origin or to other entities in which an investment is held, thereby adversely impacting the financial position of Origin.

The current PRRT regime applies to offshore assets with the exception of the North West Shelf project. PRRT is payable only when assessable project receipts exceed the total of deductible project expenditures, with different categories of expenditures receiving different uplift rates. On 2 November 2011, the Bill proposing the extension of the PRRT to onshore Australia and the North West Shelf was tabled in Parliament. The proposed extension of the PRRT will, if the current Bill becomes law, commence from 1 July 2012 and may have an adverse impact on the value of Origin's onshore assets, as well on the value of Australia Pacific LNG, although the precise impact cannot yet be determined.

Origin business is subject to interest rate risk

Origin's interest rate risk arises from long term borrowings. Borrowings issued at variable rates expose Origin to cash flow interest rate risk. Borrowings issued at fixed rates expose Origin to fair value interest rate risk. Exposure limits are set to ensure that Origin is not exposed to excess risk from interest rate volatility and appropriate hedging strategies are implemented. However, increases in interest rates, either through increases in base rates or borrowing margins, may reduce Origin's cash flow and profitability.

Talinga gas plant, Queensland



6 ABOUT THE OFFER



6. ABOUT THE OFFER

Information about the Offer including the Offer key dates and the Offer Period is included in Section 1. This Section provides further information about the Offer, including how to apply.

6.1 The Offer

Topic	Summary
How is the Offer structured?	<p>The Offer comprises:</p> <ul style="list-style-type: none"> • an Institutional Offer to certain Institutional Investors; • a Broker Firm Offer made to Australian resident retail clients of Syndicate Brokers; • a Shareholder Offer made to Eligible Shareholders; and • a General Offer made to members of the general public who are resident in Australia.
Is any brokerage, commission or stamp duty payable?	<p>No brokerage, commission or stamp duty is payable by applicants on applications. You may be required to pay brokerage if you sell your Notes on ASX after Notes have been quoted on ASX.</p>
Will application monies be held on trust?	<p>All application monies received before Notes are issued will be held by Origin on trust in an account established solely for the purposes of depositing application monies received. Any interest that accrues in that account will be retained by Origin. After Notes are issued to successful applicants, the application monies held on trust will be payable to Origin.</p>
How will refunds (if any) be made?	<ul style="list-style-type: none"> • If you are not issued any Notes or you are issued fewer Notes than the number that you applied and paid for as a result of a scale back, all or some of your application monies (as applicable) will be refunded to you (without interest) as soon as practicable after the Issue Date. • If the Offer does not proceed for any reason, all applicants will have their application monies refunded (without interest) as soon as practicable.
Do I need to provide my TFN or ABN?	<ul style="list-style-type: none"> • You do not have to provide your TFN or ABN and it is not an offence if you fail to do so. However, Origin may be required to withhold Australian tax at the maximum marginal tax rate on the amount of any Interest Payment unless you provide one of the following: <ul style="list-style-type: none"> – TFN; – TFN exemption number (if applicable); or – ABN (if Notes are held in the course of an enterprise carried on by you). • The collection and quotation of TFNs and ABNs are authorised, and their use and disclosure is strictly regulated, by tax laws and the Privacy Act.

Topic	Summary
How to obtain a copy of the Prospectus and Application Form?	<ul style="list-style-type: none"> • During the Exposure Period, an electronic version of this Prospectus (without an Application Form) will be available at www.originoffer.com.au. Application Forms will not be made available until after the Exposure Period. • During the Offer Period, an electronic version of the Replacement Prospectus with an Application Form will be available at www.originoffer.com.au and may be available through your Syndicate Broker. <p>Electronic access to this Prospectus</p> <ul style="list-style-type: none"> • The following conditions apply if this Prospectus is accessed electronically: <ul style="list-style-type: none"> – you must download the entire Prospectus; – your application will only be considered where you have applied on an Application Form that was attached to or accompanied by a copy of the Prospectus; and – the Prospectus is available electronically to you only if you are accessing and downloading or printing the electronic copy of the Prospectus in Australia, or if you are an Eligible Shareholder in Australia or New Zealand. • During the Offer Period, you can also request a free paper copy of this Prospectus and an Application Form by calling the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm). • The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to, or accompanied by, a printed copy of this Prospectus or the complete and unaltered electronic version of this Prospectus. • Your application will only be considered where you have applied pursuant to an Application Form (either electronic or paper) that was attached to, or accompanied by, a copy of the Replacement Prospectus, and have provided your application monies.

6.2 How to apply

	Institutional Offer	Broker Firm Offer	Shareholder Offer	General Offer
Who can apply?	<p>Institutional Investor</p> <ul style="list-style-type: none"> • that is, an investor who is invited by UBS or Macquarie to bid for Notes in the Bookbuild, who is applying through the Institutional Offer. 	<p>Broker Firm Applicant</p> <ul style="list-style-type: none"> • that is, a retail client of a Syndicate Broker who is resident in Australia invited to participate through the Broker Firm Offer. 	<p>Shareholder Applicant</p> <ul style="list-style-type: none"> • that is, a holder of Ordinary Shares at 7:00pm on 14 November 2011 who is resident in Australia or New Zealand applying through the Shareholder Offer. 	<p>General Applicant</p> <ul style="list-style-type: none"> • that is, a member of the general public who is resident in Australia applying through the General Offer.
How many Notes can be applied for?	<ul style="list-style-type: none"> • Your application must be for a minimum of 50 Notes (\$5,000). • If your application is for more than 50 Notes, then you must apply in incremental multiples of 10 Notes – that is, for incremental multiples of \$1,000. 			

6. ABOUT THE OFFER

	Institutional Offer	Broker Firm Offer	Shareholder Offer	General Offer
When to apply?	<ul style="list-style-type: none"> The Bookbuild will be completed by 1 December 2011. 	<ul style="list-style-type: none"> Applications will only be accepted during the Offer Period, which is expected to open on 1 December 2011. The Closing Date for the Broker Firm Offer is 10:00am on 21 December 2011. Your completed Application Form and application monies must be received by your Syndicate Broker in accordance with arrangements made between you and your Syndicate Broker. 	<ul style="list-style-type: none"> Applications will only be accepted during the Offer Period, which is expected to open on 1 December 2011. The Closing Date for the Shareholder Offer is 5:00pm on 14 December 2011. Your completed personalised paper Origin Shareholder Application Form or online Application Form and application monies must be received by the Registry by the Closing Date. If you apply using a paper Application Form, you may not be treated as a Shareholder. 	<ul style="list-style-type: none"> Applications will only be accepted during the Offer Period, which is expected to open on 1 December 2011. The Closing Date for the General Offer is 5:00pm on 14 December 2011. Your completed paper Application Form or online Application Form and application monies must be received by the Registry by the Closing Date.
How to apply online?	N/A	<ul style="list-style-type: none"> Contact your Syndicate Broker for instructions. 	<ul style="list-style-type: none"> You can apply online at www.originoffer.com.au. Instructions on how to complete your application are provided online. You will be asked to identify the holding that gives you the entitlement to apply by providing your SRN or HIN which can be found on your holding statement or payment advice. When applying online, you will be required to pay for Notes using BPAY®. 	<ul style="list-style-type: none"> You can apply online at www.originoffer.com.au. Instructions on how to complete your application are provided online. When applying online, you will be required to pay for Notes using BPAY®.

	Institutional Offer	Broker Firm Offer	Shareholder Offer	General Offer
How to pay online?	N/A	N/A		<ul style="list-style-type: none"> • If you apply using an online Application Form, you must complete your application by making a B_{PAY}[®] payment. • Once you have completed your online Application Form, you will be given a B_{PAY}[®] biller code and unique Customer Reference Number for that application. Follow the B_{PAY}[®] instructions below to complete your application. • If you do not make a B_{PAY}[®] payment, your application will be incomplete and will not be accepted by Origin. Eligible Shareholders resident in New Zealand must have an Australian dollar account with an Australian financial institution from which to make the required B_{PAY}[®] payment. • Your completed online Application Form and application monies must be received by the Registry by the Closing Date.
How to use B _{PAY} [®] ?	N/A	N/A		<ul style="list-style-type: none"> • Using the B_{PAY}[®] details provided, you need to: <ul style="list-style-type: none"> – access your participating B_{PAY}[®] financial institution either through telephone banking or internet banking; – select B_{PAY}[®] and follow the prompts; – enter the biller code supplied; – enter the unique Customer Reference Number supplied for each application; – enter the total amount to be paid which corresponds to the number of Notes you wish to apply for under each application (that is, a minimum of \$5,000 – 50 Notes, and incremental multiples of \$1,000 – 10 Notes). Note that your financial institution may apply limits on your use of B_{PAY}[®] and that you should make enquiry about the limits that apply in your own personal situation; – select the account you wish your payment to be made from; – schedule your payment for the same day that you complete your online Application Form since applications without payment cannot be accepted; and – record your B_{PAY}[®] receipt number and date paid. Retain these details for your records. • B_{PAY}[®] payments must be made from an Australian dollar account of an Australian financial institution.

6. ABOUT THE OFFER

	Institutional Offer	Broker Firm Offer	Shareholder Offer	General Offer
How to apply using a paper Application Form?	<ul style="list-style-type: none"> Application and settlement procedures for Institutional Investors will be advised by UBS or Macquarie. 	<ul style="list-style-type: none"> There will be paper Application Forms in the back of the Replacement Prospectus (that is expected to be available from 1 December 2011) that may be used by Broker Firm Applicants. General instructions on how to complete the paper Application Form are set out on the Application Form. You must contact your Syndicate Broker for their specific instructions on how to submit the paper Application Form and your application monies to your Syndicate Broker. You must not return your paper Application Form to the Registry. Your Syndicate Broker must have received your completed paper Application Form and application monies in time to arrange settlement on your behalf by the Closing Date for the Broker Firm Offer – being 10:00am on 21 December 2011; and will act as your agent in processing your paper Application Form and providing your application details and application monies to Origin. 	<ul style="list-style-type: none"> You can request a paper copy of the Prospectus and your personalised Shareholder Application Form by calling the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm). Instructions on how to complete your personalised Shareholder Application Form are set out on the Application Form. You will be required to pay for Notes by 14 December 2011 by cheque(s) and/or money order(s). If you wish to pay by BPAY® you need to make an online application. You will be required to post your completed personalised paper Shareholder Application Form to the Registry. 	<ul style="list-style-type: none"> There will be paper Application Forms in the back of the Replacement Prospectus (that is expected to be available from 1 December 2011) that should be used by General Applicants. You can request a paper copy of the Prospectus and paper Application Form by calling Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm). Instructions on how to complete the paper Application Form are set out on the Application Form. If applying using the Application Form, you will be required to pay for Notes using cheque(s) and/or money order(s). If you wish to pay by BPAY® you need to make an online application. You will be required to post your completed paper Application Form to the Registry.

	Institutional Offer	Broker Firm Offer	Shareholder Offer	General Offer
What is the address of the Registry?	N/A	N/A	<ul style="list-style-type: none"> Origin Offer c/o Link Market Services – Level 12, 680 George Street Sydney NSW 2000, Australia. Please note that paper Application Forms and application monies will not be accepted at any other address or office and will not be accepted at Origin’s registered office or any other Origin office or store or at other offices or branches of the Registry. 	
How to pay using a paper Application Form?	N/A	<ul style="list-style-type: none"> You must contact your Syndicate Broker for information on how to submit the paper Application Form and your application monies to your Syndicate Broker. 	<ul style="list-style-type: none"> If you apply under the Shareholder Offer using a personalised paper Shareholder Application Form, your completed Application Form must be accompanied by application monies in the form of cheque(s) and/or money order(s) drawn on an Australian dollar account of a financial institution and made payable to “Origin Offer”. Cheque(s) should be crossed “Not Negotiable”. Cash payments will not be accepted. You cannot pay by BPAY® if you apply under the Shareholder Offer using a personalised paper Shareholder Application Form. If you wish to pay by BPAY®, you will need to make an online application. Your completed personalised paper Shareholder Application Form and application monies must be received by the Registry by the Closing Date. 	<ul style="list-style-type: none"> If you apply under the General Offer using a paper Application Form, your completed Application Form must be accompanied by application monies in the form of cheque(s) and/or money order(s) drawn on an Australian dollar account of a financial institution and made payable to “Origin Offer”. Cheque(s) should be crossed “Not Negotiable”. Cash payments will not be accepted. You cannot pay by BPAY® if you apply under the General Offer using a paper Application Form. If you wish to pay by BPAY®, you need to make an online application. Your completed paper Application Form and application monies must be received by the Registry by the Closing Date.

6. ABOUT THE OFFER

	Institutional Offer	Broker Firm Offer	Shareholder Offer	General Offer
What is the allocation policy?	<ul style="list-style-type: none"> • Allocations to Institutional Investors will be agreed by UBS, Macquarie and Origin following completion of the bookbuild. 	<ul style="list-style-type: none"> • Allocations to Syndicate Brokers will be agreed by the Joint Lead Managers and Origin following completion of the Bookbuild. • Allocations to Broker Firm Applicants by a Syndicate Broker are at the discretion of that Syndicate Broker. 	<ul style="list-style-type: none"> • Allocations for the Shareholder Offer and the General Offer will be determined by Origin in consultation with the Joint Lead Managers after the Closing Date. • Origin will endeavour to provide Eligible Shareholders with a minimum allocation under the Shareholder Offer of at least 50 Notes. However, Origin does not guarantee any minimum allocation under the Shareholder Offer and the extent of any allocation will ultimately depend on the total level of applications under the Offer. • Origin (at its discretion and in consultation with the Joint Lead Managers) reserves the right to scale back applications from Shareholder Applicants and General Applicants. Any scale back will be announced on ASX on the day Notes commence trading on a deferred settlement basis – expected to be 23 December 2011. • If there is excess demand for Notes, priority will be given to Shareholder Applicants over General Applicants. • Origin, after consultation with the Joint Lead Managers, has absolute discretion to determine the method and extent of the allocation. • Origin (at its discretion and in consultation with the Joint Lead Managers) and the Joint Lead Managers reserve the right to: <ul style="list-style-type: none"> – allocate to any Shareholder Applicant or General Applicant all Notes for which they have applied; – reject any application by a Shareholder Applicant or a General Applicant; or – allocate to any Shareholder Applicant or General Applicant a lesser number of Notes than that applied for, including less than the minimum application of Notes or none at all. • No assurance is given that any Shareholder Applicant or General Applicant will receive an allocation. 	

	Institutional Offer	Broker Firm Offer	Shareholder Offer	General Offer
How will the final allocation policy be announced?	<ul style="list-style-type: none"> Allocations to Institutional Investors will be advised to those investors under the Bookbuild. 	<ul style="list-style-type: none"> Allocations to Syndicate Brokers will be advised to those brokers under the Bookbuild. Applicants under the Broker Firm Offer will also be able to confirm their firm allocation through the Syndicate Broker from whom they received their allocation. However, if you sell Notes before receiving a Holding Statement, you do so at your own risk, even if you confirmed your firm allocation through a Syndicate Broker. 	<ul style="list-style-type: none"> If you are an applicant in the Shareholder Offer or General Offer, you will be able to call the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm) to confirm your allocation. It is expected that the basis of allocation will be advertised in The Sydney Morning Herald, The Melbourne Age, The Australian and The Australian Financial Review on or about 23 December 2011. However, if you sell Notes before receiving a Holding Statement, you do so at your own risk, even if you obtained details of your holding from the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm). 	
Who should I contact with an enquiry?	<ul style="list-style-type: none"> Contact UBS or Macquarie 	<ul style="list-style-type: none"> If you have further questions about the Offer or your Broker Firm application, please call your Syndicate Broker. 	<ul style="list-style-type: none"> You can call the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm) if you: <ul style="list-style-type: none"> – have further questions on how to apply for Notes; – require assistance to complete your Application Form; – require additional copies of this Prospectus and Application Forms; or – have any other questions about the Offer. If you are unclear in relation to any matter relating to the Offer or are uncertain whether Notes are a suitable investment for you, you should consult your financial adviser or other professional adviser. 	

6.3 Other information

6.3.1 Bookbuild

The Joint Lead Managers will conduct a Bookbuild to determine the Margin and firm allocations of Notes to Bookbuild participants. The Bookbuild is expected to be completed by 1 December 2011 in accordance with the terms and conditions agreed by Origin and the Joint Lead Managers. As part of the Bookbuild, certain Institutional Investors and Syndicate Brokers will be invited to lodge bids for Notes. On the basis of those bids, Origin and the Joint Lead Managers will determine the Margin and the firm allocations of Notes to Syndicate Brokers. Origin, UBS and Macquarie will determine the firm allocations to certain Institutional Investors. Notes allocated during the Bookbuild will be issued pursuant to this Prospectus.

The Margin set by the Bookbuild is expected to be announced on 1 December 2011 to ASX and included in the Replacement Prospectus. Details will also be available by calling the Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155 (Monday to Friday – 8:30am to 5:30pm) from on or about 1 December 2011.

6. ABOUT THE OFFER

Application and settlement procedures for the Bookbuild will be notified to Syndicate Brokers by the Joint Lead Managers, and to Institutional Investors by UBS or Macquarie.

6.3.2 Restrictions on distribution

No action has been taken to register or qualify this Prospectus, Notes or the Offer or otherwise to permit a public offering of Notes in any jurisdiction outside Australia or New Zealand. Eligible Shareholders in New Zealand should refer to the Important Notices section of this Prospectus.

This Prospectus does not constitute an offer or invitation to subscribe for Notes in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus.

This Prospectus may not be released or distributed by you in the United States, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

Hong Kong

This Prospectus may only be distributed to and accessed by persons in Hong Kong who are “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance or otherwise to persons in circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute the making of an offer to the public within the meaning of that Ordinance.

Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore, and Notes will only be offered in Singapore pursuant to exceptions under the Securities and Futures Act, Chapter 289 of Singapore (the “**Securities and Futures Act**”). Accordingly, Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired Notes pursuant to an offer under Section 275 of the Securities and Futures Act except: (i) to an institutional investor or to a relevant person defined in Section 275(2) of the Securities and Futures Act or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act; or (ii) where no consideration is or will be given for the transfer; or (iii) where the transfer is by operation of law; or (iv) pursuant to Section 276(7) of the Securities and Futures Act.

United States of America

Notes have not been, and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act 1933 and any other applicable securities laws.

Each Broker Firm Applicant, and each person to whom the Institutional Offer is made under this Prospectus, will be taken to have represented, warranted and agreed as follows:

- It understands that Notes have not been, and will not be, registered under the US Securities Act 1933 or the securities law of any state of the United States and may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, registration under the US Securities Act 1933 and any other applicable securities laws;
- If a person in a jurisdiction (outside Australia) referred to in this Section, you are a person to whom this Prospectus may be distributed, or Notes offered or sold, in accordance with this Section without lodgement, filing or registration of this Prospectus with any government authority of that jurisdiction;
- It is not in the United States or a US Person;
- It has not and will not send the Prospectus or any other material relating to the Offer to any person in the United States; and
- It will not offer or sell Notes in the United States or in any other jurisdiction outside Australia except

in transactions exempt from, or not subject to, registration under the US Securities Act 1933 and in compliance with all applicable laws in the jurisdiction in which Notes are offered and sold.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act 1933 and applicable US state securities laws.

6.3.3 Application to ASX for quotation of Notes

Origin has applied for quotation of Notes on ASX under the code "ORGHA".

ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may quote Notes is not to be taken as an indication of the merits of Notes offered for subscription.

If permission is not granted for the official quotation of Notes on ASX within three months after the date of this Prospectus, Notes will not be issued, all application monies received by Origin will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

6.3.4 CHESS and issuer sponsored holdings

Origin has applied to participate in ASX's Clearing House Electronic Sub-register System ("CHESS") and will comply with the Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in an electronic form.

When Notes become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, an electronic CHESS sub-register or an issuer sponsored sub-register. For all successful applicants, Notes of a Holder who is a participant in CHESS or a Holder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Notes will be registered on the Origin sponsored sub-register.

Following completion of the Offer, Holders will be sent a Holding Statement that sets out the number of Notes that have been allocated to them. This statement will also provide details of a Holder's Holder Identification Number ("HIN") for CHESS holders or, where applicable, the Securityholder Reference Number ("SRN") of issuer sponsored holders. It is expected that Holding Statements for issuer sponsored Holders and confirmations for CHESS holders will be despatched to successful applicants by 28 December 2011. Certificates will not be issued.

Holders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Holder's sponsoring broker in the case of a holding on the CHESS sub-register or through the Registry in the case of a holding on the Origin sponsored sub-register. Origin and the Registry may charge a fee for these additional issuer sponsored statements.

6.3.5 Deferred settlement trading and selling Notes on market

It is expected that trading of Notes on ASX will commence on or about 23 December 2011 on a deferred settlement basis.

It is the responsibility of each person who trades in Notes to confirm their holding before trading. If you sell Notes before receiving a Holding Statement, you do so at your own risk. Origin, the Registry and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, if you sell Notes before receiving your Holding Statement, even if you obtained details of your holding from the Origin Offer Information Line or confirmed your firm allocation through a Syndicate Broker.

Notes are expected to commence trading on ASX on or about 29 December 2011 on a normal settlement basis.

6.3.6 Discretion regarding the Offer

Origin reserves the right not to proceed with the Offer at any time before the issue of Notes to successful applicants.

Origin may withdraw the Offer at any time before the issue of Notes to successful applicants. If the Offer, or any part of it, does not proceed, all relevant application monies will be refunded (without interest).

Origin and the Joint Lead Managers also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late applications or bids either generally or in particular cases, reject any application or bid, or allocate to any applicant or bidder fewer Notes than applied or bid for.

Investors should also note that no cooling off rights (whether by law or otherwise) apply to an investment in Notes. This means that, in most circumstances, applicants may not withdraw their applications once submitted.

Cullerin Range Wind Farm,
New South Wales



7 AUSTRALIAN TAXATION SUMMARY



7. AUSTRALIAN TAXATION SUMMARY

Allens Arthur Robinson



29 November 2011

The Directors
Origin Energy Limited
Level 45 Australia Square
264-278 George Street
Sydney NSW 2000

Dear Directors

Australian taxation consequences of investing in Notes

The following is a general summary of the Australian taxation consequences, for investors in the proposed issue of Origin Energy Subordinated Notes (**Notes**), based on the arrangements set out in the Prospectus relating to the offer of Notes.

This summary deals only with the tax consequences for investors who hold their Notes on capital account and who are not associates of Origin for the purposes of the Australian tax laws. It is not exhaustive and, in particular, does not deal with the position of certain classes of Holders including dealers in securities and investors who otherwise hold Notes on revenue account, custodians or other third parties who hold Notes on behalf of any beneficial owner of Notes. This summary is limited to the effect of Australian law, as in effect at the date of this letter, and assumes that Notes will be offered and issued on the terms, and otherwise in the manner described, in the Prospectus.

The following is a general guide and should be treated with appropriate caution. Prospective Holders should be aware that the actual tax consequences of their acquisition, ownership and disposal of Notes may differ depending on their individual circumstances. Prospective Holders should consult their own professional advisers on the tax implications of an investment in Notes in their individual circumstances.

Unless the context indicates otherwise, capitalised terms have the same meaning as in the Prospectus. In this summary, references to the **Tax Act** are to the Income Tax Assessment Act 1936 or the Income Tax Assessment Act 1997, as the context requires.

1. Interest on Notes

Division 974 of the Tax Act contains tests for characterising debt (for all entities) and equity (for companies) for Australian tax purposes. Notes would be debt interests, subject to certain factual criteria being met. We are instructed that Origin expects those factual criteria to be met, in which case Notes would be characterised as debt interests. On that basis:

- Notes will not be equity interests for the purposes of the Tax Act and Interest on Notes will not be frankable distributions;
- Notes will not be subject to the general carve-out from the taxation of financial arrangements (TOFA) rules in Division 230 of the Tax Act for most equity interests (subject to a Holder making certain elections under those rules); and
- the interest withholding tax rules, rather than the dividend withholding tax rules, will apply to Interest on Notes payable to Holders who are not residents of Australia.

(a) Australian resident Holders

Interest received by Australian resident Holders on Notes will be included in their assessable income. The timing of when such Interest is to be included in the assessable income of the Holders depends upon their tax profiles and, in particular, whether and how the TOFA rules in Division 230 of the Tax Act apply to each Holder.

The TOFA rules generally do not apply to:

- i. individuals;
- ii. superannuation funds and managed investment funds with assets of less than \$100 million;
- iii. other entities with aggregated turnover of less than \$100 million, financial assets of less than \$100 million and assets of less than \$300 million.

For Holders who are not subject to the TOFA rules, Interest should generally be included in their assessable income in the year of income in which payments of Interest are received.

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7. AUSTRALIAN TAXATION SUMMARY

For Holders who are subject to the TOFA rules, there are potentially different methods for recognising Interest on Notes depending upon whether relevant elections are made by Holders under those rules. However, in the absence of relevant elections, such Holders would generally be expected to include the Interest in their income tax returns on a compounding accruals basis over the life of Notes.

The TOFA rules are complex and Holders who are subject to the TOFA rules should seek their own tax advice in relation to the application of those rules to their investment in Notes.

The Australian Government has announced an intention to amend the Tax Act to allow individuals to exclude certain limited amounts of interest income from their assessable income. To date no legislation has been introduced to give effect to those proposals.

(b) Non-resident Holders

It is intended that Notes will be issued in a manner that will cause the Interest to be exempt from Australian interest withholding tax under section 128F of the Tax Act.

If the requirements of section 128F are satisfied with respect to Notes, Interest paid to a Holder who is a non-resident of Australia and who does not hold Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian interest withholding or other income tax.

If a non-resident Holder holds Notes through a permanent establishment in Australia, then the Interest will be included in the assessable income of the Holder and interest withholding tax will not apply to those distributions.

The exemption from interest withholding tax under section 128F is available in respect of Interest paid on Notes if the following conditions are met:

- i. Origin continues to be a resident of Australia when it issues Notes and when Interest on Notes is paid;
- ii. Notes are accepted for listing on a stock exchange where, as here, Origin was required to apply for that listing under an agreement with the Joint Lead Managers;
- iii. Origin does not know, or have reasonable grounds to suspect, at the time of issue, that Notes or interests in Notes were being, or would later be, acquired, directly or indirectly, by an “associate” (as defined in section 128F of the Tax Act) of Origin, except as permitted by section 128F(5) of the Tax Act; and
- iv. at the time of the payment of the interest, Origin does not know, or have reasonable grounds to suspect, that the payee is an “associate” (as defined in section 128F of the Tax Act) of Origin, except as permitted by section 128F(6) of the Tax Act.

Origin intends to issue Notes in a manner that will satisfy the requirements of the section 128F exemption from Australian interest withholding tax outlined above.

Pursuant to the Offer Management Agreement with Origin, the Joint Lead Managers agree that they will not sell any Notes to any person that they know or have reasonable grounds to suspect is an Offshore Associate of Origin. An “Offshore Associate” means an associate (as defined in section 128F) of Origin that is either a non-resident of Australia that does not acquire Notes in carrying on a business at or through a permanent establishment in Australia or alternatively, a resident of Australia that acquires Notes in carrying on business at or through a permanent establishment outside of Australia (other than, in either case, such an associate acting in the capacity of a dealer, manager or underwriter in relation to the placement of Notes or in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act). If any employee of a Joint Lead Manager effecting the sale, or otherwise directly involved in the sale of Notes, does not know, or does not have reasonable grounds to suspect, that a person is an Offshore Associate, then the Joint Lead Manager is not obliged to make positive inquiries of that person, to confirm that person is not such an Offshore Associate.

On that basis, no deduction or withholding in respect of Australian interest withholding tax should be required to be made from any payment of Interest or Redemption Amounts made by Origin to a non-resident Holder who is not an associate of Origin.

2. Transfer or redemption of Notes

(a) Australian resident Holders

The basis upon which assessable income will be recognised and deductions allowed for gains or losses made by Australian resident Holders on the transfer or redemption of Notes will depend upon the tax profile of each Australian resident Holder and, in particular, whether and how the TOFA rules in Division 230 of the Tax Act apply to the Holder.

Holders not subject to TOFA rules

For Holders who are not subject to the TOFA rules, Notes will be taxed as “traditional securities” under Australian tax law. When a ‘traditional security’ is disposed of, any net gain will be taxed as ordinary income and any net loss will generally be deductible. The capital gains tax rules will generally have no practical application for the Holder in relation to a ‘traditional

security' and a Holder will not, for example, be entitled to claim the capital gains tax discount in respect of a gain on disposal, nor apply capital losses against the gain.

Under the "traditional security" rules, Holders may derive an assessable gain or incur a deductible loss on the disposal of their Notes equal to the difference between the proceeds of the disposal and the cost of their Notes in the year of income in which the disposal takes place.

For a Holder who acquires Notes under this Prospectus, the cost of Notes will include their Issue Price.

The proceeds from a sale, transfer or other similar disposal of a Note will be the gross amount received by the Holder. The proceeds from a redemption of a Note will be the amount paid on redemption less any amount referable to accrued but unpaid Interest which will be separately included in a Holder's assessable income as described above in part 1(a) of this letter.

Holders subject to TOFA rules

For Holders who are subject to the TOFA rules, there may be a balancing adjustment to bring to account any outstanding gains or losses on the disposal of Notes having regard to the total amount of Interest received by the Holder in respect of Notes and the proceeds of the disposal of Notes. In general terms, in relation to a Note that is disposed of during a year of income, a balancing adjustment will give rise to:

- an allowable deduction if too much assessable income has been accrued under the TOFA rules; or
- an amount of assessable income if not enough assessable income has been accrued under the TOFA rules.

The TOFA rules are complex and Holders should seek their own tax advice in relation to the application of the TOFA rules to their investment in Notes.

(b) Non-resident Holders

Sale or transfer of Notes

A Holder who is a non-resident of Australia and who has not at any time held Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on a sale or transfer of Notes, provided such gains do not have an Australian source.

The source of a gain from the disposal of a security is determined from weighing all the relevant factors, including the location of the security, the place at which the contract to sell the security is concluded and the place at which the decision to sell the security is made. A gain arising on the sale of Notes by a non-Australian resident Holder to another non-Australian resident where Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia should not be regarded as having an Australian source, in our opinion. However, the Commissioner of Taxation has previously expressed the non-binding view that gains arising from the sale of securities listed on the Australian Stock Exchange have an Australian source on the basis that the contracts for the sale of such securities are made in Australia by the relevant stock-broker on behalf of the seller.

The issue of source depends upon the particular facts and circumstances of a transaction and non-resident Holders should take independent taxation advice in respect of the application of the Australian tax source rules to their particular facts and circumstances in the context of a disposal of Notes.

Where a gain on the disposal of a Note is subject to Australian tax because it is taken to have an Australian source, either the Australian tax law relating to traditional securities or the TOFA provisions will apply to tax that gain (depending upon whether the Holder is subject to TOFA) and not the Australian capital gains tax provisions.

Even where a gain on disposal has an Australian source, a Holder who is a non-resident of Australia may be entitled to an exemption from Australian tax under an applicable double tax treaty between Australia and the country of residence of that Holder, depending upon the terms of the applicable treaty and that Holder's individual circumstances.

Redemption of Notes

A Holder who is a non-resident of Australia and who has not at any time held Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on the redemption of Notes provided such gains do not have an Australian source.

If such a gain were taken to have an Australian source, the amount by which the Redemption Amount exceeds the amount of capital originally subscribed for Notes should not be subject to Australian income tax on the basis that that amount is in the nature of interest and, therefore, exempt by virtue of sections 128F and 128D of the Tax Act.

Where there is a gain on the redemption of Notes that is in addition to the amount by which the Redemption Amount exceeds the amount of capital originally subscribed for Notes, for example, by virtue of Notes having been purchased on-market at an amount below their issue price, it is not clear that such an additional gain would not have an Australian source. If such an additional gain did have an Australian source and would otherwise be subject to Australian income

7. AUSTRALIAN TAXATION SUMMARY

tax, a Holder who is a non-resident of Australia may be entitled to an exemption under an applicable double tax treaty between Australia and the country of residence of that Holder, depending upon the terms of the applicable treaty and that Holder's individual circumstances.

Non-resident Holders should take independent taxation advice in respect of the application of the Australian tax source rules and any applicable double tax treaty to their particular facts and circumstances in the context of a redemption of Notes.

3. TFN/ABN withholding tax

Section 12-140 of the Taxation Administration Act 1953 (TAA) imposes a type of withholding tax at the rate of (currently) 46.5 per cent on the payment of interest on certain securities unless the relevant payee has quoted an Australian tax file number (TFN), (in certain circumstances) an Australian Business Number (ABN) or proof of some other exemption (as appropriate). Assuming the requirements of section 128F of the Tax Act are satisfied with respect to Notes, then the requirements of section 12-140 of the TAA do not apply to payments to the Holders of Notes in registered form who are not residents of Australia and who do not hold their Notes in the course of carrying on business at or through a permanent establishment in Australia.

Payments to other classes of Holders of Notes may be subject to withholding tax where the Holder does not quote a TFN, ABN or provide proof of an appropriate exemption (as appropriate).

4. GST

Neither the issue nor receipt of Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber) a GST-free supply. Furthermore, neither the payment of Interest or the Redemption Amount by Origin, nor the disposal of Notes, would give rise to any GST liability in Australia.

5. Stamp and other duties

No stamp duty will be payable by a Holder on the acquisition, sale, redemption, or transfer of Notes, so long as Notes are quoted on ASX (as the Prospectus states is Origin's intention) and no Holder (on an associate-inclusive basis) will hold an interest (as respectively defined in the landholder stamp duty provisions of New South Wales, Queensland, South Australia, Western Australia and the Northern Territory) of 90% or more in Origin (including in Origin's Ordinary Shares).

Notes will not be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death.

6. Not financial product advice

The information contained in this opinion does not constitute financial product advice for the purposes of the Corporations Act. Allens Arthur Robinson, the partnership providing this opinion, is not licensed, under the Corporations Act, to provide financial product advice. To the extent that this letter contains any information about a financial product within the meaning of the Corporations Act, taxation is only one of the matters that must be considered when making a decision about the relevant financial product. An investor or prospective investor should, before making any decision to invest in Notes, consider taking financial advice from a person who holds an Australian Financial Services Licence under the Corporations Act. Allens Arthur Robinson has not caused and takes no responsibility for the publication of any part of the Prospectus in which this letter appears, other than this letter itself. The terms upon which Allens Arthur Robinson has consented to being named in the Prospectus are set out in Section 9.4 of the Prospectus.

Yours faithfully



Lawrence M. Magid
Partner

Residential energy customers



8

KEY PEOPLE, INTERESTS AND BENEFITS









8. KEY PEOPLE, INTERESTS AND BENEFITS

This Section provides information about the directors and key managers of Origin, the interests of people involved in the Offer and any benefits they may receive.



8.1 Board of Directors

The Directors bring to the Board relevant expertise and skills, including industry and business knowledge, financial management and corporate governance experience.

Director/Position	Experience, qualifications and expertise
<p>H Kevin McCann AM Independent Non-executive Chairman</p> 	<ul style="list-style-type: none"> • Kevin McCann joined the Board of Origin as Chairman in February 2000. He is Chairman of the Nomination and Risk committees and a member of the Audit, Remuneration, and Health, Safety and Environment, committees. • Kevin is Chairman of Macquarie Group Ltd and Macquarie Bank Ltd and a director of BlueScope Steel Ltd and of the Australian Institute of Company Directors (AICD). He is a Council Member of the National Library of Australia and a member of the Corporate Governance Committee of the AICD. He is a Fellow of the Senate of the University of Sydney. • Kevin's community activities include Chairmanship of the Development Council of the National Library of Australia and membership of the Law Foundation, and a Director of the United States Studies Centre at the University of Sydney. Kevin practiced as a commercial lawyer as a partner of Allens Arthur Robinson (and its predecessor firm Allen Allen & Hemsley) from 1970 to 2004 and was Chairman of Partners from 1995 to 2004. He was previously Chairman of Healthscope Ltd and ING Management Limited, a director of Pioneer International Ltd (building materials and products), Ampol Ltd (refiner and retailer of petroleum products), a member of the Takeovers Panel, the State Rail Authority of New South Wales and served on the Defence Procurement Advisory Board. He was also previously the Chairman of the Sydney Harbour Federation Trust, a Commonwealth agency. • Kevin has a Bachelor of Arts and Law (Honours) from Sydney University and a Master of Law from Harvard University. He is a Fellow of the AICD.
<p>Grant King Managing Director</p> 	<ul style="list-style-type: none"> • Grant King was appointed Managing Director of Origin at the time of its demerger from Boral Ltd, in February 2000, and was Managing Director of Boral Energy from 1994. Grant is a member of Origin's Risk and Health, Safety and Environment committees. • Prior to joining Boral, Grant was General Manager, AGL Gas Companies. Grant is Chairman of Contact Energy (since October 2004), a Councillor of the Australian Petroleum Production & Exploration Association Limited (APPEA), a member of the Queensland Premier's Council on Climate Change, a Director of the Business Council of Australia and Chairman of the Business Council of Australia Sustainable Growth Task Force. Grant is the Australian representative for the International Gas Union. He is a former Director of Envestra Limited and former Chairman, Energy Supply Association of Australia (esaa). • Grant has a Civil Engineering degree from the University of New South Wales and a Master of Management from the University of Wollongong.

Director/Position	Experience, qualifications and expertise
<p>John Akehurst Independent Non-executive Director</p> 	<ul style="list-style-type: none"> • John Akehurst joined the Board of Origin in April 2009 and is Chairman of the Health, Safety and Environment committee and a member of the Nomination and Risk committees. • His executive career was in the upstream oil and gas and LNG industries, initially with Royal Dutch Shell and then as Chief Executive of Woodside Petroleum Ltd. John is currently a member of the Board of the Reserve Bank of Australia and a director of CSL Ltd, Securrency Ltd and the University of Western Australia Business School. • He is Chairman of the National Centre for Asbestos Related Diseases and of the Fortitude Foundation, a former Chairman of Alinta Ltd and Coogee Resources Ltd and a former director of Oil Search Ltd. John holds a Masters in Engineering Science from Oxford University and is a Fellow of the Institution of Mechanical Engineering.
<p>Bruce Beeren Non-executive Director</p> 	<ul style="list-style-type: none"> • Bruce Beeren joined the Board of Origin as an Executive Director in March 2000. He retired from this position on 31 January 2005 and continues on the Board as a Non-executive Director. He is a member of the, Remuneration, Risk and Nomination committees. • With over 30 years experience in the energy industry, Bruce was Chief Executive Officer of VENCORP, the Victorian gas system operator, and held several senior management positions at AGL, including Chief Financial Officer. He is a director of Contact Energy Ltd (since October 2004), Equipsuper Pty Ltd (since August 2002) and The Hunger Project Australia Pty Limited (since August 2008). He is a former director of ConnectEast Group (March 2009 – August 2011), Coal & Allied Industries Ltd (2004-2011), Envestra Ltd (2000-2007) and Veda Advantage Ltd (2004-2007). • Bruce has degrees in Science (from ANU) and Commerce and a Master of Business Administration (both from the University of New South Wales). He is a Fellow of CPA Australia and the AICD.
<p>Trevor Bourne Independent Non-executive Director</p> 	<ul style="list-style-type: none"> • Trevor Bourne joined the Board of Origin in February 2000. He is Chairman of the Remuneration Committee and a member of the Risk, Audit, Nomination and Health, Safety & Environment committees. • Trevor retired in December 2003 as Chief Executive Officer of Tenix Investments Pty Ltd, prior to which he was Managing Director of Brambles Australia Ltd. • Trevor is Chairman of Hastie Group Ltd (since November 2004) and a director of Caltex Australia Ltd (since March 2006). He is a former director of Coates Hire Ltd (2004-2008) and Lighting Corporation Ltd (2004-2008). • Trevor has a Mechanical Engineering degree from the University of New South Wales and a Master of Business Administration from Newcastle University. He is a fellow of the AICD.
<p>Gordon Cairns Independent Non-executive Director</p> 	<ul style="list-style-type: none"> • Gordon Cairns joined the Board of Origin on 1 June 2007. He is a member of the Remuneration, Risk, Nomination and Health, Safety and Environment committees and is Chairman of the Origin Foundation. • He has extensive Australian and international experience as a senior executive, most recently as Chief Executive Officer of Lion Nathan Ltd, and has held senior management positions in marketing and finance with Pepsico, Cadbury Schweppes and Nestlé. • Gordon is currently a director of Westpac Banking Corporation (since July 2004) and World Education Australia and was formerly the Chairman of Rebel Group (2010-2011). He is also a senior advisor to McKinsey & Company and Caliburn Partnership. • Gordon holds a Master of Arts (Honours) from the University of Edinburgh.

8. KEY PEOPLE, INTERESTS AND BENEFITS

Director/Position	Experience, qualifications and expertise
<p>Karen Moses Executive Director, Finance and Strategy</p> 	<ul style="list-style-type: none"> • Karen Moses joined the Board of Origin in March 2009 and is a member of the Risk Committee. She is responsible for the finance, tax and accounting functions, interactions with capital markets and for information technology. In addition to corporate strategy and transactional activity, she has oversight of overall risk including health, safety and environment, commodity risk, compliance and insurance. Karen oversees the Australia Pacific LNG project for Origin. • Prior to Origin, Karen held development and trading roles with Exxon Group (1983-1994). Karen is a director of Australian Energy Market Operator Limited (since July 2009) and Contact Energy Ltd (since October 2004). Karen is a former director of Energy and Water Ombudsman (Victoria) Ltd (October 2005-November 2010), VENCORP (2007-2009) and the Australian Energy Market Operator (Transitional) Ltd (September 2008-July 2009). • Karen holds a Bachelor of Economics and a Diploma of Education from the University of Sydney.
<p>Helen Nugent AO Independent Non-executive Director</p> 	<ul style="list-style-type: none"> • Helen Nugent joined the Board of Origin in March 2003 and is Chairman of the Audit Committee and a member of the Remuneration, Risk and Nomination committees. • An experienced professional non-executive director, she is currently Chairman of Funds SA. She is also a non-executive director of Macquarie Group Ltd (since August 2007), Macquarie Bank Ltd (since June 1999) and Freehills. She is Chancellor of Bond University, President of Cranbrook School and Chairman of the National Portrait Gallery. • Previously, Helen was Chairman of Swiss Re Life and Health (Australia) (2001-2010) and a non-executive director of UNiTAB (1999-2006), Carter Holt Harvey (2003-2006) and Australia Post (2001-2004). • As an executive, she was previously director of Strategy at Westpac Banking Corporation and a partner with McKinsey & Company, specialising in financial services and mining. • Helen has a Bachelor of Arts (Honours); a Doctorate of Philosophy; and an Honorary Doctorate in Business from the University of Queensland. She also holds a Master of Business Administration (with Distinction) from the Harvard Business School. She is a Fellow of the AICD.

8.2 Management

Origin has an experienced management team with strong strategic, operational and financial management skills and a track record of successfully executing energy-related projects.

Origin's senior management team is set out below.

Director/Position	Experience and expertise
Grant King Managing Director	<ul style="list-style-type: none"> See Section 8.1
Karen Moses Executive Director, Finance and Strategy	<ul style="list-style-type: none"> See Section 8.1
David Baldwin Chief Development Officer	<ul style="list-style-type: none"> David Baldwin joined Origin as Managing Director of Contact Energy in May 2006 and was appointed to his current role as Chief Development Officer at Origin in April 2011. Prior to joining Origin, Mr. Baldwin held senior roles in New Zealand, Europe, Asia and the United States with Shell International and MidAmerican Energy Holdings Company.
Dennis Barnes Chief Executive Officer, Contact Energy	<ul style="list-style-type: none"> Dennis Barnes was appointed Chief Executive Officer of Contact Energy in April 2011. Prior to joining Contact Energy, he was General Manager Energy Risk Management at Origin, based in Sydney. Mr. Barnes joined Origin in 1998 and over that time has led sales, systems development, gas trading and generation operations departments. In addition to his experience with Origin, Mr. Barnes has held managerial roles at Scottish Hydro-Electric and Norweb, England.
Frank Calabria Chief Executive Officer, Energy Markets	<ul style="list-style-type: none"> Frank Calabria joined Origin as Chief Financial Officer in November 2001 and was appointed to his current role of Chief Executive Officer, Energy Markets in March 2009. Prior to joining Origin, Mr. Calabria held senior finance roles with Pioneer International Limited, Hanson plc and Hutchison Telecommunications.
Andrew Clarke Group General Counsel & Company Secretary	<ul style="list-style-type: none"> Andrew Clarke joined Origin in May 2009 and is responsible for the legal and company secretarial functions. Prior to joining Origin, Mr. Clarke was a partner of a national law firm for 15 years and was managing director of Citibank Global Investment Bank for more than two years.
Carl McCamish Executive General Manager, Corporate Affairs	<ul style="list-style-type: none"> Carl McCamish joined Origin in March 2008 and is responsible for corporate brand, sustainability, public policy, corporate communications, and government and media relations. Before joining Origin, he was head of strategic development at the private equity firm, Terra Firma, a Senior Energy Advisor in the United Kingdom Prime Minister's Strategy Unit and previously worked at McKinsey & Co management consultants.
Andrew Stock Director, Executive Projects	<ul style="list-style-type: none"> Andrew Stock was appointed Director, Executive Projects for Origin in 2011. Mr. Stock joined the company (now Origin) in 1984 and has been responsible for leading Origin's major capital development program. With over 30 years of experience, Mr. Stock has previously held senior management roles in energy marketing, oil and gas and petrochemical industries in Australia and overseas.
Robbert Willink Director, Exploration Projects	<ul style="list-style-type: none"> Robbert Willink assumed the position of Director, Exploration Projects in 2011 and is responsible for providing technical advice and assurance in relation to Origin's exploration projects. Dr. Willink joined SAGASCO Resources (now Origin) in 1988 and formerly held the position of Executive Manager, Geoscience and Exploration New Ventures. Prior to joining Origin, Dr. Willink held senior positions at Shell in Australia, the Sultanate of Oman and Turkey and was a Senior Lecturer in petroleum geology at the University of Adelaide.
Paul Zealand Chief Executive Officer, Upstream	<ul style="list-style-type: none"> Paul Zealand joined Origin in 2005 and holds the role of Chief Executive Officer, Upstream, bringing to Origin more than 30 years of oil and gas industry experience in upstream, refining and strategy development. Prior to joining Origin in 2005, Mr. Zealand held senior positions at Shell.

8. KEY PEOPLE, INTERESTS AND BENEFITS

8.3 Interests and benefits

8.3.1 Directors and management

Other than as set out in this Prospectus, no Director holds, at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of Origin;
- the Offer; or
- any property acquired or proposed to be acquired by Origin in connection with its formation or promotion or with the Offer.

Other than as set out in this Prospectus, no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given, or agreed to be given to any Director or proposed Director:

- to induce a person to become, or qualify as, a Director; or
- for services provided by a Director or proposed Director in connection with the formation or promotion of Origin or the Offer.

Interest in Origin securities

The Directors at the date of this Prospectus had the following relevant interests in issued securities of Origin.

Directors	Beneficial holding – Ordinary Shares	Beneficial holding – Options and performance share rights
H Kevin McCann AM	349,012	-
Grant King	1,106,611	2,096,718 Options 582,083 Performance Share Rights
John Akehurst	71,200	-
Bruce Beeren	1,381,680	-
Trevor Bourne	54,552	-
Gordon Cairns	83,360	-
Karen Moses	236,787	760,695 Options 251,729 Performance Share Rights
Helen Nugent AO	38,834	-

No director has a non-beneficial holding in Ordinary Shares or options over Ordinary Shares or performance share rights.

Directors' fees

Origin's constitution provides that the Directors will be entitled to remuneration out of the funds of Origin as determined by the Directors but the remuneration of non-executive Directors may not exceed in aggregate, in any year, the amount fixed by holders of Ordinary Shares in a general meeting for that purpose. The amount last fixed by holders of Ordinary Shares in a general meeting for that purpose was \$2.7 million.

Participation in the Offer

Directors (and their associates) may participate in the issue of Notes.

8.3.2 Professionals

UBS has acted as Arranger for the Offer, and ANZ Securities, Commonwealth Bank, Macquarie, NAB and UBS have acted as Joint Lead Managers for the Offer, in respect of which they will receive the fees described in Section 9.2. The Joint Lead Managers will be responsible for paying to the Syndicate Brokers a selling fee of 1.00% of the value of Notes allocated to Syndicate Brokers in the Bookbuild (funded by Origin).

Allens Arthur Robinson has acted as Origin's Australian tax adviser in relation to the Offer and has prepared the taxation summary in Section 7. In respect of this work Allens Arthur Robinson will be paid approximately \$100,000 (excluding disbursements and GST) for work performed by it up until the date of this Prospectus. Further amounts may be paid to Allens Arthur Robinson in accordance with its time-based charges.

KPMG Transaction Services (Australia) Pty Limited has acted as Origin's accounting adviser and provided due diligence services on certain financial disclosures in relation to the Offer. In respect of this work KPMG Transaction Services (Australia) Pty Limited will be paid approximately \$110,000 (excluding disbursements and GST) for work performed by it up until the date of this Prospectus. Further amounts may be paid to KPMG Transaction Services (Australia) Pty Limited in accordance with its time-based charges.

Clayton Utz has acted as Origin's Australian legal adviser in relation to the Offer. In respect of this work, Clayton Utz will be paid approximately \$445,000 (excluding disbursements and GST) for work performed by it until the date of this Prospectus. Further amounts may be paid to Clayton Utz in accordance with its time-based charges.

Australian Executor Trustees Limited will be paid the fees described in Section 9.1 in respect of acting as Trustee in respect of Notes.

Except as set out in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or interest of this Prospectus; or
- Joint Lead Manager or Co-Manager,

holds at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of Origin;
- the Offer; or
- any property acquired or proposed to be acquired by Origin in connection with the formation or promotion of Origin or the Offer,

nor has anyone paid or agreed to pay or given or agreed to give any benefit to such persons in connection with the formation or promotion of Origin or the Offer.

8.4 Expenses of the Offer

The total expenses of the Offer will be paid out of the proceeds of the Offer. Assuming the Offer raises \$500 million, then the net proceeds of the Offer are expected to be \$489 million and the total expenses of the Offer (including fees payable to the Joint Lead Managers, legal, accounting, tax, marketing, administrative fees, as well as printing, advertising and other expenses related to this Prospectus and the Offer) are expected to be \$11 million. All of these expenses have been, or will be, borne by Origin.



Employees at Origin's Chinchilla Office, Queensland

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ADDITIONAL INFORMATION



9. ADDITIONAL INFORMATION

This Section provides information about a number of other matters not covered elsewhere in this Prospectus.

9.1 Summary of Trust Deed

Origin has entered into a Trust Deed constituted under New South Wales law, with Australian Executor Trustees Limited as the Trustee. The Terms are set out as a schedule to the Trust Deed. Origin will provide a copy of the Trust Deed upon request free of charge to potential investors during the period until the Issue Date and thereafter to Holders of Notes.

The Trustee has agreed to act as the trustee of the assets and rights held on trust for Holders (as described below) pursuant to the terms of the Trust Deed. Notes are issued subject to the terms and conditions contained in the Trust Deed.

The Interest Payments on Notes are obligations of Origin and are not guaranteed by the Trustee or any of its directors, employees, officers, affiliates, agents, advisers, intermediaries, related body corporate or any other entity. The obligation to redeem Notes in accordance with their Terms is a direct obligation of Origin. Neither the Trustee nor any of its directors, employees, officers, affiliates, agents, advisers, intermediaries, related body corporate or any other entity guarantees the redemption of or prepayment of the Face Value of Notes.

The Trustee is not responsible for monitoring any breach of the Trust Deed, the occurrence of any Event of Default under the Trust Deed, Origin's compliance with the Trust Deed or Origin's businesses except as required by law. In this regard, the Trustee is subject to certain statutory duties imposed on it under Chapter 2L of the Corporations Act including to:

- i. exercise reasonable diligence to ascertain whether:
 - a. the property of Origin that is or should be available will be sufficient to repay the amounts lent by Holders in respect of Notes; and
 - b. Origin has breached the Terms, the Trust Deed or the provisions of Chapter 2L of the Corporations Act,
- ii. and unless the Trustee is satisfied the breach is not material, do everything in its power to ensure Origin remedies such a breach.

The following is a summary only of the principal provisions of the Trust Deed.

Appointment of Trustee and declaration

The Trustee holds on trust for Holders:

- a trust settlement sum of \$10.00;
- the benefit of the Trust Deed;
- all money received by the Trustee in its capacity as trustee of the Trust;
- the right to enforce Origin's duty to repay the money owing by Origin to the Trustee and Holders under Notes and under the Trust Deed;

- the right to enforce all other duties of Origin under the Terms, the provisions of the Trust Deed and Chapter 2L of the Corporations Act; and
- any other property and benefits which the Trustee from time to time receives or holds on such trust.

Origin undertakings

Origin has undertaken to the Trustee that it will, amongst other things:

- duly and punctually pay any amounts owing under the Trust Deed and Notes to the Trustee as and when the same falls due for payment; and
- comply with its obligations under the Trust Deed, the Corporations Act (including Chapter 2L), the Listing Rules and ASX Settlement Operating Rules, where a failure to do so would have or would be likely to have a material adverse effect on the ability of Origin to meet its payment obligation under Notes, or the validity or enforceability of the rights and remedies (taken as a whole) of Holders under the Trust Deed.

Trustee Limitation of Liability

The Trustee is not liable to Origin, Holders or any other person in any capacity other than as Trustee of the Trust, except where the Trustee acts fraudulently, negligently or wilfully defaults under the Trust Deed.

Action by Trustee

The Trustee is required, at all times, to act in accordance with its obligations under the Terms, the Trust Deed, the Corporations Act and applicable law.

Subject to the Terms, the Trustee is not obliged to exercise or refrain from exercising its powers in accordance with any direction from Holders or any of them, or in accordance with a resolution of Holders, in relation to a breach of the Trust Deed or an Event of Default unless:

- it is directed by an ordinary resolution or a special resolution if the Terms require this;
- its liability is limited as noted above;
- it is indemnified to its reasonable satisfaction against actions to which it may be liable and costs which it may incur;
- the action is permitted under the Trust Deed or the Terms; and
- it is not restricted or prohibited from taking such action by any order or any competent court or any applicable law.

The Trustee's liability is further limited to the extent permitted by the Corporations Act.

Direct action by Holder

No Holder is entitled to proceed directly against Origin to enforce any right, power or remedy in connection with any Note, unless the Trustee, having become bound to proceed, fails to do so within a reasonable period and such failure is continuing, in which case any such Holder may, upon giving an indemnity satisfactory to the Trustee, in

9. ADDITIONAL INFORMATION

the name of the Trustee (but not otherwise), itself institute proceedings against Origin for the relevant remedy to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so.

If action is taken by the Trustee in accordance with the Terms, the Trust Deed, the Corporations Act or applicable law, there can be no guarantee that such action will ensure the performance of all (or any) of Origin's obligations under the Terms.

Fees and expenses

Under the Trust Deed, Origin will pay the Trustee by way of a fee for its services such amounts (exclusive of GST) as may be agreed between Origin and the Trustee. The agreed fees are an initial establishment fee of \$5,000 (exclusive of GST) and an annual fee of up to \$35,000 (exclusive of GST) indexed for inflation. Origin will also pay the Trustee's reasonable and properly incurred costs and expenses in connection with the execution and performance of the Trust Deed as well as additional fees for any enforcement action that the Trustee takes in relation to the Trust Deed following default by Origin or the occurrence of an Event of Default or any duties agreed by Origin to be outside the scope of the normal duties of the Trustee.

Retirement and removal

The Trustee may retire by giving written notice to Origin, which will not be effective until 60 days after the date of the notice has passed (or such other period as the Trustee and Origin may agree) and provided that the appointment of a new trustee is effective. The Trustee may be removed by Origin if, amongst other things:

- the Trustee breaches a material obligation under the Trust Deed, or has otherwise acted fraudulently or with negligence or is in wilful default, and where such breach is capable of rectification, the Trustee has not rectified the breach within 10 Business Days of receiving a notice from Origin of its occurrence;
- the Trustee has not paid monies required to be paid by the Trustee in relation to the Trust Deed within 10 Business Days of receipt of all relevant information (including bank account details, if applicable) necessary for the Trustee to effect payment;
- the Trustee becomes subject to an insolvency event;
- the Trustee is no longer permitted to act as trustee under the Corporations Act;
- any licence, consent, authorisation or similar thing the Trustee is required to hold to carry out its obligations under the Trust Deed is revoked or not renewed;
- a Special Resolution is passed that the Trustee is to be removed from office; or
- Origin reasonably believes that the Trustee has ceased to exist, has not been validly appointed, cannot be a trustee under section 283AC of the Corporations Act or has failed or refused to act as trustee.

Origin may appoint a new trustee following the retirement or removal of the Trustee.

Substituted Issuer

Origin may substitute itself as principal debtor under the Trust Deed. It may only do so with the agreement of the Trustee, if Origin is satisfied that the interests of Holders will not be materially prejudiced by the substitution, a substitution deed is entered into by Origin whereby the substitute entity agrees to be bound by the Trust Deed and Terms, the obligations of the substitute entity are guaranteed by Origin, and certain other conditions are met.

Meetings

A meeting of Holders has the power, by ordinary resolution to:

- give directions to the Trustee as to; or
- authorise, ratify or confirm anything the Trustee has done or omitted to do in respect of,

the performance or exercise of any of its duties, rights, powers and remedies under the Trust Deed or Notes.

The Holders may by Special Resolution, approve the release of the Trustee from liability for anything done or omitted to be done by the Trustee or any other person.

Each Holder is entitled to one vote on a show of hands. On a poll, each Holder is entitled to one vote for each Note that the person holds.

9.2 Summary of Offer Management Agreement

Overview

Origin and the Joint Lead Managers entered into the Offer Management Agreement on 15 November 2011. Under the Offer Management Agreement, Origin appointed ANZ Securites, Commonwealth Bank, Macquarie, NAB and UBS as Joint Lead Managers of the Offer, and UBS as Arranger and Settlement Agent. The following is a summary only of the principal provisions of the Offer Management Agreement. Under the Offer Management Agreement, the Joint Lead Managers have agreed to use their reasonable endeavours to procure offers to subscribe for Notes in accordance with this Prospectus and the timetable set out in the Offer Management Agreement, including by conducting the Bookbuild described in this Prospectus, and to manage the completion of the issue of Notes under the Offer. UBS and Macquarie will provide settlement support for the settlement obligations under the Institutional Offer and the Joint Lead Managers will provide settlement support for the settlement obligations under the Broker Firm Offer.

Fees

The estimated aggregate fees payable by Origin to the Joint Lead Managers under the Offer Management Agreement are approximately \$10 million (exclusive of GST), making certain assumptions as to the allocations of Notes between the Shareholder Offer, General Offer, Broker

Firm Offer and Institutional Offer. The actual amount payable will not be known until the allotment of Notes. In addition, Origin must pay each Joint Lead Manager for all reasonable travel costs, expenses and disbursements, including (in some circumstances) legal costs and disbursements, incurred by the Joint Lead Manager in relation to the Offer.

Representations, warranties and undertakings

Origin gives various representations, warranties and undertakings to the Joint Lead Managers, including that this Prospectus complies with all applicable laws, including the Corporations Act and the Listing Rules. Origin also represents and warrants that, with the exception of Notes, it shall not make, agree to make or announce any issue of any equal ranking, preference, subordinated debt or hybrid securities, excluding securities that are unlisted or not capable of being listed, without the prior written consent of the Joint Lead Managers (which shall not be unreasonably withheld or delayed) during the period commencing on the date of the Offer Management Agreement and ending 60 days after the Issue Date.

Indemnity

Origin agrees to indemnify the Joint Lead Managers and certain parties affiliated with them against claims, demands, damages, losses, costs, expenses or liabilities incurred in connection with the Offer. This indemnity does not apply to claims, demands, damages, losses, costs, expenses or liabilities to the extent to which that loss is finally judicially determined to result from the fraud, wilful misconduct or negligence of the relevant person (other than to the extent arising from complying with an express direction of Origin).

Termination events

Any Joint Lead Manager may terminate its obligations under the Offer Management Agreement, by giving notice in writing to Origin before 5:00pm on the date before the Notes are issued, if any one or more of the following events occurs:

- (a) this Prospectus:
 - (i) or any statement in this Prospectus is misleading or deceptive (including by omission and including without limitation, misleading representations within the meaning of section 728(2) of the Corporations Act) in any material respect; or
 - (ii) does not comply in all material respects with the Corporations Act, the Listing Rules or any other applicable laws;
- (b) a supplementary prospectus is, in the reasonable opinion of the Joint Lead Managers, required to avoid committing an offence under the Corporations Act;
- (c) any of the following notifications are made:
 - (i) ASIC issues an order under section 739 of the Corporations Act where such notice, interim order or order does not become public and is withdrawn within two Business Days after it is commenced;

- (ii) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to this Prospectus or ASIC commences any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 (Cth) in relation to this Prospectus;
- (iii) certain persons give a notice under section 733(3) of the Corporations Act or certain persons who have previously consented to the inclusion of their name in this Prospectus (or any supplementary prospectus) or to be named in this Prospectus withdraw that consent; or
- (iv) certain persons give a notice under section 730 of the Corporations Act in relation to this Prospectus;
- (d) the average mid-rate for the iTraxx Australia Index of a term 5 years closes 45% or more above its level on the Business Day that is immediately before the date of the Offer Management Agreement at 4:00pm on two consecutive Business Days;
- (e) the S&P/ASX 200 Index:
 - (i) closes on three consecutive Business Days at a level that is 12.5% or more below the level of that index as at the close of business on the Business Day prior to the date of the Offer Management Agreement; or
 - (ii) closes at a level that is 12.5% or more below the level of that index as at the close of business on the Business Day prior to the date of the Offer Management Agreement at any time during the two Business Days prior to the Issue Date;
- (f) any credit rating assigned to Origin at the date of the Offer Management Agreement by any ratings agency is downgraded or withdrawn or placed on credit watch negative; or
- (g) certain other customary events occur including, in summary, a certificate is not given by Origin when required, Origin is unable to issue the Notes, quotation approval for the Notes is refused by ASX, Origin withdraws the Offer or insolvency of Origin.

Any Joint Lead Manager may also terminate its obligations under the Offer Management Agreement if any of the following events occurs provided that, that Joint Lead Manager has reasonable grounds to believe and does believe that the event or a series of events together:

- (a) has or will have a material adverse effect on the success of the Offer, or the ability of the Joint Lead Manager to market or promote or settle the Offer, or
- (b) has given or there is a reasonable possibility that it could give rise to a contravention or involvement in a contravention by that Joint Lead Manager of the Corporations Act or any other applicable law or regulation or to a liability for that Joint Lead Manager under any applicable law or regulation:

- (a) a representation or warranty made by Origin to the Joint Lead Managers is not true or correct;
- (b) Origin fails to perform or observe any of its obligations or undertakings under the Offer Management Agreement;

9. ADDITIONAL INFORMATION

- (c) a director of Origin is charged with an indictable offence or is disqualified from managing a corporation under section 206A of the Corporations Act; or
- (d) certain other customary events occur being, in summary, a suspension of trading of all securities on certain stock exchanges, hostilities not presently existing commence in certain countries, a general moratorium on commercial banking activities in certain countries or a change of law in Australia which relates to the Offer.

9.3 Replacement capital statement

Origin intends (without thereby assuming a legal obligation), during the period from and including the Issue Date to the Step-Up Date, in the event of:

- a redemption of Notes at Origin's option under clause 4.2 of the Terms; or
- a repurchase of Notes under clause 4.4 of the Terms of more than:
 - 10% of the aggregate Face Value of Notes originally issued in any period of 12 consecutive months; or
 - 25% of the aggregate Face Value of Notes originally issued in any period of 10 consecutive years,

if Notes are assigned an equity credit by the relevant rating agency at the time of such redemption or repurchase, that it will redeem or repurchase Notes only to the extent the aggregate Face Value of Notes to be redeemed or repurchased does not exceed the net proceeds received by Origin or any subsidiary, during the 360 day period prior to the date of such redemption or repurchase from certain securities offerings. Such offerings must involve the sale or issuance by Origin or the relevant subsidiary to third party purchasers (other than group entities of Origin) of securities which are assigned by the relevant rating agency, at the time of sale or issuance, an equity credit that is equal to or greater than the equity credit assigned to Notes to be redeemed or repurchased at the time of their issuance (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issuance of Notes).

The intention described above does not apply where Origin believes that its credit profile is substantially the same or better than as at the date of this Prospectus, and Origin believes that its credit profile would not be materially adversely affected as a result of any such redemption or repurchase of Notes.

9.4 Consents to be named and disclaimers of responsibility

Each of the parties referred to in the following table (except as discussed below it):

- has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named;
- has not made any statement in this Prospectus or any statement on which a statement made in this Prospectus is based; and
- does not cause or authorise the issue of the Prospectus, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus.

Role	Consenting parties
Arranger and Settlement Agent	UBS
Joint Lead Managers	ANZ Securities Commonwealth Bank Macquarie NAB UBS
Co-Managers	Bell Potter Securities Limited JBWere Pty Ltd Morgan Stanley Smith Barney Australia Pty Ltd RBS Morgans Limited Westpac Banking Corporation
Legal Adviser (Australia)	Clayton Utz
Accounting Adviser	KPMG Transaction Services (Australia) Pty Limited
Auditor	KPMG
Tax Adviser (Australia)	Allens Arthur Robinson
Registry	Link Market Services
Trustee	Australian Executor Trustees Limited

No rating agency has made any statement in this Prospectus, or any statement on which a statement made in this Prospectus is based, nor has any rating agency caused or authorised the issue of the Prospectus or accepted any responsibility for any statements in or omissions from this Prospectus.

Allens Arthur Robinson has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus as Australian Tax Adviser and for the inclusion of statements by it, consisting of the taxation summary in Section 7 of this Prospectus in the form and context in which it appears in Section 7.

EnergyQuest has given, and has not withdrawn before lodgement of this Prospectus with ASIC, its written consent to the inclusion of statements in this Prospectus by it, or statements based on a statement by it, including the statements specifically attributed to it in the text of, or by a footnote in, this Prospectus, in the form and context in which they are included (and all other references to these statements) in this Prospectus.

Andrew Mayers has given, and has not withdrawn before lodgement of this Prospectus with ASIC, his written consent to the inclusion of statements in this Prospectus by him, or statements based on a statement by him, including the statements specifically attributed to him in the text of, or by a footnote in, this Prospectus, in the form and context in which they are included (and all other references to these statements) in this Prospectus.

9.5 Privacy

Origin collects personal information from you in order to process your application, administer your investment and keep in touch with you about your investment.

Origin may disclose this information on a confidential basis to its subsidiaries and companies, as well as agents, contractors and third party service providers that provide services on its behalf (for example, the Registry and a printing firm or mailhouse engaged to print and mail statements to you).

If you used a financial adviser who recommended your investment in Notes then details of your investment may be provided to that adviser.

Origin will also disclose your information if required to do so by law or if you consent to or request the disclosure.

If you think Origin's records of your personal information are incorrect or out of date, it is important that you contact Origin so that your records can be corrected. You may (subject to permitted exceptions) access the personal information Origin holds on you at any time by contacting the Registry in writing. Origin is permitted to charge a fee for such access but does not intend to do so.

You may choose not to give your personal information or to limit the information you provide to Origin. Depending on the type of information you withhold, Origin may not be able to process your application efficiently (if at all), or make payments to you.

9.6 ASX confirmation

Origin has received in principle confirmation that ASX will classify Notes as debt securities.

9.7 Photographs and diagrams

The assets depicted in photographs in this Prospectus are assets of Origin unless otherwise stated. Diagrams appearing in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of the Prospectus.

9.8 Governing law

This Prospectus and the contracts that arise from the acceptance of the applications and bids under this Prospectus are governed by the laws applicable in New South Wales and each applicant for Notes under this Prospectus and each bidder submits to the exclusive jurisdiction of the courts of New South Wales.

9.9 Statement of Directors

This Prospectus is authorised by each Director who consents to its lodgement with ASIC and its issue.

Origin employees
at Darling Downs
Power Station,
Queensland



APPENDICES



A. ORIGIN ENERGY SUBORDINATED NOTES TERMS

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A. ORIGIN ENERGY SUBORDINATED NOTES TERMS

1. Form, Face Value, issue and title

1.1 Form

Notes are unsecured and subordinated debt obligations of Origin in registered uncertificated form. Notes are constituted under, and issued according to, the Trust Deed. Notes take the form of entries in the Register. No certificate will be issued to a Holder unless Origin determines that a certificate should be available or is required by any applicable law or regulation. Notes are unsecured notes for the purposes of section 283BH of the Corporations Act.

1.2 Face Value

Each Note will have a Face Value of \$100.

1.3 Issue

Origin may issue Notes at any time to any person at an issue price of \$100 per Note (or such other price as Origin may choose). The issue price must be paid in full on application.

1.4 Title

An entry in the Register is conclusive evidence that the person is the absolute owner of Notes subject to correction for fraud or error. Except as required by law, Origin must treat the person entered in the Register as the absolute owner of Notes.

2. Ranking

2.1 Subordination and ranking

The Holder Claims are subordinated to the claims of Senior Creditors in that if at any time an Event of Insolvency occurs in relation to Origin (otherwise than for the purposes of a Solvent Reorganisation) the amount payable to the Holders under this clause 2 will only be paid after the debts owing to all Senior Creditors have been paid in full.

Holder Claims will at all times rank *pari passu* and without any preference among themselves and *pari passu* and without any preference among the rights and claims of holders of Equal Ranking Obligations.

To give effect to the intended ranking, if at any time an Event of Insolvency occurs in relation to Origin (otherwise than for the purposes of a Solvent Reorganisation) the amount payable by Origin to a Holder under or in relation to these Terms or the Trust Deed (in lieu of any other payment by Origin to the Holder under or in relation to these Terms or the Trust Deed), shall be the amount that would have been payable to the Holder of such Notes if, immediately prior to and throughout any administration which follows such Event of Insolvency, such Holder was the holder of Notional Preference Shares.

For the purpose only of that calculation, Holders will be deemed to hold one preference share of \$1.00 each in the capital of Origin ranking equally with the Notional Preference Shares for each \$1.00 of any amount that would otherwise be payable to that Holder under these Terms or the Trust Deed including without limitation, the Face Value and any interest which has not otherwise been paid to that Holder.

2.2 Holder acknowledgments

Each Holder acknowledges and agrees that:

- (a) the claims of Senior Creditors to which it is subordinated include each Senior Creditor's entitlement to interest under section 563B of the Corporations Act and it does not have, and waives to the maximum extent permitted by law, any entitlement to interest under section 563B of the Corporations Act;
- (b) the debt subordination effected by this clause 2 is not affected by any act or omission of Origin or any Senior Creditor which might otherwise affect it at law or in equity;
- (c) to the maximum extent permitted by applicable law, it may not exercise or claim (nor will the Trustee exercise or claim on its behalf) any right of set-off or counterclaim in respect of any amount owed by it to Origin against any amount owed to it by Origin in respect of Notes and it shall waive and be deemed to have waived such rights of set-off or counter-claim;
- (d) it must pay or deliver to the liquidator any amount or asset received on account of its claim in the winding-up of Origin in respect of Notes in excess of its entitlement under this clause 2; and
- (e) it may not exercise any voting rights as a creditor in any administration which follows an Event of Insolvency until after all Senior Creditors have been paid in full or otherwise in a manner inconsistent with the subordination contemplated in this clause 2.

3. Interest

3.1 Interest

Subject to these Terms, Origin shall pay interest in respect of a Note on an Interest Payment Date to the person recorded as Holder on the Record Date in respect of that Interest Payment Date.

3.2 Interest amount

- (a) The amount of an Interest Payment in respect of a Note on an Interest Payment Date is calculated according to the following formula:

$$\text{Interest Payment} = \frac{\text{Interest Rate} \times \text{Face Value} \times N}{365}$$

where:

Interest Rate (expressed as a percentage per annum) is calculated according to the following formula:

$$\text{Interest Rate} = \text{Bank Bill Rate} + \text{Margin}$$

where:

Bank Bill Rate (expressed as a percentage per annum) means, for an Interest Period, the average mid-rate for bills of a term of 90 days which average rate is displayed on Reuters page BBSW (or any page which replaces that page) on:

- (i) in the case of the first Interest Period, the Issue Date; and

(ii) in the case of any other Interest Period, the first Business Day of that Interest Period, or if there is a manifest error in the calculation of that average rate or that average rate is not displayed by 10.30am (Sydney time) on that date, the rate specified in good faith by Origin at or around that time on that date having regard, to the extent possible, to:

- (iii) the rates otherwise bid and offered for bills of that term or for funds of that tenor displayed on Reuters page BBSW (or any page which replaces that page) at that time on that date; or
- (iv) if bid and offer rates for bills of that term are not otherwise available, the rates otherwise bid and offered for funds of that tenor at or around that time on that date;

Margin (expressed as a percentage per annum) means in respect of the Interest Period:

- (i) for each Interest Period commencing on a date before the Step-up Date, the Initial Margin; and
- (iii) for each Interest Period commencing on or after the Step-up Date, the Step-Up Margin, subject to clause 3.8;

Face Value is the Face Value of each Note;

N means in respect of:

- (i) the first Interest Payment Date, the number of days from (and including) the Issue Date until (but not including) the first Interest Payment Date; and
 - (ii) each subsequent Interest Payment Date, the number of days from (and including) the preceding Interest Payment Date until (but not including) the relevant Interest Payment Date.
- (b) Interest accrues daily and is payable to Holders in arrears on the relevant Interest Payment Date subject to these Terms.
- (c) If any Interest Payment Date would otherwise fall on a calendar day which is not a Business Day, the Interest Payment Date will be postponed to the next calendar day which is a Business Day.

3.3 Optional deferral of Interest Payments

- (a) Origin may determine in its sole discretion not to pay all or part of the Interest Payment payable on an Interest Payment Date. If Origin so determines, the Interest Payment (or part thereof) will not be due and payable and will not be paid, until the relevant Optional Payment Reference Date and will constitute an **Optionally Deferred Interest Payment**.

Additional interest will accrue on each Optionally Deferred Interest Payment:

- (i) at the same Interest Rate as applies to Notes from time to time in accordance with clause 3.2; and

(ii) from (and including) the date on which (but for such deferral) the Optionally Deferred Interest Payment would otherwise have been due to (but excluding) the date the Optionally Deferred Interest Payment is paid,

and will be added to the Optionally Deferred Interest Payment (and thereafter accumulate additional interest accordingly) on each Interest Payment Date. Each Optionally Deferred Interest Payment and additional interest thereon will be payable in accordance with clause 3.5.

- (b) Origin will notify the Holders and the Trustee of any determination not to pay all or part of the Interest Payment falling due on an Interest Payment Date not less than 16 Business Days prior to the relevant Interest Payment Date. Deferral of Interest Payments pursuant to this clause will not constitute an Event of Default or a default of Origin or a breach of its obligations under these Terms or the Trust Deed or for any other purpose.

3.4 Dividend and capital restrictions

If:

- (a) some or all of an Interest Payment is deferred under clause 3.3;
- (b) the Interest Payment has not been paid in full within 20 Business Days after the relevant Interest Payment Date on which it would otherwise have been due; and
- (c) no Mandatory Deferral Event has occurred which is continuing,

Origin must not (and must procure that its Subsidiaries do not) (other than in respect of its employee incentive plans):

- (d) declare or pay any dividend, interest or distribution, on any Equal Ranking Obligations or any Origin ordinary shares (other than a payment made on Equal Ranking Obligations and Subsidiary Equal Ranking Securities pro rata with payments made on Notes); or
- (e) redeem, reduce, cancel, purchase or buy-back (or procure the redemption, reduction, cancellation, purchase or buy-back of) any of its Equal Ranking Obligations or Origin ordinary shares,

and must procure that each Subsidiary does not:

- (f) declare or pay any dividend, interest or distribution, on any Subsidiary Equal Ranking Securities (other than a payment permitted by paragraph (d) above); or
- (g) redeem, reduce, cancel, purchase or buy-back any Subsidiary Equal Ranking Securities,

until the date on which all Optionally Deferred Interest Payments have been paid in full. In this clause, **Subsidiary Equal Ranking Security** means, in relation to a Subsidiary, any Security in respect of which the following are satisfied:

- (i) payments to the holders of such shares or securities are guaranteed; and
- (ii) the claims of those holders under that guarantee are Equal Ranking Obligations.

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3.5 Payment of Optionally Deferred Interest Payments

- (a) Subject to clause 3.5(b), Origin may elect to pay any Optionally Deferred Interest Payment at any time provided such Optionally Deferred Interest Payment would not also be a Mandatorily Deferred Interest Payment.
- (b) An Optionally Deferred Interest Payment will become due and payable, and Origin must pay the Optionally Deferred Interest Payment, on the relevant Optional Payment Reference Date, by giving at least five and no more than 15 Business Days' prior notice to the Holders and the Trustee.

If no Optional Payment Reference Date occurs prior to the calendar day which is the fifth anniversary of the Interest Payment Date on which any of the then outstanding Optionally Deferred Interest Payments was initially deferred, it is the intention, though not an obligation, of Origin to pay all outstanding Optionally Deferred Interest Payments in full on the next following Interest Payment Date.

3.6 Mandatory deferral of Interest Payments

- (a) If, on any day which is eight Business Days prior to any Interest Payment Date, a Mandatory Deferral Event exists, the Interest Payment falling due on such Interest Payment Date will not be due and payable or be paid until the relevant Mandatory Payment Reference Date and will constitute a **Mandatorily Deferred Interest Payment**.

Additional interest will accumulate on each Mandatorily Deferred Interest Payment:

- (i) at the same Interest Rate as applies to Notes from time to time in accordance with clause 3.2; and
- (ii) from (and including) the date on which (but for such deferral) the Mandatorily Deferred Interest Payment would otherwise have been due to (but excluding) the date the Mandatorily Deferred Interest Payment is paid,

and will be added to such Mandatorily Deferred Interest Payment (and thereafter accumulate additional interest accordingly) on each Interest Payment Date. Each Mandatorily Deferred Interest Payment and additional interest thereon will be payable in accordance with clause 3.7.

- (b) Origin will notify the Holders and the Trustee of the existence of the Mandatory Deferral Event not less than five Business Days prior to the relevant Interest Payment Date. Deferral of Interest Payments pursuant to this clause 3.6 will not constitute an Event of Default or default of Origin or a breach of its obligations under these Terms or the Trust Deed or for any other purpose.

3.7 Payment of Mandatorily Deferred Interest Payments

- (a) A Mandatorily Deferred Interest Payment will become due and payable, and Origin must pay such Mandatorily Deferred Interest Payment, on the relevant Mandatory

Payment Reference Date, on the giving of at least five and not more than 15 Business Days' prior notice to the Holders and the Trustee.

- (b) In addition to clause 3.7(a), Origin may pay the Mandatorily Deferred Interest Payment at any time if:
- (i) the Mandatory Deferral Event is no longer subsisting; or
- (ii) five years have elapsed since the payment would have otherwise been due.

If no Mandatory Payment Reference Date occurs prior to the calendar day which is the fifth anniversary of the Interest Payment Date on which any of the then outstanding Mandatorily Deferred Interest Payments was initially deferred, it is the intention, though not an obligation, of Origin to pay all outstanding Mandatorily Deferred Interest Payments in full on the next following Interest Payment Date.

3.8 Increase in Margin upon a Change of Control Event

Unless an irrevocable notice under clause 4.3 in relation to a Change of Control Event to redeem all Notes has been given to Holders and the Trustee by Origin pursuant to clause 12 by the 15th Business Day following the first occurrence of a Change of Control Event, the then prevailing Margin will increase by 5.00% per annum with effect from the date on which that Change of Control Event occurs. The occurrence of the Change of Control Event and of such increase in the Margin will be notified by Origin to the Holders and the Trustee no later than the 15th Business Day following the relevant Change of Control Event.

4. Redemption and purchase

4.1 Maturity

Unless redeemed earlier in accordance with these Terms and subject to applicable laws, Notes will be redeemed upon the Maturity Date at their Redemption Amount.

4.2 Early redemption at the option of Origin

Subject to applicable laws, Origin may redeem all Notes (in whole but not in part) on the First Call Date or on any Interest Payment Date after that date at their Redemption Amount, by giving at least 30 but no more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee.

4.3 Early redemption due to the occurrence of an event

- (a) If a Gross-Up Event or a Change of Control Event occurs, Origin may, subject to applicable laws, redeem all Notes (in whole but not in part), in each case at their Redemption Amount, by giving at least 30 but no more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee. However, Origin may only do so if:

- (i) in the case of a Gross-Up Event:
 - A. the notice of redemption is given no earlier than 45 calendar days prior to the earliest calendar day on which Origin would be for the first time obliged to pay the Additional Amounts in question on payments due in respect of Notes; and
 - B. prior to the giving of any notice of redemption, Origin has obtained and delivered to the Trustee, an opinion of an independent legal or tax adviser of recognised standing to the effect that Origin has or will become obliged to pay the Additional Amounts in question as a result of a Gross-Up Event; and
 - (ii) in the case of a Change of Control Event, the notice of redemption is given simultaneously with, or at any time after, a notification to the Holders by Origin that a Change of Control Event has occurred.
- (b) If a Tax Event or a Capital Event occurs, Origin may subject to applicable laws redeem all Notes (in whole but not in part) at any time at the Redemption Amount on the giving of not less than 30 and not more than 60 calendar days' irrevocable notice of redemption to the Holders and the Trustee.
- (c) A notice of redemption may only be given simultaneously with or after a notification to the Holders by Origin that a Tax Event or Capital Event has occurred.

4.4 Purchase of Notes

Origin or any Subsidiary of Origin may, subject to the applicable laws and the Listing Rules and any rules of any other securities exchange on which any of Notes are quoted from time to time, at any time after 31 December 2016 purchase or procure others to purchase beneficially for its account, Notes in any manner and at any price. Such acquired Notes may be surrendered for cancellation or held or resold.

4.5 Interest on unpaid Redemption Amounts

When any Notes become due for redemption and the Redemption Amount is not paid on the Redemption Date, from the Redemption Date until the actual payment of the Redemption Amount to, or to the order of, the Trustee, interest on the Redemption Amount will accrue at the Interest Rate determined from time to time in accordance with clause 3.2 (except that any determination of the Bank Bill Rate required for the purposes of clause 3.2 will be by the Trustee or a calculation agent appointed by it) and such interest will be payable until Notes are finally redeemed.

4.6 Cancellations

All Notes which are (a) redeemed or (b) purchased by or on behalf of Origin or any Subsidiary of Origin and which Origin elects to cancel will promptly be cancelled, and accordingly may not be held, reissued or resold.

5. Payments

5.1 Method of payment

Any amount which is payable to Holders in respect of Notes in accordance with these Terms will, unless Origin and the relevant Holder otherwise agree, be paid without set-off or counterclaim by direct credit to a nominated account denominated in Australian dollars at a financial institution notified by the relevant Holder to the Registry

- (a) in the case of interest payments, no later than the Record Date; and
- (b) in the case of any other amount in respect of Notes, at least eight calendar days before the day on which the relevant payment is scheduled,

or, at Origin's option, by cheque drawn in favour of the Holder and sent by prepaid post to the address of the Holder in the Register.

5.2 Payments subject to applicable laws

Payments in respect of Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

5.3 Time limit on payments

A claim against Origin for payment under these Terms is void, to the fullest extent permitted by applicable law, unless made within 10 years (in the case of a Redemption Amount) or five years (in case of an Interest Payment or other payment) after the relevant due date for payment.

6. Taxation and gross-up

6.1 Payment without withholding

All payments in respect of Notes by or on behalf of Origin, will be made free and clear of, and without withholding or deduction for, or on account of, Taxes imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, Origin will pay such additional amounts (**Additional Amounts**) as may be necessary in order that the net amounts received by the Holders after the withholding or deduction will equal the respective amounts which would otherwise have been receivable in respect of Notes in the absence of the withholding or deduction. However, no Additional Amounts will be payable in relation to any payment in respect of any Notes:

- (a) to, or to a third party on behalf of, a Holder who is liable for the Taxes in respect of such Notes by reason of their having some connection with the Relevant Jurisdiction other than the mere holding of Notes;
- (b) to, or to a third party on behalf of, a Holder who is liable for the Taxes in respect of Notes by reason of that person being an associate of Origin for the purposes of section 128F of the Tax Act;
- (c) to, or to a third party on behalf of, a Holder who could lawfully avoid (but has not so avoided) the deduction

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or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where payment in respect of the relevant Notes is made; or

- (d) to, or to a third party on behalf of, a Holder who has not supplied to the Registry an appropriate tax file number, an Australian business number or exemption details, to the extent that such information would have reduced or eliminated the relevant Taxes.

6.2 Additional Amounts

Any reference in these Terms to any amounts in respect of Notes (including in relation to any Deferred Interest Payments and any additional interest accumulated on them under clause 3.3 or clause 3.6) includes a reference to any Additional Amounts which may be payable under this clause 6.

7. No rights to new securities

Notes confer no rights to subscribe for new securities in Origin, or to participate in any bonus issues.

8. Further issues

Subject to applicable law, there are no restrictions under these Terms or the Trust Deed on Origin incurring any debt obligations, whether subordinated or not or ranking in priority ahead of, equal with or behind Notes (including any Notes that rank *pari passu* with Notes and are consolidated and form a single series with Notes) or upon such terms as to ranking, dividends or interest, conversion, redemption and otherwise as Origin may determine at the time of issue.

9. Events of Default

9.1 Consequences of an Event of Default

If an Event of Default occurs and while it is subsisting, the Trustee may, and must if so directed by a Special Resolution of the Holders or so requested in writing by the holders of at least 25% of the total Face Value of Notes then Outstanding (subject in each case to clause 9.8 of the Trust Deed):

- (a) give notice to Origin that the total Redemption Amount of Notes is due and payable (and that amount will immediately become due and payable when the notice is served); and
- (b) institute proceedings for the winding-up of Origin and/or prove in the winding-up of Origin and/or claim in the liquidation of Origin, for the amount payable under these Terms.

9.2 Enforcement by the Trustee

The Trustee may at any time, at its discretion and without further notice, institute such proceedings against Origin as it may think fit to enforce any term or condition binding on Origin under the Trust Deed or the these Terms, except

that (without prejudice to clause 9.1) the Trustee must not institute any proceedings or take any steps to enforce any payment obligation of Origin under or arising from the Trust Deed or the Notes, including, without limitation, payment of any principal or interest in respect of the Notes, any Redemption Amount, Interest Payment or Additional Amount, and including damages awarded for the breach of any obligations, and in no event shall Origin, by virtue of the institution of any such proceedings or steps, be obliged to pay any sum or sums in cash or otherwise, sooner than the same would otherwise have been payable by it under these Terms.

9.3 Trustee not bound to enforce

The Trustee shall not in any event be bound to take any action referred to in clause 9.2 unless:

- (a) it shall have been so requested by Holders holding between them at least 25% of the total Face Value of the Notes then Outstanding or it shall have been so directed by a Special Resolution of the Holders; and
- (b) it shall have been indemnified as contemplated by clause 9.8 of the Trust Deed.

9.4 No other remedies against Origin

Except as permitted by this clause 9 (including, without limitation, any rights or remedies of the Trustee under clause 9.2), no remedy against Origin shall be available to the Trustee or the Holders in respect of any breach by Origin of any of its obligations under the Trust Deed or these Terms, other than payment of the costs, charges, liabilities, expenses or remuneration of the Trustee.

9.5 Holders' right to enforce

No Holder shall be entitled to proceed directly against Origin to enforce any right or remedy under or in respect of any Note unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure is continuing, in which case any such Holder may, upon giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), itself institute proceedings against Origin for the relevant remedy to the same extent (but not further or otherwise) that the Trustee would have been entitled to do so.

10. Amendments and meetings

10.1 Amendments with Holder approval

At any time and from time to time, but subject to compliance with the Corporations Act and all other applicable laws, Origin may amend these Terms if such amendment is authorised by a Special Resolution of the Holders or if otherwise permitted by clause 10.2.

10.2 Amendments without Holder approval

At any time, but subject to compliance with the Corporations Act and all other applicable laws, Origin may, without the consent or approval of Holders or the Trustee, amend these Terms in accordance with the Trust Deed if Origin is of the opinion that such amendment is:

- (a) made to cure any ambiguity or correct a manifest error;
- (b) of a formal, minor or technical nature;
- (c) necessary or expedient for the purpose of enabling the Notes to be:
 - (i) listed for quotation, or to retain quotation, on any stock exchange; or
 - (ii) offered for subscription or for sale under the laws for the time being in force in any place,
 and, otherwise not materially prejudicial to the interests of Holders generally;
- (d) necessary to comply with:
 - (i) the provisions of any statute or the requirements of any statutory authority; or
 - (ii) the Listing Rules or the listing or quotation requirements of any stock exchange on which Origin may propose to seek a listing or quotation of the Notes,
 and, otherwise not materially prejudicial to the interests of Holders generally; or
- (e) is not, and is not likely to become, taken as a whole and in conjunction with all other amendments to be made contemporaneously with that amendment, materially prejudicial to the interests of Holders generally, provided that:
 - (x) Notes following such amendment will have a level of equity credit ascribed to them by Standard & Poor's which is equal to or higher than that which was ascribed to Notes immediately prior to such amendment; and
 - (y) such amendment would not give rise to a Gross-Up Event or a Tax Event.

10.3 Amendment binding

Any amendment of these Terms in accordance with this clause 10 is binding on all Holders.

10.4 Meetings of Holders

The Trust Deed contains provisions for convening meetings of the Holders.

10.5 No consent of Senior Creditors

Nothing in these Terms requires the consent of any Senior Creditor or holder of any Equal Ranking Obligation to the amendment of any Terms made in accordance with this clause 10.

11. Issuer substitution

The Trustee may, without the consent or approval of the Holders, agree with Origin to the substitution in place of Origin of any of its Related Bodies Corporate (or of any previous substitute under this clause) as the principal debtor under these Terms and the Trust Deed, subject to:

- (a) Origin being satisfied that the interests of the Holders will not be materially prejudiced by the substitution; and

- (b) compliance with certain other applicable conditions set out in the Trust Deed.

12. Notices

12.1 Service of notices

- (a) Without limiting anything else in these Terms, a notice may be given by Origin to any Holder, or in the case of joint Holders to the Holder whose name appears first in the Register, personally, by leaving it at the Holder's address as shown on the Register or by sending it by prepaid post (airmail if posted to a place outside Australia) to the Holder's address as shown on the Register or, in any case, by other electronic means determined by Origin. If the notice is signed, the signature may be original or printed.
- (b) Where a notice is given by Origin to Holders generally, a copy of the notice must also be given to ASX.
- (c) A notice given by a Holder to Origin must:
 - (i) be in writing; and
 - (ii) be left at, or sent by prepaid post (airmail if posted from a place outside Australia) to the address below or the address last notified by Origin, or sent by facsimile transmission to the fax number below or the fax number last notified by Origin:

Origin Energy Limited

Level 45 Australia Square
264-278 George Street
Sydney NSW 2000

Facsimile: +61 2 8345 5000

Attention: Company Secretary

12.2 When notice considered to be received

Any notice is taken to be given:

- (a) if served personally or left at the intended recipient's address, when delivered;
- (b) if sent by post, on the second Business Day after it is mailed in a prepaid envelope to the intended recipient's address; and
- (c) if sent by facsimile or other electronic transmission, on production of a report by the sending machine or other system by which the transmission is sent indicating that the transmission has been made in its entirety to the correct fax number or other transmission address and without error.

12.3 Notice to transferor bind transferee

Every person who, by operation of law, transfer or other means, becomes entitled to be registered as the holder of any Notes is bound by every notice which, prior to the person's name and address being entered in the Register, was properly given to the person from whom the person derived title to those Notes.

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12.4 Service on deceased Holders

A notice served in accordance with this clause 12 is (despite the fact that the Holder is dead and whether or not Origin has notice of the Holder's death) considered to have been properly served in respect of any Notes, whether held solely or jointly with other persons by the Holder, until some other person is registered in the Holder's place as the Holder or joint Holder. The service is sufficient service of the notice or document on the Holder's personal representative and any person jointly interested with the Holder in Notes.

12.5 Copy of notices to Trustee

Whenever Origin issues any notice under these Terms to Holders, Origin must at the same time provide to the Trustee a copy of the notice.

13. Transfer of Notes

13.1 Forms of transfer

A Holder may transfer any Notes the Holder holds by:

- (a) where Notes are quoted on ASX, a Proper ASTC Transfer or any other method of transferring or dealing in Notes introduced by ASX or operating in accordance with the operating rules of a clearing and settlement facility (as that term is defined in the Corporations Act), the ASX Settlement Operating Rules or the Listing Rules and, in any such case, recognised under the Corporations Act; or
- (b) otherwise, a written instrument of transfer in any usual form or in any other form approved by either Origin or the Trustee, that is otherwise permitted by law.

13.2 Registration of transfer

A transferor of Notes remains the owner of Notes transferred until the transfer is registered and the name of the transferee is entered in the Register in respect of Notes.

14. Non-resident Holders

- (a) Where Notes are held by, or on behalf of, a person resident outside the Commonwealth of Australia, then, despite anything else to the contrary contained in or implied by these Terms, it is a condition precedent to any right of the Holder to receive payment of any monies in respect of those Notes that all necessary authorisations (if any) and any other statutory requirements which may then be in existence are obtained at the cost of the Holder and satisfied.
- (b) For the purposes of clause 14(a), authorisation includes any consent, authorisation, registration, filing, lodgement, permit, franchise, agreement, notarisational, certificate, permission, licence, approval, direction, declaration, authority or exemption from, by or with any government or any government agency.

15. Quotation

- (a) Origin must use all reasonable endeavours and furnish all such documents, information and undertakings as may be reasonably necessary in order to procure, at its own expense, that Notes are quoted by ASX within 7 Business Days after the initial issue of Notes and to maintain quotation so long as any Notes remain on issue.
- (b) Origin will comply with the Listing Rules or the rules of any stock exchange on which Notes are quoted in connection with any amendment under clause 10.

16. Governing law

- (a) These Terms are governed by the law in force in the state of New South Wales, Australia.
- (b) Origin, the Trustee and each Holder submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia in connection with matters concerning Notes or these Terms. Origin, the Trustee and each Holder waives any right they have to an objection to an action being brought in those courts, or to claim that the action has been brought in an inconvenient forum, or to claim those courts do not have jurisdiction.

17. Interpretation and definitions

17.1 Interpretation

In these Terms:

- (a) headings and boldings are for convenience only and do not affect the interpretation of these terms;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and any government or semi-government agency;
- (e) a reference to any statute or regulation includes all statutes and regulations amending, consolidating or replacing it, whether passed by the same or another government agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
- (f) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- (g) where the day on or by which any thing is to be done, or payment is to be made, is not a Business Day, that thing must be done, or payment must be made, on or by the next succeeding Business Day;
- (h) a reference to cash includes cheques and bank cheques;

- (i) a reference to a body including a commission or an exchange, whether statutory or not, which ceases to exist or whose functions or powers are transferred to another body, is a reference to the body which replaces it or substantially succeeds to its powers and functions;
- (j) references to sums of money are to amounts in Australian dollars;
- (k) a reference to a thing or things after the words “include” or “including” or similar expressions is not limited to that thing or those things;
- (l) a calculation, determination, election or decisions made under these Terms, will (in the absence of manifest error, negligence, default or bad faith) be binding upon Origin, the Trustee and all Holders;
- (m) if a calculation is required under these Terms, the calculation will be rounded to four decimal places, provided that any amount to be paid to a Holder will be rounded down to the nearest whole cent; and
- (n) the word “amend” includes modify, cancel, amend or add to.

17.2 Definitions

Unless the context otherwise requires, the following terms will have the following meanings in these Terms:

Additional Amounts means additional amounts payable by Origin under clause 6.1.

Adjusted Net Debt means, in relation to a Testing Date, total current and non-current interest bearing liabilities, adjusted to remove any fair value adjustments on borrowings in hedge relationships, less cash and cash equivalents, all as disclosed in the more recent of:

- (a) the audited full year consolidated financial statements of Origin (and its controlled entities) for the full year ended on the immediately prior 30 June; and
- (b) the reviewed consolidated interim financial statements of Origin (and its controlled entities) for the half year ended on the immediately prior 31 December,

or, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Origin (and its controlled entities), as otherwise publicly disclosed to Holders.

ASX means ASX Limited (ABN 98 008 624 691) or the market operated by it, as the context requires.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Bookbuild means the process, described in the Prospectus, to be conducted by, or on behalf of Origin whereby certain institutional investors and brokers who wish to obtain a firm allocation of Notes (whether for themselves or for their clients) lodge bids for Notes.

Business Day has the meaning given to that term in the Listing Rules.

Capital Bonds means the New Zealand dollar denominated “Capital Bonds” proposed to be issued by Contact Energy Limited in 2011.

Capital Event means Origin has been notified by any Rating Agency, or has become aware following a publication by any Rating Agency, of a change in its assessment criteria such that Notes will no longer be eligible for the same or higher category of “equity credit” (or any similar nomenclature that is being used by that Rating Agency at the relevant time) as was initially attributed to Notes by that Rating Agency at the time of issue of Notes, as notified from time to time to Origin by that Rating Agency.

Capital Securities means the Euro denominated “Capital Securities” due 2071 issued by Origin Energy Finance Limited on 16 June 2011.

Capital Securities Guarantee means the deed of guarantee by Origin dated 16 June 2011 for the benefit of holders of Capital Securities.

Change of Control Event means that:

- (a) (i) Origin becomes a Subsidiary of another person; or
 - (ii) a person together with its associates (as defined in section 12 of the Corporations Act) acquires or comes to hold a relevant interest (as defined in the Corporations Act) in more than 50% of the voting shares (as defined in the Corporations Act) in the capital of Origin,
 - (such other person or person together with its associates being a **Relevant Person**), provided that a Change of Control Event will not have occurred if:
 - (x) the persons holding, directly or indirectly, more than 50% of the voting shares of the Relevant Person are also, or immediately prior to the event which would otherwise constitute a Change of Control Event were, persons who held, directly or indirectly, more than 50% of the voting shares of Origin; or
 - (y) the event which would otherwise constitute a Change of Control Event occurs as part of a Solvent Reorganisation of Origin; and
- (b) if at any time after the circumstance in paragraph (a) has occurred, Origin (or a Subsidiary) redeems, cancels or buys-back, or there is a step-up in the applicable margin, interest rate or distribution rate on, any Security (other than its ordinary shares) issued by it (or a Subsidiary) that is at that time listed or listable on ASX or an approved foreign market (as listed in ASIC Class Order CO 00/185) as a result of the event to which the circumstance in paragraph (a) relates.

A **Compulsory Interest Payment** Event shall have occurred if, during the period in which a Mandatory Deferral Event is subsisting:

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(a) a dividend, other distribution or payment was validly declared, paid or made in respect of the ordinary shares of Origin (other than in respect of employee incentive plans of Origin); or

(b) Origin has redeemed, reduced, cancelled, purchased or otherwise acquired any of its ordinary shares.

Corporations Act means the Corporations Act 2001 (Cth).

Deferred Interest Payment means an Optionally Deferred Interest Payment and/or a Mandatorily Deferred Interest Payment.

Equal Ranking Obligations means:

(a) any obligation in respect of the claims of the holders of the Capital Securities under the Capital Securities Guarantee;

(b) any obligation in relation to claims of holders of Securities issued by Origin or one of its Subsidiaries which claims rank or are expressed to rank *pari passu* with:

(i) Holder Claims under these Terms and the Trust Deed; or

(ii) the claims of the holders of the Capital Securities under the Capital Securities Guarantee; and

(c) any obligation in relation to claims of holders of Securities issued by Origin or one of its Subsidiaries, which claims are under, or are expressed to be treated as, Notional Preference Shares if at any time an Event of Insolvency occurs in relation to Origin.

An **Event of Default** occurs if:

(a) Origin does not pay any Redemption Amount, Interest Payment or Deferred Interest Payment which is due and payable in respect of the Notes in full within 30 days of its due date; or

(b) an order is made (other than an order successfully appealed or permanently stayed within 60 days) by a State or Federal Court in the Commonwealth of Australia or a resolution is passed by the shareholders of Origin for the winding-up of Origin (other than for the purposes of Solvent Reorganisation of Origin),

except that each of the following do not constitute an Event of Default:

(x) the non-payment by Origin of any amount due and payable in respect of any of the Notes:

(i) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment; or

(ii) (subject as provided in the Trust Deed) in cases of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice given by an independent law firm acceptable to the Trustee as to such validity or applicability; and

(y) the deferral of any Interest Payment under clause 3.

Event of Insolvency means the appointment of an administrator, a liquidator, provisional liquidator or other similar officer in respect of Origin or any corporate action is taken by Origin to appoint such a person.

Face Value means the face value of a Note, being \$100 per Note.

First Call Date means 22 December 2016 or, if that day is not a Business Day, the next Business Day.

Gross-Up Event means Origin has or will become obliged to pay, in respect of an amount (the **Relevant Amount**) an Additional Amount that is at least 30% (or other percentage which is the corporate tax rate then prevailing in the Relevant Jurisdiction) of the Relevant Amount as a result of:

(a) any change in the laws (or any rules or regulations under them) of the Relevant Jurisdiction; or

(b) any change in any official interpretation or application of those laws, rules or regulations,

which becomes effective on or after the Issue Date, and Origin cannot avoid being obliged to pay the Additional Amount by taking reasonable measures available to it.

Holder means a person who is entered into the Register as the holder of a Note.

Holder Claims means the rights and claims of the Trustee (in respect of Notes) and of the Holders in respect of Notes.

Initial Margin means the margin expressed as a percentage per annum determined by Origin (or another party on its behalf) on the basis of the bids made under the Bookbuild.

Interest Cover Ratio means, in relation to a Testing Date, the ratio of Underlying EBITDA to Net Interest Paid.

Interest Payment means the interest payable on a Note on the Interest Payment Date, as calculated in accordance with clause 3.2.

Interest Payment Date means, subject to clause 3.2, 22 March, 22 June, 22 September and 22 December in each year, commencing on the first such date following the Issue Date until Notes are redeemed.

Interest Period means:

(a) in respect of the first interest period, the period from and including the Issue Date to but excluding the first Interest Payment Date; and

(b) for each subsequent interest period, from and including each Interest Payment Date to but excluding the immediately following Interest Payment Date.

Interest Rate has the meaning specified in clause 3.2.

Issue Date means 22 December 2011, or such later date as Origin may determine.

Leverage Ratio means, in relation to a Testing Date, the ratio of Relevant Net Debt (divided by 2) to Underlying EBITDA.

Listing Rules means the listing rules of ASX.

Mandatorily Deferred Interest Payment has the meaning specified in clause 3.6(a) and will, where relevant, include any amount of additional interest accumulated thereon in accordance with clause 3.6(a)(ii).

A **Mandatory Deferral Event** will commence on and from a Testing Date (the “Commencing Testing Date”) if:

- (a) the Interest Cover Ratio in relation to the Commencing Testing Date is less than the Minimum Level; or
- (b) the Leverage Ratio in relation to the Commencing Testing Date and the most recent Testing Date before that date is above the Maximum Level,

and will continue until the next Testing Date (the “Ending Testing Date”) in relation to which:

- (x) the Interest Cover Ratio is at or above the Minimum Level; and
- (y) subject to the following, the Leverage Ratio on that date and the most recent Testing Date before it is at or below the Maximum Level,

at which time it will cease.

The requirement to satisfy the condition in paragraph (y) in order for the Mandatory Deferral Event to cease to apply will only apply if the Leverage Ratio was above the Maximum Level in relation to:

- (i) the Commencing Testing Date and the most recent Testing Date before that date; or
- (ii) any two or more consecutive Testing Dates during the period from (and including) the Commencing Testing Date to (and including) the Ending Testing Date.

Mandatory Payment Reference Date means the date which is the earliest of:

- (a) if a Compulsory Interest Payment Event has occurred, the fifth Business Day following the date on which the relevant Mandatory Deferral Event is no longer subsisting;
- (b) if a Compulsory Interest Payment Event has not occurred, the next Interest Payment Date on which the relevant Mandatory Deferral Event is no longer subsisting and on which Origin does not determine to defer the Interest Payment on that Interest Payment Date pursuant to clause 3.3(a);
- (c) the next Interest Payment Date:
 - (i) which is on or after the fifth anniversary of the Interest Payment Date on which any of the then outstanding Mandatorily Deferred Interest Payments was initially deferred; and
 - (ii) either (1) on or prior to which a Compulsory Interest Payment Event has occurred, or (2) if a Compulsory Interest Payment Event has not occurred on or prior to such Interest Payment Date, Origin does not determine to defer the Interest Payment on that Interest Payment Date pursuant to clause 3.3(a);

- (d) the Interest Payment Date immediately following the 25th anniversary of the Issue Date unless Origin elects to defer the Interest Payment on that Interest Payment Date pursuant to clause 3.3(a);
- (e) the Maturity Date;
- (f) the date on which all Notes are otherwise redeemed; and
- (g) the date on which an order is made or a resolution is passed for the winding up of Origin.

Margin has the meaning specified in clause 3.2.

Maturity Date means 22 December 2071.

Maximum Level means 4.00 times.

Minimum Level means 3.50 times.

Moody’s means Moody’s Investors Service, Inc. (or any of its Subsidiaries or any successor in business thereto from time to time).

Net Interest Paid means, in relation to a Testing Date, the amount of interest paid, less the amount of interest received, by Origin (and its controlled entities) for the more recent of:

- (a) the six month period ended on the immediately prior 30 June, as calculated by reference to the audited full year consolidated financial statements of Origin (and its controlled entities) for the full year ended on that date, less the equivalent items in the reviewed consolidated interim financial statements of Origin (and its controlled entities) for the half year ended on the prior 31 December; and
- (b) the six month period ended on the immediately prior 31 December, as reported in the reviewed consolidated interim financial statements of Origin (and its controlled entities) for that period,

or, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Origin (and its controlled entities), as otherwise publicly disclosed to Holders.

Notes means Origin Energy Subordinated Notes to which these Terms apply, as described in clause 1.1.

Notional Preference Shares means an actual or notional class of preference shares in the capital of Origin ranking junior to the claims of Senior Creditors and having an equal right to return of assets in the winding-up to, and so ranking pari passu with, the most junior class or classes of preference shares in the capital of Origin from time to time and which have a right to a return of assets in the winding-up over, and so rank junior to the holders of all other classes of issued shares for the time being in the capital of Origin other than, its ordinary shares.

NZ\$ Preference Shares means the New Zealand dollar denominated Preference Shares issued in 2007 by Origin Energy Contact Finance No.2 Ltd (a wholly owned subsidiary of Origin).

A. ORIGIN ENERGY SUBORDINATED NOTES TERMS

Optional Payment Reference Date means, in relation to an Optionally Deferred Interest Payment, the date which is the earliest of:

- (a) the next following Interest Payment Date on which:
 - (i) Origin elects to pay the relevant Optionally Deferred Interest Payment at its discretion; and
 - (ii) no Mandatory Deferral Event exists;
- (b) the date on which any dividend, distribution or interest is paid on, or any redemption, purchase or buy-back is made of, or any capital return is made in relation to, any Equal Ranking Obligations or ordinary shares of Origin (other than payments made pro rata on Notes and Equal Ranking Obligations in relation to that payment or in respect of employee incentive plans) and no Mandatory Deferral Event exists;
- (c) the Maturity Date;
- (d) the date on which all Notes are otherwise redeemed; and
- (e) the date on which an order is made or a resolution is passed for the winding up of Origin.

Optionally Deferred Interest Payment has the meaning specified in clause 3.3(a) and will, where relevant, include any amount of additional interest accrued thereon in accordance with clause 3.3(a)(ii).

Origin means Origin Energy Limited or any Related Body Corporate which is substituted for Origin Energy Limited under clause 11 and the Trust Deed.

Outstanding means a Note that has not been cancelled or redeemed by Origin and is not held by or on behalf of Origin, or any Subsidiary of Origin or any Relevant Person.

Proper ASTC Transfer has the meaning given in the Corporations Regulations 2001 (Cth).

Prospectus means a prospectus to be issued by Origin in respect of a public offer of Notes.

Rating Agency means each of Standard & Poor's and Moody's.

Record Date means, in relation to any date on which Origin is obliged to make an interest payment to a Holder in relation to a Note, 8 calendar days before the relevant interest payment date or such other date as Origin determines in its absolute discretion (subject to compliance with the Listing Rules) and notifies to Holders by a market release to ASX by the time required by the Listing Rules (or if no such time is required by the Listing Rules, at least six Business Days before the specified record date). If the Record Date is changed because of a requirement of ASX, Origin will give notice of the changed Record Date to all Holders by issuing a market release to ASX.

Redemption Amount in respect of a Note means the sum of:

- (a) 100% of the Face Value;

- (b) all Deferred Interest Payments in respect of that Note that remain unpaid at the Redemption Date; and
- (c) any accrued but unpaid interest for the Interest Period in which the Redemption Date falls determined in accordance with clause 4.5 calculated up to (but excluding) the Redemption Date as if that date were an Interest Payment Date,

except, in a redemption before the First Call Date for a Capital Event notified to Holders and the Trustee under clause 4.3, paragraph (a) of this definition will be 101% of the Face Value.

Redemption Date means the day on which Notes become due for redemption in accordance with these Terms.

Registrable Transfer Document has the meaning given in the ASX Settlement Operating Rules.

Register means the register of Notes maintained by or on behalf of Origin.

Registry means Link Market Services Limited (ACN 083 214 537) or such successor registrar as Origin may appoint.

Related Body Corporate has the meaning given in the Corporations Act.

Relevant Jurisdiction means:

- (a) the Commonwealth of Australia or any State or Territory of Australia; or
- (b) in the event of any substitution, Solvent Reorganisation or other corporate action resulting in either Origin being incorporated in any other jurisdiction, that other jurisdiction or any political subdivision or any authority of that jurisdiction having power to tax.

Relevant Net Debt means Adjusted Net Debt:

- (a) less 100% of the outstanding balance of Notes;
- (b) less 100% of the outstanding balance of the Capital Securities;
- (c) less 100% of the outstanding balance of the Capital Bonds;
- (d) plus 50% of the outstanding balance of the NZ\$ Preference Shares;
- (e) plus Origin's share of any net debt obligations associated with Australia Pacific LNG Pty Limited (and its controlled entities) as disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Origin (and its controlled entities); and
- (f) less that percentage publicly announced by Origin of the outstanding balance of each other Security issued by Origin (or one of its Subsidiaries) from time to time (if any) as has been specified by Origin in a public announcement to be a Security for the purposes of this paragraph,

in each case as expressed in Australian dollars on the basis of the relevant prevailing exchange rates for the 30 June or 31 December to which those balances relate and, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Origin (and its controlled entities), as otherwise publicly disclosed to Holders. Further, Origin will announce publicly a change in the percentage specified in respect of a Security to reflect a change in the equity credit categorisation of the relevant Securities from time to time and this definition shall be read in accordance with that announcement.

Relevant Person has the meaning given in the definition of Change of Control Event.

Security means, in relation to a company, shares in the capital of that company and any indebtedness in the form of or represented by notes, bonds, debentures or other securities issued by that company.

Senior Creditors means:

- (a) creditors of Origin who are unsubordinated creditors of Origin; and
- (b) creditors of Origin whose claims are or are expressed to be subordinated to the claims of other creditors of Origin (other than holders of Equal Ranking Obligations).

Solvent Reorganisation means, with respect to Origin, solvent winding-up, deregistration, dissolution, scheme of arrangement or other reorganisation of Origin solely for the purposes of a consolidation, amalgamation, merger or reconstruction, the terms of which have been approved by the holders of the ordinary shares of Origin or by a court of competent jurisdiction under which the continuing or resulting corporation effectively assumes the obligations of Origin under these Terms and the Trust Deed.

Special Resolution means a resolution approved by not less than 75% of all votes cast by Holders present and entitled to vote on the resolution.

Standard & Poor's means Standard & Poor's (Australia) Pty Ltd (or any of its Subsidiaries or any successor in business thereto from time to time).

Step-up Date means 22 December 2036 or, if that day is not a Business Day, the next Business Day.

Step-up Margin means the margin which is the Initial Margin plus 1.00% per annum.

Subsidiary has the meaning given in the Corporations Act.

Tax Act means the Income Tax Assessment Act 1936 of Australia.

Tax Event means that:

- (a) in the opinion of a recognised independent legal or tax adviser (which has been obtained by Origin and delivered to the Trustee), on or after the Issue Date, as a result of:

- (i) any amendment to, or change in, the laws (or any rules or regulations under them) of the Relevant Jurisdiction which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or
- (ii) any amendment to, or change in, an official interpretation of any laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the Issue Date; or

(iii) any generally applicable official interpretation or pronouncement that provides for a position with respect to such laws or regulations that differs from the previous generally accepted position which is issued or announced on or after the Issue Date, interest paid by Origin on Notes would no longer, or within 90 calendar days of the date of that opinion will no longer, be fully deductible (or the entitlement to make such deduction would or will be materially reduced) by Origin for corporate income tax purposes in the Relevant Jurisdiction; and

- (b) that risk cannot be avoided by Origin taking reasonable measures available to it.

Taxes means any present or future taxes, duties, assessments or governmental charges of whatever nature.

Terms means these terms and conditions of Notes.

Testing Date means any date on which Origin first releases to the public its audited consolidated financial statements in respect of a reporting period ended on 30 June or its reviewed consolidated interim financial statements in respect of a reporting period ended on 31 December of any given year.

Trust Deed means the trust deed dated 14 November 2011 (as amended) between Origin and the Trustee as trustee for the Holders.

Trustee means Australian Executor Trustees Limited (ABN 84 007 869 794) and includes a successor of it.

Underlying EBITDA means, in relation to a Testing Date, the underlying earnings before interest, tax, depreciation and amortisation of Origin (and its controlled entities) for the more recent of:

- (a) the six month period ended on the immediately prior 30 June, as calculated by reference to the note setting out the underlying results for Origin (and its controlled entities) contained within the audited full year consolidated financial statements of Origin (and its controlled entities) for the full year ended on that date, less the equivalent item in the reviewed consolidated interim financial statements of Origin (and its controlled entities) for the half year ended on the prior 31 December; and

A. ORIGIN ENERGY SUBORDINATED NOTES TERMS

(b) the six month period ended on the immediately prior 31 December, as reported in the notes setting out the underlying results for Origin (and its controlled entities) contained within the reviewed consolidated financial statements of Origin (and its controlled entities) for that period,

or, if not disclosed in the audited consolidated financial statements or reviewed consolidated interim financial statements of Origin, as otherwise publicly disclosed to Holders.

Origin calculates its underlying earnings before interest, tax, depreciation and amortisation by excluding from its statutory earnings before interest, tax, depreciation and amortisation items which do not reflect the performance of Origin's ongoing business (see Sections 4.1 and 4.2 of the prospectus).

B. GLOSSARY

This Appendix provides a glossary of key terms used throughout this Prospectus and the Application Form. There is also a list of further defined terms in Clause 17.2 of the Terms immediately prior to this Glossary commencing on page 97.

Term	Meaning
2P Reserves	The sum of Proved plus Probable where Probable Reserves are those reserves which analysis of geological and engineering data indicate are less likely to be recovered than Proved Reserves but more certain than Possible Reserves. It is equally likely that the actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P).
3P Reserves	Proved plus Probable plus Possible Reserves, where Possible Reserves are those additional Reserves which analysis of geological and engineering data suggest are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P), which is equivalent to the high estimate scenario.
ABN	Australian Business Number.
Adjusted Equity	Equity adjusted to remove the fair value balances in the hedging reserve and available-for-sale reserve.
Adjusted Net Debt	Net Debt adjusted to remove fair value adjustments on borrowings in hedge relationships
ANZ Securities	ANZ Securities Limited (ABN 16 004 997 111, AFSL 237531).
Application Form	The application form attached or accompanying the Replacement Prospectus (including the electronic form provided by an online application facility).
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited or the market operated by it, as the context requires.
ASX Settlement Operating Rules	The settlement rules of ASX Settlement Pty Ltd.
Australia Pacific LNG	Australia Pacific LNG Pty Limited, a joint venture between Origin (42.5%), ConocoPhillips (42.5%) and Sinopec (15%).
Bank Bill Rate	A benchmark interest rate for the Australian money market commonly used by major Australian financial institutions to lend short-term cash to each other over a 90 day period, as more particularly defined in Clause 2.2.6 of the Terms.
Board	The board of directors of Origin Energy Limited.
Bookbuild	The process described in Section 6.3.1 to determine the Margin.
Broker Firm Applicant	An Australia resident retail client of a Syndicate Broker invited to participate through their Broker Firm Offer.
Broker Firm Offer	The Offer of Notes under this Prospectus to retail clients, of Syndicate Brokers, resident in Australia who have received a firm allocation from the Broker.
Business Day	Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a Business Day.

B. GLOSSARY

Term	Meaning
Capital Securities or Euro Capital Securities	The Euro denominated “Capital Securities” due 2071 issued by Origin Energy Finance Limited (a wholly owned subsidiary of Origin) on 16 June 2011, or where referring to obligations of Origin, Origin’s obligations under the guarantee issued by Origin on 16 June 2011 for the benefit of holders of Euro Capital Securities (guaranteeing the performance by Origin Energy Finance Limited of its obligations under the Capital Securities).
CHESS	Clearing House Electronic Sub-register System operated in accordance with the Corporations Act.
Closing Date	The last date by which applications must be lodged for the Offer, being: <ul style="list-style-type: none"> • 5:00pm on 14 December 2011 for the Shareholder Offer and General Offer (unless varied); and • 10:00am on 21 December 2011 for the Broker Firm Offer (unless varied).
Co-Managers	Bell Potter Securities Limited (AFSL 243480), JBWere Pty Ltd (AFSL 341162), Westpac Banking Corporation (AFSL 233714), RBS Morgans Limited (AFSL 235410), Morgan Stanley Smith Barney Australia Pty Ltd (AFSL 240813).
Commonwealth Bank	Commonwealth Bank of Australia (ABN 48 123 123 124, AFSL 234945).
Contact Energy	Contact Energy Limited.
Corporations Act	Corporations Act 2001 (Cth).
Country Energy	New South Wales state-owned entity from whom Origin acquired retail assets on 1 March 2011, now known as Essential Energy.
CSG	Coal seam gas (also known as coal bed methane).
Directors	The directors of Origin.
EBIT	Earnings before interest and tax.
EBITDA	Earnings before interest, tax, depreciation and amortisation.
Eligible Shareholder	A registered holder of Ordinary Shares with a registered address in Australia or New Zealand at 7:00pm on 14 November 2011.
Energia Andina	Energia Andina SA, a Chilean geothermal exploration company in which Origin has a 40% stake.
Equity	Total Equity as disclosed in the statement of changes in equity of the Origin consolidated financial statements.
equity credit	See Section 2.1.4.
Eraring Energy	A New South Wales state owned entity that owns the Eraring and Shoalhaven Scheme power stations.

Term	Meaning
Eraring GenTrader Arrangements	Contractual arrangements between Origin and Eraring Energy under which Origin supplies fuel to the Eraring power station, pays agreed charges to Eraring Energy and has the contractual right to the electricity output of the Eraring power station and the Shoalhaven Scheme power station. Eraring Energy continues to own, operate and maintain the power stations. The arrangements for the Eraring and Shoalhaven Scheme power stations run until 2032 and 2038 respectively.
Euro Capital Securities	See Capital Securities.
Exposure Period	The 14 day period (as extended from seven days by ASIC) after the date the Original Prospectus was lodged with ASIC during which the Corporations Act prohibits the processing of applications for Notes.
FID	Final investment decision.
General Applicant	A member of the general public who is resident in Australia and who applies under the General Offer.
General Offer	The invitation to members of the general public who are resident in Australia to apply for Notes under this Prospectus.
GreenPower	GreenPower Accredited Renewable Energy program, a government accreditation program (joint initiative of the ACT, NSW, SA, QLD, VIC and WA governments) for renewable energy.
Group	Origin and its subsidiaries.
HIN	Holder Identification Number for Notes (when issued) held on the CHES sub-register.
Holder	A person registered in the Register as a holder of Notes.
Holding Statement	A statement issued to Holders by the Registry which sets out details of Notes issued to them under the Offer.
Institutional Investor	An investor to whom offers or invitations in respect of Notes can be made without the need for a lodged prospectus (or other formality, other than a formality which Origin is willing to comply with), including in Australia persons to whom offers or invitations can be made without the need for a lodged prospectus under Section 708 of the Corporations Act and who has been invited by UBS or Macquarie to bid for Notes in the Bookbuild.
Institutional Offer	The invitation by UBS or Macquarie to Institutional Investors to bid for Notes in the Bookbuild.
Integral Energy	New South Wales state-owned entity from whom Origin acquired retail assets on 1 March 2011, now known as Endeavour Energy.
Issue Price	The issue price for Notes under this Prospectus, being \$100 per Note.
Joint Lead Managers	ANZ Securities, Commonwealth Bank, Macquarie, NAB and UBS.
Listing Rules	The listing rules of ASX.
LNG	Liquefied natural gas.

B. GLOSSARY

Term	Meaning
LPG	Liquefied petroleum gas.
Margin	The margin to be determined under the Bookbuild, as may be increased pursuant to the Terms.
Macquarie	Macquarie Capital (Australia) Limited (ABN 79 123 199 548, AFSL 314416).
mmboe	Million barrels of oil equivalent.
mtpa	Million tonnes per annum.
MW	Megawatt (10 ⁶ Watts).
NAB	National Australia Bank (ABN 12 004 044 937, AFSL 230686).
NEM	National Electricity Market, which includes the states of New South Wales, Victoria, Queensland, South Australia, Tasmania and the Australian Capital Territory.
Net Debt	Total current and non-current interest bearing liabilities only, less cash and cash equivalents.
Notes	Origin Energy Subordinated Notes with terms and conditions set out in Appendix A.
NZCO	New Zealand Companies Office.
NZ\$ Preference Shares	NZ\$200m Preference Shares issued in 2007 by Origin Energy Contact Finance No.2 Ltd (a wholly owned subsidiary of Origin).
Offer	The offer by Origin of Notes under this Prospectus to raise \$500 million with the ability to raise more or less.
Offer Management Agreement	The offer management agreement entered into between Origin and the Joint Lead Managers, as described in Section 9.2.
Offer Period	The period from the Opening Date to the Closing Date.
Opening Date	The day the Offer opens, being 1 December 2011, unless varied.
Ordinary Share	A fully paid ordinary share in the capital of Origin.
Origin	Origin Energy Limited (ABN 30 000 051 696).
Original Prospectus	The prospectus dated and lodged with ASIC on 15 November 2011, which was replaced by this Prospectus.
PJe	Petajoules equivalent.
Privacy Act	Privacy Act 1988 (Cth).
Productive Capital	Funds employed including 50% of Australia Pacific LNG (as at 30 June 2011) and excludes capital works in progress for projects under development which are not yet contributing to earnings.
Prospectus	This document (including the electronic form of this Prospectus), as supplemented or replaced.

Term	Meaning
PRRT	Petroleum Resource Rent Tax.
Register	The official register of Notes (if issued) maintained by the Registry on Origin's behalf and including any subregister established and maintained in CHES.
Registry	Link Market Services (ABN 54 083 214 537) or any other registry that Origin appoints to maintain the Register.
Relevant Net Debt	Adjusted Net Debt, further adjusted as specifically set out in the Terms.
Replacement Prospectus	The second replacement prospectus that is expected to be lodged with ASIC on 1 December 2011 that will replace this Prospectus.
Shareholder Applicant	An Eligible Shareholder who applies under the Shareholder Offer.
Shareholder Application Form	The application form for the Shareholder is attached to or accompanying the Replacement Prospectus (including the electronic form provided by an online application facility).
Shareholder Offer	The invitation to Eligible Shareholders to apply for Notes under this Prospectus.
Sinopec	China Petrochemical Corporation.
Sinopec Corp	China Petroleum & Chemical Corporation.
SRN	Securityholder Reference Number for Notes (when issued) held on any Origin sponsored sub-register.
Statutory EBIT	Earnings before interest and tax as calculated from the Origin consolidated financial statements.
Statutory EBITDA	Earnings before interest, tax, depreciation and amortisation as calculated from the Origin consolidated financial statements.
Statutory Profit	Net Profit after tax as disclosed in the income statement of the Origin consolidated financial statements.
Syndicate Broker	Joint Lead Managers, Co-Managers and any other participating organisation of ASX selected by the Joint Lead Managers to participate in the Bookbuild (including any affiliate of the Joint Lead Managers).
Tax Act	Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth), as the context requires.
Terms	Terms and conditions of Notes as set out in Appendix A.
TFN	Tax File Number.
Trust Deed	The deed dated 14 November 2011 (as amended) between Origin and the Trustee governing the issue of Notes described in Section 9.1.
Trustee	Australian Executor Trustees Limited (ABN 84 007 869 794).
UBS	UBS AG, Australia Branch (ABN 47 088 129 613, AFSL 231087).
Underlying EBIT	Statutory EBIT, excluding items which do not reflect the underlying performance of Origin's ongoing business.

B. GLOSSARY

Term	Meaning
Underlying EBIT Margin	Gross revenue divided by Underlying EBIT.
Underlying EBITDA	In summary, statutory EBITDA, excluding items which do not reflect the underlying performance of Origin's ongoing business or, when used in the Interest Cover Ratio or Leverage Ratio or when assessing whether a Mandatory Deferral Event has occurred, as is more particularly set out in the Terms.
Underlying Profit	Statutory Profit, excluding items which, in the view of the Directors, do not reflect the performance of Origin's ongoing business.
US Person	Has the meaning given in Regulation S of the US Securities Act 1933.

Issuer

Origin Energy Limited

Level 45, 264-278 George Street
Sydney NSW 2000

Australian Legal Adviser

Clayton Utz

1 Bligh Street
Sydney NSW 2000

Australian Tax Adviser

Allens Arthur Robinson

Level 28, Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000

Auditor

KPMG

10 Shelley Street
Sydney NSW 2000

Registry

Link Market Services

Level 12, 680 George Street
Sydney NSW 2000

Trustee

Australian Executor Trustees Limited

Level 22, 207 Kent Street
Sydney NSW 2000

Arranger and Joint Lead Manager

UBS AG, Australia Branch

Level 16, Chifley Tower, 2 Chifley Square
Sydney NSW 2000

Joint Lead Managers

ANZ Securities Limited

Level 8, 100 Queen Street
Melbourne VIC 3000

Commonwealth Bank of Australia

Ground Floor, Tower 1, 201 Sussex Street
Sydney NSW 2000

Macquarie Capital (Australia) Limited

Level 8, 1 Martin Place
Sydney NSW 2000

National Australia Bank Limited

Level 25, 255 George Street
Sydney NSW 2000

Co-Managers

Bell Potter Securities Limited

Level 29, 101 Collins Street
Melbourne VIC 3000

JBWere Pty Ltd

Level 16, 101 Collins Street
Melbourne VIC 3000

Morgan Stanley Smith Barney Australia Pty Ltd

Level 26, Chifley Tower, 2 Chifley Square
Sydney NSW 2000

RBS Morgans Limited

Level 29, Riverside Centre, 123 Eagle Street
Brisbane QLD 4000

Westpac Banking Corporation

Level 20, 275 Kent Street
Sydney NSW 2000

How to contact us

Origin Offer Information Line on 1300 664 446 or +61 2 8280 7155
(Monday to Friday – 8:30am to 5:30pm)

Website

www.originoffer.com.au



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