

24 June 2008

BG Group announces A\$13.8 billion takeover bid for Origin Energy

BG Group plc ("BG Group" - LSE: BG.L) today announced its intention to acquire all of the issued shares in Origin Energy Limited ("Origin" ASX:ORG) at A\$15.50 cash per share by way of a formal off-market takeover bid. The all-cash bid capitalises Origin's ordinary equity at approximately A\$13.8 billion (£6.7 billion) fully diluted.

The offer price represents a 48% premium to Origin's closing price of A\$10.47 on 29 April 2008 – the last full day of trading before the announcement of BG Group's initial approach on 30 April 2008 – and a 72% premium to Origin's 90-day Volume-Weighted Average Price (VWAP) on 29 April 2008.

BG Group's offer price will be adjusted for any 2007/8 final dividend and any other distribution or return to Origin shareholders.

BG Group believes that its offer represents a material premium for Origin shareholders which reflects the value of Origin's integrated energy business and its longer-term prospective coal seam gas (CSG) development. BG Group believes that a detailed and careful analysis of the technical, financial and commercial risks associated with the commercialisation of Origin's CSG resources will confirm the attractiveness of its immediate all-cash offer.

In light of this, BG Group considers that Origin shareholders should be given the opportunity to consider its offer.

BG Group Chief Executive Frank Chapman said: "Origin has good retail, power generation and exploration and production businesses. BG Group has performed a thorough and balanced assessment of Origin's prospects and is offering an all-cash 72% premium to the 90-day VWAP to the date immediately prior to the announcement of our initial proposal."

"Recent transactions, analysed on a comparable basis, confirm that BG Group's offer provides full value to Origin's shareholders. We believe Origin shareholders have limited visibility of the risks inherent in Origin's current reserves position and Liquefied Natural Gas (LNG) joint venture alternatives. Today, Origin does not have sufficient CSG reserves for a LNG joint venture: there are third-party contractual rights over a large number of Origin's tenements that have not been adequately explained; and Origin's domestic market requirements from CSG exceed the company's currently available proven reserves.

"Furthermore, there are currently no operating CSG to LNG plants anywhere in the world; competing projects in Australia are more advanced; and many billions of dollars of capital investment would be required."

"Under Origin's proposed CSG joint venture, shareholders would therefore bear protracted and material technical, project execution and commercial risks; and such a project, even if successful, would be unlikely to generate any revenues until 2015 or 2016 at the earliest. We would contrast these points with the certainty of our 72% premium, all-cash offer."

Background

On 29 April 2008, BG Group approached Origin with a confidential proposal to acquire all of the ordinary shares in Origin by way of a recommended, court-approved scheme of arrangement between Origin and its shareholders, at A\$14.70 per share in cash. Origin announced details of the BG Group proposal on 30 April 2008 and negotiations between the two companies began shortly afterwards.

On 28 May 2008, Origin confirmed to BG Group that it had concluded that the amended proposal from BG Group to acquire Origin at A\$15.50 cash per share should be put to Origin's shareholders. The amended proposal was subject to finalisation of a scheme implementation deed.

Origin's endorsement of the revised BG Group proposal at \$15.50 per share also followed the receipt and consideration, by Origin and BG Group, of a draft CSG reserves report which had been commissioned by Origin. Data from this report, indicating a reserves increase, was subsequently released by Origin on 30 May 2008.

On 29 May 2008, Santos Limited ("Santos" – ASX: STO) announced a joint venture with Petronas (Petroleum Nasional Berhad). Later that same day, the Origin Board withdrew its support for BG Group's proposal.

Origin later stated that it had decided not to put BG Group's offer to its shareholders for two reasons:

- the updated CSG reserves report, referred to by Origin on 30 May 2008 (albeit this report was available to Origin when it endorsed the revised BG Group proposal of A\$15.50 per share); and
- Origin's view that the Santos-Petronas agreement required a revaluation of the company's coal seam gas (CSG) reserves.

BG Group engagement with Origin shareholders

BG Group will now engage with Origin shareholders directly to explain its rationale and set out its value proposition. BG Group will include within its formal offer documentation details of its views on several relevant matters, including those set out below.

Origin's current CSG reserves

On the basis of BG Group's analysis since Origin's withdrawal from negotiations, BG Group believes that Origin's CSG reserves and resources estimates, as announced on 30 May 2008, do not present a complete and balanced assessment of the scale and risk of the company's reserves and resources and may lead to overestimation of the gas available for an LNG export project. BG Group's conclusions are based on factors including:

- the basis of the two consecutive step changes in Origin's total CSG resource base – the first announced at the Macquarie Bank investment conference on 7 May 2008 and the second in Origin's reserves report published on 30 May 2008. Both reserves upgrades were announced following BG Group's initial approach on 29 April 2008. However, according to BG Group's subsequent analysis, Origin's well density is far below that of its peers and insufficient wells appear to have been drilled to give confidence in the reserves step changes;
- BG Group expects that Origin will require at least 3 000 petajoules (PJ) from CSG reserves for its retail business and has already committed 2 200 PJ to existing domestic contracts on the basis of 1P reserves of 1 330 PJ. For a further explanation of 1P, 2P and 3P reserves, please see the Notes for Editors below; and

- Origin's contingent obligation to transfer significant gas interests to third parties for no value. The revised reserves estimates announced by Origin on 30 May 2008 are stated to "*reflect the current equity interests in Origin CSG tenements*" (BG Group emphasis). In BG Group's view, those estimates may not make appropriate allowance for the contractual arrangements, dating back to 2002, which grant third parties a reversionary interest in a proportion of Origin's reserves and resources. Under these contracts, up to 45% of the reserves and resources in a significant number of Origin tenements would revert to a third party after cost recovery is reached, for no payment to Origin. BG Group believes that, in the context of future longer-dated contracts of supply, any re-transfer could have a potentially material impact on Origin's production, reserves and resources. Origin has stated that one third of its CSG reserves are subject to reversion rights.

In combination, these factors represent, in BG Group's view, a significant increase in the risks in proving up Origin's newly-stated 3P reserves base and a material reduction in estimated 3P gas reserves potentially available for a LNG project. These factors are therefore directly relevant to the valuation of Origin's CSG reserves.

Santos-Petronas transaction is not a directly relevant pricing benchmark for Origin

On 29 May 2008, Santos announced that Petronas had agreed to purchase a 40% stake in Santos' integrated CSG to LNG project, with an up front payment of US\$2 billion. In withdrawing its support for BG Group's initial proposal, Origin cited the Santos-Petronas agreement. Origin later suggested the Santos-Petronas agreement could support a valuation of its CSG reserves at A\$16 billion by promoting a headline valuation metric of A\$1.65 per gigajoule (GJ) for *all* of Origin's 3P reserves. BG Group believes this suggestion fundamentally overstates the value of Origin's CSG assets. BG Group also considers that the Santos/Petronas agreement is not a directly relevant pricing benchmark for valuing Origin's CSG reserves after taking into account that:

- Petronas purchased an interest in an established, integrated LNG scheme currently under development. Origin currently has no such scheme;
- Origin's reserves position is subject to significant technical risk; the company will require substantial investment, equipment, human resources and time to prove up reserves sufficient to support domestic demand, as well as a LNG development;
- not all of Origin's CSG reserves are available for LNG development; a significant proportion is required for downstream commitments. Furthermore, a substantial volume of reserves could be lost under the exercise of reversion rights;
- Petronas paid US\$2 billion up front for 40% of the first LNG train and BG Group expects that it will have attributed value for its participation along the entire supply chain. However, even if all of the Petronas consideration is notionally allocated to the feed gas reserves required for the planned LNG train (estimated by BG Group to be 5 500 PJ), the unit price would be around A\$0.95 per GJ for the first train. Additionally, an Origin LNG project would likely be two to three years behind that of Santos-Petronas; assuming a 12% cost of capital, the comparable unit price falls to around A\$0.70 per GJ for the first train; and
- two days after the Santos-Petronas announcement, Shell announced it had paid A\$435 million for a direct interest in Arrow's CSG tenements. This represents a value of A\$0.52 per GJ.

The substantial risks for Origin shareholders in pursuing Origin's LNG alternatives

When Origin announced that it would not put BG Group's A\$15.50 cash per share proposal to its shareholders, Origin stated that it would seek indications of interest from third parties to accelerate the commercialisation of its gas resources. On 19 June 2008, Origin stated that it had commenced a process to invite proposals and that "*various potential structures, ranging from the acquisition of CSG assets to an integrated gas processing venture, will be explored*".

In pursuing LNG joint venture alternatives, Origin and its shareholders would be required to assume significant sub-surface, technical, financial, project delivery and LNG market risks over a substantial period. Many of the requisite skills to manage these risks do not reside within Origin. BG Group also believes that the financial implications of such a course of action would be significant for a company with Origin's financial resources. In BG Group's view, an integrated project for a single train of LNG would cost at least US\$8 billion at 2008 costs. Even if successfully delivered, such a project would be unlikely to generate new revenues until 2015 or 2016 at the earliest.

An attempt to introduce a partner with the requisite skills or capital would bring its own challenges, potentially diminish or permanently remove the premium for control in the company and, in BG Group's view, would be unlikely to deliver a substantial direct cash return to shareholders. Additionally, given the fact that competing LNG projects are already further advanced, the monetisation of Origin's gas reserves risks being pushed back by the earlier delivery of other projects, realising even less value as a consequence.

Indicative timing of BG Group's offer

BG Group expects to lodge its Bidder's Statement within approximately two weeks and to despatch the Bidder's Statement and offer to Origin shareholders within a further three weeks. The offer is likely to be open for two months and may be extended.

Financing

BG Group has arranged and agreed the financing of the transaction. This is in the form of cash from the Group's own reserves, combined with a syndicated loan provided by a consortium of lead banks, consisting of Banco Santander, S.A., HSBC Bank plc, Société Générale Corporate & Investment Banking and The Royal Bank of Scotland plc.

BG Group offer conditions

The offer will be made by BG International (AUS) Investments 1 Pty Limited, a wholly-owned subsidiary of BG Group, and will be subject to the conditions set out in Annex A to this announcement, including:

- a minimum acceptance condition of 50.1% (by number of shares);
- foreign investment approvals in Australia and New Zealand;
- Australian Competition and Consumer Commission (ACCC) clearance;
- usual regulatory conditions;
- no material acquisitions or disposals by Origin;
- no material adverse change;
- no prescribed occurrences; and
- BG Group shareholder approval (by ordinary resolution).

Advisers

BG Group is being advised by Goldman Sachs International, Gresham Advisory Partners, Deutsche Bank AG, London Branch and Morgan Stanley Australia Limited. Legal advisers to BG Group are Mallesons Stephen Jaques in Australia, Simpson Grierson in New Zealand and Allen & Overy LLP in the United Kingdom.

Ends.

Notes for Editors

About BG Group

BG Group plc (LSE: BG.L) is a world leader in natural gas, with a strategy focused on connecting competitively-priced resources to specific, high-value markets. Active in 27 countries on five continents, BG Group has a broad portfolio of exploration and production, Liquefied Natural Gas (LNG), transmission and distribution and power generation business interests. It combines a deep understanding of gas markets with a proven track record in finding and commercialising reserves.

Details of BG Group's strategy and achievements can be found at:
<http://www.bg-group.com/OnlineReports/ara/index.html>

Transaction rationale

The Origin acquisition is driven by BG Group's integrated gas strategy, linking competitively-priced exploration and production resources to downstream markets and power generation assets. The Group expects the acquisition to be earnings-enhancing in the first full year after completion.

The Origin business will benefit from BG Group's worldwide expertise in:

- **exploration and production**, accelerating the development of Origin's reserves and resources for domestic and export markets. Origin's upstream assets include both coal seam gas and conventional hydrocarbon plays;
- **gas downstream businesses**, expanding the scale and scope of Origin's retail activities to meet the long-term needs of expanding Australian domestic markets;
- **global LNG liquefaction and shipping**, expanding the planned Gladstone, Queensland-based LNG export project to supply BG's rapidly growing markets; and
- **gas-fired power generation**, building on Origin's power generation portfolio.

Further information regarding Origin

For the financial year ended 30 June 2007, Origin had audited consolidated revenues of A\$6 456 million (£ 3 129 million) and profit before taxation of A\$748 million (£363 million). As at 30 June 2007, Origin had audited gross assets of A\$14 765 million (£7 155 million). This financial information is extracted, without material amendment, from Origin's audited financial statements for the financial year ended 30 June 2007.

Origin's executive management team consists of:

- Grant A. King (Managing Director);
- Karen Moses (Chief Operating Officer, Australia);
- Frank Calabria (Chief Financial Officer);
- Andrew Stock (Executive General Manager, Major Developments Projects);
- Robbert Willink (Executive General Manager, Exploration);
- Carl McCamish (Executive General Manager, Corporate Development and Communications);
- Melanie Laing (Executive General Manager, Human Resources); and
- Bill Hundy (Company Secretary).

For details about Origin visit www.originenergy.com.au

Reserves classification

Under Society of Petroleum Engineers (SPE) guidelines, reserves are categorised according to their probability of production. 1P reserves are reserves with a 90% probability of successful commercial production. 2P reserves consist of 1P reserves *plus* other reserves with a 50% probability of successful commercial production. 3P reserves consist of 1P reserves *plus* 2P reserves *plus* other reserves with a 10% probability of successful commercial production.

1P reserves are known as *proved* reserves; 2P reserves are known as *proved plus probable* reserves; and 3P reserves are known as *proved plus probable plus possible* reserves.

Contacts

Communications Australia:

+61 (0) 2 8284 9901 – John Hurst

+61 (0) 419 588 166 – Rob Millhouse

Investor Relations Australia

+44 (0) 7860 592727 – Chris Lloyd

Communications UK:

+44 (0) 118 929 3508 – Edel McCaffrey/Neil Burrows

+44 (0) 118 929 3110

Out of hours UK media mobile:

+44 (0) 791 718 5707

Investor Relations UK:

+44 (0) 118 929 3025 – Siobhan Andrews/Damien Bird

There are matters discussed in this media information that are forward looking statements. Such statements are only predictions and actual events or results may differ materially. For a discussion of important factors which could cause actual results to differ from the forward looking statements, refer to the Company's annual report and accounts for the year ended 31 December 2007. The Company does not undertake any obligation to update publicly, or revise, forward looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Goldman Sachs International, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for BG Group plc and no one else in relation to the proposed transaction and will not be responsible to anyone other than BG Group plc for providing the protections afforded to clients of Goldman Sachs International nor for giving advice in relation to the proposed transaction or any other matters referred to in this announcement.

ANNEX A

CONDITIONS

Terms used in this schedule of Offer conditions are defined in the Glossary set out the end of this Annex.

<p>1. Minimum acceptance</p>	<p>That during, or at the end of, the Offer Period BG AUS has acquired a relevant interest in at least 50.1% (by number) of the Origin Shares.</p>
<p>2. Foreign Acquisitions and Takeovers Act</p>	<p>Prior to the end of the Offer Period, the Treasurer consents, on an unconditional basis, under the FATA to the proposed acquisition by BG AUS of Origin and the Treasurer is taken to have so consented:</p> <p>(a) if BG AUS receives written advice from or on behalf of the Treasurer to the effect that the acquisition of Origin is not inconsistent with the Australian Government's foreign investment policy or is not objected to under the FATA; or</p> <p>(b) if notice of the proposed acquisition of Origin is given to the Treasurer and the Treasurer has ceased to be empowered to make any order under Part II of the FATA in relation to the proposed acquisition because of lapse of time.</p>
<p>3. Australian merger control</p>	<p>Prior to the end of the Offer Period, BG AUS:</p> <p>(a) receives notice in writing from the ACCC to the effect that the ACCC does not propose to intervene in or seek to prevent the acquisition of Origin Shares by BG AUS under the Offer pursuant to Section 50 of the TPA, such notice being unconditional; or</p> <p>(b) has been granted clearance or authorisation for the acquisition of Origin Shares by BG AUS by the ACCC or the Australian Competition Tribunal under part VII of the TPA (such clearance or authorisation being unconditional), and no application for review of such clearance or authorisation having been made within the period prescribed by the TPA.</p>
<p>4. New Zealand OIO</p>	<p>Prior to the end of the Offer Period, BG AUS obtains consent to complete the acquisition of Origin Shares under the Offer under the Overseas Investment Act 2005 (NZ) and the Overseas Investment Regulations 2005 (NZ), such consent being unconditional</p>
<p>5. NZ Crown Minerals</p>	<p>Prior to the end of the Offer Period, consent is given under the Crown Minerals Act 1991 (NZ) and under the Petroleum Act 1937 (NZ) to complete the acquisition of Origin Shares under the Offer, such consent being unconditional.</p>
<p>6. NZ Takeovers Panel</p>	<p>Prior to the end of the Offer Period, the New Zealand Takeovers Panel publish a notification in the official government gazette in New Zealand granting exemptions from Rule 6 of the New Zealand Takeovers Code:</p> <p>(a) in respect of any application of Rule 6 to Contact voting securities, substantially in the terms set out in the BG press release dated 12 May 2008; and</p> <p>(b) in respect of any application of Rule 6 to Origin Contact Finance No.2 Limited voting securities, such exemption being unconditional.</p>

<p>7. No restraining orders</p>	<p>That between the Announcement Date and the end of the Offer Period:</p> <ul style="list-style-type: none"> (a) no court or Government Authority has issued, taken steps to issue or threatened to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a legal restraint or prohibition; (b) there is no preliminary or final decision, order or decree, ruling, legal restraint, prohibition, other action or refusal issued by a court or Government Authority or in effect; and (c) no application is made to any court or Government Authority (other than by any member of the BG Group), or action, inquiry or investigation is announced, threatened or commenced by a court or Government Authority, <p>in consequence of or in connection with the Offer (other than a determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:</p> <ul style="list-style-type: none"> (d) restrains or prohibits (or if granted or completed could reasonably be expected to restrain or prohibit or establish grounds for restraining or prohibiting), or delays or imposes material additional conditions or amendments to (or if granted or completed could reasonably be expected to delay or impose material additional conditions or amendments to), or otherwise materially adversely affects, or could reasonably be expected to materially adversely affect, the making of the Offer or the completion of any other transaction contemplated by the Offer (whether subject to conditions or not) or the rights of BG, BG AUS or any of their related bodies corporate in respect of Origin and the Origin Shares to be acquired under the Offer, or the business, assets, profits, financial or trading position or prospects of the Origin Group as BG AUS intends to operate the Origin Group (as set out in section []); or (e) requires or prevents (or if granted or completed could reasonably be expected to require or prevent or establish grounds for requiring or preventing) the divestiture by BG AUS or any related body corporate of any Origin Shares, or the divestiture of any assets of the Origin Group, the BG Group or otherwise.
<p>8. No further dividends, distributions or redemptions</p>	<p>During the period commencing on the Announcement Date and ending at the end of the Offer Period neither Origin nor any Subsidiary announces an intention to pay, declares or pays a dividend or any other form of distribution of profits or capital other than:</p> <ul style="list-style-type: none"> (a) a final dividend for the financial year to 30 June 2008 of not more than 13 cents per Origin Share; or (b) any Origin Preference Share Dividend; or (c) the declaration and/or payment by any Subsidiary of a dividend where the only recipient of that dividend is Origin or a wholly-owned Subsidiary.

<p>9. Contact</p>	<p>During the period commencing on the Announcement Date and ending at the end of the Offer Period, Contact remains admitted to the official list maintained by New Zealand Exchange Limited and Contact's ordinary voting shares continue to be quoted on the NZSX.</p> <p>If, during the period commencing on the Announcement Date and ending at the end of the Offer Period, a general meeting of Contact members is convened, no member of the Origin Group nor any custodian, trustee, attorney, representative or proxy of or for any member of the Origin Group exercises a vote with respect to any Contact Shares held by or on behalf of a member of the Origin Group on any resolution of shareholders of Contact proposed under or for the purposes of the New Zealand Takeovers Code relating directly or indirectly to the proposed acquisition of Origin Shares, or the proposed acquisition or exercise of control or voting control of Origin or Origin Shares, or of Contact or Contact Shares, by BG or any Subsidiary of BG.</p>
<p>10. Prescribed Occurrences</p>	<p>During the Offer Period, none of the following events happen:</p> <ul style="list-style-type: none"> (a) Origin converts all or any of its shares into a larger or smaller number of shares; (b) Origin or a Subsidiary resolves to reduce its share capital in any way; (c) Origin or a Subsidiary: <ul style="list-style-type: none"> (i) enters into a buy-back agreement; or (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or section 257D(1) of the Corporations Act; (d) Origin or a Subsidiary issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option; (e) Origin or a Subsidiary issues, or agrees to issue, convertible notes; (f) Origin or a Subsidiary disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property; (g) Origin or a Subsidiary charges, or agrees to charge, the whole, or a substantial part, of its business or property; (h) Origin or a Subsidiary resolves to be wound up; (i) a liquidator or provisional liquidator of Origin or of a Subsidiary is appointed; (j) a court makes an order for the winding up of Origin, or of a Subsidiary; (k) an administrator of Origin or of a Subsidiary is appointed under sections 436A, 436B or 436C of the Corporations Act; (l) Origin or a Subsidiary executes a deed of company arrangement; or (m) a receiver or a receiver and manager is appointed in relation to the whole, or a substantial part, of the property of Origin or of a Subsidiary.

<p>11. Contact Prescribed Occurrences</p>	<p>During the Offer Period, none of the following events happen:</p> <ul style="list-style-type: none"> (a) Contact or a subsidiary of Contact resolves to reduce its share capital in any way; (b) Contact or a subsidiary of Contact: <ul style="list-style-type: none"> (i) enters into a buy-back agreement; or (ii) resolves to approve the terms of a buy-back; (c) Contact or a subsidiary of Contact issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option; (d) Contact or a subsidiary of Contact issues, or agrees to issue, convertible notes; (e) Contact or a subsidiary of Contact disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property; (f) Contact or a subsidiary of Contact charges, or agrees to charge, the whole, or a substantial part, of its business or property; (g) Contact or a subsidiary of Contact resolves to be wound up; (h) a liquidator or provisional liquidator of Contact or of a subsidiary of Contact is appointed; (i) a court makes an order for the winding up of Contact, or of a subsidiary of Contact; (j) an administrator of Contact or of a subsidiary of Contact is appointed; (k) Contact or a subsidiary of Contact executes a deed of company arrangement; or (l) a receiver or a receiver and manager is appointed in relation to the whole, or a substantial part, of the property of Contact or of a subsidiary of Contact.
<p>12. No material acquisitions, disposals or new commitments</p>	<p>None of the following events occurs during the period from the Announcement Date to the end of the Offer Period:</p> <ul style="list-style-type: none"> (a) Origin, any Subsidiary or Contact acquires, offers to acquire, agrees to acquire or announces a bid or tenders for, one or more companies, businesses or assets (or any legal, beneficial or economic interest or right in one or more companies, businesses or assets) for an amount in aggregate greater than \$100 million or makes an announcement in relation to such an acquisition, offer, agreement, bid or tender; (b) Origin, any Subsidiary or Contact disposes of, offers to dispose of or agrees to dispose of: <ul style="list-style-type: none"> (i) one or more companies, businesses or assets or any legal, beneficial or economic interest or right in any one or more companies, businesses or assets for an amount, or in respect of which the book value (as recorded in Origin's statement of financial position as at 30 June 2007) is, in aggregate, greater than \$100 million; or (ii) any legal, beneficial or economic interest or right in or in connection with any upstream gas reserves, <p>or makes an announcement in relation to such a disposition, offer or agreement;</p>

	<p>(c) Origin, any Subsidiary or Contact enters into, or offers to enter into or agrees to enter into, any agreement, joint venture, partnership, farm-in agreement, management agreement, arrangement or commitment which:</p> <p>(i) would require expenditure, or the foregoing of revenue, by Origin and/or its Subsidiaries and/or Contact of an amount or value which is, in aggregate, more than \$100 million, other than in the ordinary course of business, or</p> <p>(ii) involves any legal, beneficial or economic interest or right in or in connection with upstream gas reserves of Origin and/or its Subsidiaries and/or Contact,</p> <p>or makes an announcement in relation to such an entry, offer or agreement;</p> <p>(d) Origin, any Subsidiary or Contact enters into, or offers to enter into or agrees to enter into, a transaction that has the same economic effect as any of the things in clauses (a) to (c); or</p> <p>(e) Origin resolves to do any of the things in clauses (a) to (d).</p> <p>Without limiting this condition, it applies to any transaction or arrangement or proposed transaction or arrangement relating to the New South Wales Government Electricity Privatisation Process and to any transaction or arrangement or proposed transaction or arrangement relating to Origin's coal seam gas assets in Queensland, notwithstanding any announcement or other public information available before the Announcement Date, but does not apply to any other transaction or arrangement or proposed transaction or arrangement publicly announced by Origin before the Announcement Date.</p>
<p>13. Material Adverse Change</p>	<p>No Specified Event or series of Specified Events occurs or becomes apparent that will, or is reasonably likely to, have a material adverse effect on the assets and liabilities, financial position and performance, profits and losses or prospects of the Origin Group as a whole (including Contact), including Specified Events that occur or become apparent as a result of making the Offers or the acquisition of Origin Shares pursuant to the Offers. For these purposes, a "Specified Event" is:</p> <p>(a) an event or occurrence that occurs on or after the Announcement Date and before the end of the Offer Period;</p> <p>(b) an event or occurrence that occurs before the Announcement Date but only becomes apparent or is announced or publicly disclosed between the Announcement Date and the end of the Offer Period; or</p> <p>(c) an event or occurrence that will or is reasonably likely to occur following the Offer Period and which has not been publicly announced prior to the Announcement Date,</p>

	and expressly includes any action, inquiry or investigation by any court or Government Authority; any litigation, arbitration, prosecution or other legal proceedings pursuant to which claims or actions are in progress, outstanding, pending or threatened, the creation, granting or amendment of any Encumbrance, any legislative or regulatory change or any adverse movement of Origin's electricity Hedge Book but will not include any event resulting from the termination of any hedging contract or finance facility as a result of the making the Offers or the acquisition of Origin Shares pursuant to the Offers.
14. BG shareholder approval	The requisite majority of BG Shareholders approve the acquisition of Origin Shares pursuant to the Offer as a Class 1 transaction in accordance with Chapter 10 of the listing rules of the UKLA at the BG Shareholder Meeting or BG obtains an exemption or waiver from the UKLA in respect of such requirements.
15. No persons exercising rights under certain agreements or instruments	<p>After the Announcement Date and before the end of the Offer Period:</p> <p>(a) no person exercises or purports to exercise, or states an intention to exercise, any right or refuses to give any consent or approval under any provision of any agreement, arrangement, permit, licence or other instrument to which Origin or any Subsidiary or Contact is a party, or is otherwise entitled or subject, or by or to which Origin or any Subsidiary or any of its assets may be bound or be subject; and</p> <p>(b) no right under any provision of any agreement arrangement, permit, licence or other instrument to which Origin or any Subsidiary is a party, or is otherwise entitled or subject, or by or to which Origin or any Subsidiary or any of its assets may be bound or be subject, becomes capable of being exercised,</p> <p>as a result of the proposed acquisition of Origin Shares by BG AUS or the change of any voting or management control over Origin, its Subsidiaries or Contact (other than in connection with the termination of any hedging contract or finance facility as a result of the making the Offers or the acquisition of Origin Shares pursuant to the Offers) and which results, or could reasonably be expected to result if exercised, in:</p> <p>(c) any monies borrowed by, or indebtedness or liability (actual or contingent) of Origin or any Subsidiary being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement, arrangement, permit, licence or other instrument;</p> <p>(d) any such agreement, arrangement, permit, licence or other instrument being terminated or modified, being or becoming capable of being terminated or modified, or any action being taken or arising thereunder;</p> <p>(e) the interest of Origin or any Subsidiary in any firm, joint venture, trust, corporation, entity, asset, property or estate (or any arrangements relating to such interest) being terminated, modified, or becoming capable of being terminated or modified, or ceasing to exist or expiring (in whole or in part) or otherwise reverting to</p>

	<p>(f) the holder of any reversionary interest; or the business, assets, profits, financial or trading position of Origin or any Subsidiary with any other person being adversely affected,</p> <p>in each case, to an extent which is material in the context of the Origin Group taken as a whole.</p>
--	--

Glossary

ACCC means Australian Competition and Consumer Commission.

Announcement Date means 24 June 2008 being the date of announcement of the Offer.

ASIC means Australian Securities and Investments Commission.

BG means BG Group plc, a public limited company registered in England and Wales with company number 3690065.

BG AUS means BG International (AUS) Investments 1 Pty Limited ACN 131 154 553.

BG Group means BG and each of its Subsidiaries.

BG Resolution means the resolution to be proposed at the BG Shareholder Meeting for the purposes of approving the acquisition of Origin Shares pursuant to the Offer in accordance with the listing rules of the UKLA.

BG Shareholders means holders of fully paid ordinary shares in the capital of BG.

BG Shareholder Meeting means the general meeting of BG to be convened to consider and, if thought fit, approve the BG Resolution, including any adjournment of that meeting.

Bidder's Statement means the statement of BG AUS under Part 6.5 Division 2 of the Corporations Act relating to the Offer.

Contact means Contact Energy Limited ABN 68 080 480 477 (a New Zealand company listed on the New Zealand Stock Exchange).

Contact Group means Contact and each of its subsidiaries.

Contact Shares means fully paid ordinary shares in the capital of Contact.

Corporations Act means the Corporations Act 2001 (Cwlth).

Encumbrance means any

- (a) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, option, right of pre-emption, power, title retention, or flawed deposit arrangement; or
- (b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- (c) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease, or licence to use or occupy; or
- (d) third party right or interest or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

FATA means the Foreign Acquisitions and Takeovers Act 1975

Government Authority means any government or governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, office, instrumentality, tribunal, agency, delegate, organisation or entity, or any minister of the Crown.

Hedging Contract means any swap, contract for difference, futures contract, forward physical contract, option, swaption (including quoted electricity futures and options in relation to any such contracts), inter-regional hedge (including a settlement residue auction contract) relating in each case to electricity, carbon, commodities (including oil, gas and liquid petroleum gas), interest rates or exchange rates.

Hedge Book means all of the outstanding contracts and transactions in respect of Hedging Contracts entered into by Origin or its Subsidiaries.

New South Wales Government Electricity Privatisation Process means the process announced by the New South Wales Government to encourage greater private sector involvement in the New South Wales electricity market, including any submission of government owned electricity assets and businesses for sale pursuant to a competitive tender process.

New Zealand Takeovers Code means the Takeovers Code set out in the Takeovers Code Approval Order 2000 of New Zealand.

New Zealand Takeovers Panel means the Takeovers Panel established under Part 1 of the Takeovers Act 1993 of New Zealand.

NZSX means the main board equity security market operated by New Zealand Exchange Limited.

Offer means the offer by BG AUS on the Offer Terms to acquire Origin Shares referred to in the Bidder's Statement.

Offer Period means the period commencing on [] and ending on [], or such later date to which the Offer has been extended.

Offer Terms means the terms and conditions of the Offer set out in the Bidder's Statement.

Origin means Origin Energy Limited ABN 30 000 051 696.

Origin Preference Share Dividend means the dividend to be declared or authorised by Origin Energy Contact Finance No. 2 Limited or its directors and payable on or around 15 October 2008 in accordance with the Origin Preference Share Terms and in the ordinary course having regard to past practices.

Origin Preference Share Prospectus means the investment statement and prospectus issued by Origin Energy Contact Finance No. 2 Limited and dated 30 August 2007.

Origin Preference Share Terms means the terms for the Origin Preference Shares as set out in section 9 of the Origin Preference Share Prospectus.

Origin Shares means fully paid ordinary shares in the capital of Origin.

Subsidiary means a subsidiary as that term is defined in the Corporations Act and in the case of Origin excludes each member of the Contact Group unless expressly stated otherwise.

Takeovers Panel means the body called the Takeovers Panel continuing in existence under section 261 of the Australian Securities and Investments Commission Act and given various powers under Part 6.10 of the Corporations Act.

TPA means the Trade Practices Act 1974

Treasurer means the Treasurer of the Commonwealth of Australia.

UKLA means the United Kingdom Listing Authority, being the Financial Services Authority of the United Kingdom acting in its capacity as the competent authority for listing in accordance with the Financial Services and Markets Act 2000, as modified or re-enacted from time to time.