



To	Company Announcements Office	Facsimile	1300 135 638
Company	ASX Limited	Date	8 February 2018
From	Helen Hardy	Pages	3
Subject	Origin to recognise non-cash impairment charges for 1H2018		

Please find attached a release on the above subject.

Regards

Helen Hardy
Company Secretary
02 8345 5000



ASX/Media Release

8 February 2018

Origin to recognise non-cash impairment charges for 1H2018

Origin Energy Limited (Origin) has advised it expects to recognise impairment charges of \$533 million (post-tax) for the first half of FY2018 in its half year results to be released on 15 February 2018.

Origin expects to recognise an impairment for the Ironbark gas field of \$360 million on a post-tax basis, after taking into account a downgrade in Ironbark reserves and a revised development plan. The reserves revision follows a detailed assessment of the Ironbark gas field applying updated assumptions consistent with the technical review of Australia Pacific LNG's reserves carried out in June 2017. The carrying value of the Ironbark gas field development post the impairment is expected to be \$279 million.

The Ironbark development is expected to enter FEED for stage 1 development in FY2018 with a revised multi-stage field development plan initially targeting the high permeability sweet spot (Undulla Nose extension) in the North West sector of the tenement. First gas is targeted in FY2021. Successful testing of low permeability drilling techniques at Australia Pacific LNG, which could be applied to Ironbark, provides the potential for development of additional resource. Origin is considering various options to bring the Ironbark gas to market and the FEED process is expected to inform an optimum path for development of the resource in the future.

As announced on 31 January 2018, Origin has completed the \$1,585 million sale of Lattice Energy with an economic effective date of 1 July 2017. Origin also expects to record a non-cash post-tax impairment charge of \$173 million, as a result of recognising Lattice Energy earnings from 1 July 2017 up to the 31 January 2018 completion date.

1H2018 Impairment Details

Asset	Post-tax impairment (\$m)
Ironbark	360
Lattice Energy	173
Total	533

The aggregate impairment charge of \$533 million is subject to finalisation of Origin's half year financial statements and is an after-tax, non-cash item with no impact on FY2018 Underlying EBITDA.



Ironbark Reserves Revision¹

Ironbark Reserves (PJe)	30-Jun-17	Revision	31-Dec-17
2P	249	(120)	129
3P	635	(443)	192
2C	332	(44)	288

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About Origin

Origin Energy (ASX: ORG) is the leading Australian integrated energy company. Origin is the leading energy retailer with approximately 4.2 million customer accounts, has approximately 6,000 MW of power generation capacity and is also a large natural gas producer. Origin is the upstream operator of Australia Pacific LNG, its incorporated joint venture with ConocoPhillips and Sinopec, which supplies natural gas to domestic markets and exports LNG under long term contracts.

¹ Additional Notes regarding the Ironbark Reserves and Resource assessment:

The decrease in reserves is due to downward revision in recovery for low permeability coals and reclassification of some reserves to contingent resource.

The decrease in contingent resource is due to the downward revision in recovery for the low permeability coals and reclassification of the very low permeability coals to unrecoverable at this time.

The resulting early field development is now planned for the high permeability sweet spot (Undulla Nose extension) while continuing to appraise the acreage. The Reserves Report has been prepared to be consistent with the Petroleum Resources Management System (PRMS) 2007 published by Society of Petroleum Engineers (SPE). Origin reports reserves and resources consistent with SPE guidelines as follows: proved reserves (1P); proved plus probable reserves (2P); proved plus probable plus possible reserves (3P); best estimate contingent resource (2C). Reserves must be discovered, recoverable, commercial and remaining. The Deterministic Method was used for the Ironbark assessment. A conversion factor of 1.038 PJe/BCF was used.

The reserves and contingent resource estimates contained in this report are based on, and fairly represents, information and supporting documentation that have been prepared by Alexander Côté who is a full time Origin employee and a Qualified Reserves and Resource Evaluator. Mr Côté is a member of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), Engineers of Australia (EA), Registered Professional Engineer of Queensland (RPEQ) and SPE and has consented to the form and context in which these statements appear.

The reserve and resource estimates have undergone an assurance process to ensure that the reserves and contingent resource estimates contained in this report are based on, and fairly represents, information and supporting documentation and have been prepared according to our reserves and resources process, which includes adherence to the SPE PRMS guidelines. This process is overseen by full time Origin employee, Andrew Mayers, Chief Petroleum Engineer who is a member of APEGA, RPEQ and SPE and Mr Mayers has consented to the form and context in which these statements appear.