

To	Company Announcements Office	Facsimile	1300 300 021
Company	Australian Stock Exchange Limited	Date	6 March 2007
From	Bill Hundy	Pages	2
Subject	KUPE GAS PROJECT UPDATE		

Please find attached an announcement regarding the Kupe Gas project.

Regards

A handwritten signature in black ink, appearing to read "Bill Hundy", with a stylized flourish at the end.

Bill Hundy
Company Secretary

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ASX/Media Release

6 March 2007

Kupe Gas Project - Update

Development of the Kupe Gas Project is progressing well and a number of important milestones have now been reached on time and on budget.

The Kupe Gas Project is a \$NZ980 million dollar project, approved to proceed in June 2006. Gas is expected to be on-line by mid-2009 and will provide New Zealand with approximately 254 petajoules of natural gas, 1.1 million tonnes of LPG and 14.7 million barrels of light oil.

Initial work on the Project has focused on:

- preparatory work at and around the onshore Production Station Site located near Hawera (site clearing, road upgrades etc.)
- drilling of the two 2.2 km horizontally directionally drilled (HDD) tunnels holes under the south Taranaki cliffs to carry the main gas pipeline and controls umbilical from the seabed to the production station site a few hundred metres back from the cliff top.

Work is now underway to build a "rock mattress" along the seabed immediately before the HDD holes. This involves laying rocks along the seabed to smooth out the undulations caused by boulders in the area. The rocks are being taken from a quarry at Egmont Village and will be laid on the seabed floor using a special vessel, the 'Pompeii'. The rock mattress will add stability to the pipeline and umbilical, particularly given Taranaki's strong weather and sea conditions.

The arrival date for the Ensco 107 drilling rig in Taranaki is now expected to be September 2007. The rig's current drilling commitments in Vietnam have been extended but this will not affect the Kupe Gas Project's critical milestones.

Origin has also recently opened a new office in New Plymouth at Energy House, where a number of project staff will be based for the duration of the Project. Other project staff will also be located at the construction village, which is being established at the Production Station site in Hawera.

Participants are:

Origin Energy Resources (Kupe) Limited*	50% (Operator)
Genesis Energy	31%
New Zealand Oil & Gas Limited	15%
Mitsui E&P (New Zealand) Limited	4%

*a wholly owned subsidiary of Origin Energy Limited

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