



To	Company Announcements Office	Facsimile	1300 300 021
Company	Australian Stock Exchange Limited	Date	29 January 2007
From	Bill Hundy	Pages	5
Subject	SHAREHOLDER CORRESPONDENCE		

In accordance with Listing Rule 3.17 please find attached a letter regarding the Share Purchase Plan which is being sent to all eligible shareholders today.

These documents are also available on Origin's website www.originenergy.com.au in the Investor Centre.

Regards

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

Bill Hundy
Company Secretary

02 8345 5467 - bill.hundy@originenergy.com.au



29 January 2007

Dear Shareholder

SHARE PURCHASE PLAN - OFFER TO SHAREHOLDERS

Origin Energy announced to the Australian Stock Exchange on 27 November 2006 the acquisition of the Sun Retail business from the Queensland Government and that it would launch a Share Purchase Plan in early 2007 to partly fund that acquisition.

In accordance with that announcement, the Directors of Origin Energy confirmed to the ASX on 9 January 2007 an offer to shareholders to purchase additional shares in Origin Energy through a Share Purchase Plan ("Plan") to raise up to \$75 million, thereby providing an opportunity for all eligible shareholders to participate in the capital raising initiatives of the Company. The Directors of Origin Energy are pleased now to invite shareholders to participate in the Plan on the terms as outlined in this letter.

Given the size of the proposed discount to the current market price of Origin Energy shares, it is possible that the subscriptions received from shareholders will exceed \$75 million. In this event, Origin Energy is likely to scale back the maximum number of shares that may be issued to each eligible shareholder under the Plan, subject to each shareholder receiving a minimum of 100 shares. The offer pricing and the scale back mechanism are described in the Details of the Plan set out below.

DETAILS OF THE PLAN

The terms and conditions of the offer under the Plan are set out in the attached Share Purchase Plan Entitlement and Acceptance Form and are described below.

Eligible Shareholders

Shareholders (including Directors and employees that are shareholders of the Company) will be eligible to participate in the Plan if they were a registered holder of fully paid ordinary shares in Origin Energy at the close of business on Monday, 8 January 2007 with a registered address in either Australia or New Zealand.

Participation

Participation in the Plan is entirely at your option. The offer is non-renounceable, which means that you cannot transfer your right to purchase shares under the offer to anyone else. The offer closes at 5.00pm (Sydney time) on Monday, 19 February 2007.

Pricing

The purchase price for each Origin Energy share under the Plan will be **\$7.10** and is the same price at which shares were issued under the Company's recent placement of 56.3 million ordinary shares to sophisticated and professional investors to partly fund the Company's acquisition of Sun Retail. The \$7.10 purchase price represents a 24% discount to the Volume Weighted Average Price over the period of 8 to 19 January 2007.

Offer

Eligible shareholders are able to subscribe for any one of five parcels of shares in Origin Energy:

Offer A: 100 shares for a total amount payable of \$710

Offer B: 200 shares for a total amount payable of \$1,420

Offer C: 300 shares for a total amount payable of \$2,130

Offer D: 500 shares for a total amount payable of \$3,550

Offer E: 700 shares for a total amount payable of \$4,970

Each registered shareholder may only participate once in the offer up to the maximum number of 700 shares, even if you receive more than one offer (if, for example, you hold more than one shareholding under separate share accounts). Origin Energy reserves the right to reject any application for shares where it believes the maximum application limit or any other term of the Plan has not been complied with.

Please note that the market price of shares in Origin Energy may rise or fall between the date of this offer and the date the shares are allotted to you. This means that the subscription price you pay for the shares under the Plan may exceed the market price of the shares at the date of allotment under this offer. We recommend that you obtain your own financial advice in relation to this offer and consider price movements of shares in Origin Energy prior to accepting this offer.

Origin Energy reserves the right at its discretion to cancel the Plan at any time up to the time of issue of new shares under the Plan, or to extend the closing date.

Scale back of the offer

Under the terms of the Plan, if subscriptions received by Origin Energy exceed \$75 million, or such other amount determined by the Directors, **Origin Energy may scale back the maximum number of shares issued to each Shareholder.** Given the size of the discount of shares under the Plan to the current market price of Origin Energy shares, it is possible that subscriptions received by Origin Energy from shareholders under the Plan will exceed \$75 million. If subscriptions exceed \$75 million, Origin Energy is likely (but is not obliged) to reduce the maximum number of shares which are issued to each shareholder. Once the reduced maximum number is determined, shareholders that applied for a number of shares that is equal to or less than the reduced maximum will receive the number of shares they applied for. Those shareholders that applied for greater than the reduced maximum will receive the reduced maximum number. For example, if the maximum is reduced to 200 shares, shareholders who applied for a parcel of 700 shares would be issued with 200 shares and those who applied for a parcel of 200 shares or less would be issued with the number they applied for.

Subject to the terms of the Plan, each eligible shareholder who subscribes for shares will receive a minimum of 100 shares.

Allotment of shares

Shares issued under the Plan will rank equally in all respects (including the right to vote and the right to future dividends) with all other ordinary shares of Origin Energy on the date of issue.

It is expected that the shares allotted to you under the Plan will be quoted on the Australian Stock Exchange Limited on or about Tuesday, 27 February 2007 and you should receive your holding statement or confirmation advice shortly after this date.

Costs of participation

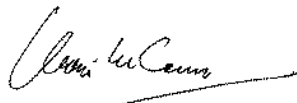
No brokerage, commissions or other transaction costs will be payable by participants in respect of the application for, and allotment of, shares under the Plan.

Application instructions

To accept the offer please complete the enclosed Share Purchase Plan Entitlement and Acceptance Form as instructed and return it to the address indicated on the form by **5.00pm (Sydney time) on Monday, 19 February 2007.**

If you have any questions in respect of the Plan, please call the Company's share registry toll free on 1300 664 446 (or 61 2 8280 7155 for overseas callers).

Yours sincerely



H Kevin McCann
Chairman



ORIGIN ENERGY LIMITED

ABN 30 000 051 696

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Toll free: 1300 664 446
Telephone: (02) 8280 7155
Facsimile: (02) 9287 0303
ASX Code: ORG

Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Allotment Date: 27 February 2007

Record Date: 8 January 2007

Price per share: A\$7.10

SRN/HIN:

SHARE PURCHASE PLAN ENTITLEMENT AND ACCEPTANCE FORM

This is an offer to eligible shareholders to subscribe for additional shares in Origin Energy Limited under the terms and conditions of the Share Purchase Plan set out on the back of this form.

Please note:

- The terms and conditions of the Share Purchase Plan on the reverse of this form should be read carefully.
Payments may only be made by BPAY, cheque or bank draft in Australian dollars and drawn on an Australian branch of a financial institution.
Cheques or bank drafts are to be made payable to: "Origin Energy Limited Share Purchase Plan Account" and crossed Not Negotiable.
If paying by BPAY please refer to the Biller Code and Reference number below and contact your participating financial institution to make your payment. You are not required to return the Entitlement and Acceptance Form.
Cash payments will not be accepted via the mail or at Link Market Services Limited.
Origin Energy may reject an acceptance of this offer, in its absolute discretion, if this form is not completed in accordance with this offer, is incomplete or if the exact amount payable is not tendered with this form.

Receipt by Origin Energy of this form duly completed, together with the full subscription amount, or by payment through BPAY, will constitute acceptance in accordance with the terms and conditions of the Share Purchase Plan and the constitution of Origin Energy by the shareholder named on this form.

Lodgement Instructions

If you are located in Australia please forward the completed Entitlement and Acceptance Form in the reply paid envelope provided. Other shareholders must forward it to the postal address set out below. The completed Entitlement and Acceptance Form should be torn off below and forwarded with your payment to reach the Company's share registry by 5:00pm (Sydney time) on Monday, 19 February 2007. If you are returning your Entitlement and Acceptance Form by post, you should allow sufficient time for collection and delivery by postal services. The postal acceptance rule does not apply. Your form cannot be faxed to the Company's share registry as a cheque payment must be attached to your Entitlement and Acceptance Form.

Mailing Address: Origin Energy Limited, C/- Link Market Services Limited, Reply Paid 3560, Sydney NSW 2001, Australia; or

Delivery Address: Origin Energy Limited, C/- Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000 (Please do not use this address for express post mailing)

Make sure you send your Entitlement and Acceptance Form and cheque allowing enough time for mail delivery, so Link Market Services Limited receive them on or before 5:00pm (Sydney time) 19 February 2007.

This offer is non-renounceable - No Signature is required

Return Entitlement and Acceptance Form (below) and cheque or bank draft in the envelope provided.

Offer Closes: 5:00pm (Sydney Time) 19 February 2007.

Please detach this tear-off slip and return with your cheque



ORIGIN ENERGY LIMITED
ABN 30 000 051 696



Biller Code: 131177

Ref:

Telephone & Internet Banking - BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au

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I/We wish to purchase shares:

Form with input boxes for share quantities and prices: 100 Shares A\$710.00, 200 Shares A\$1,420.00, 300 Shares A\$2,130.00, 500 Shares A\$3,550.00, 700 Shares A\$4,970.00

I/We certify that the aggregate of the application price for the shares the subject of this application, and, any other shares in the class applied for by me/us under this Share Purchase Plan, together with amounts subscribed in any similar plan offer by Origin Energy in the last 12 months prior to the date of issue, does not exceed \$5,000.

Payment Details (if paying by cheque or bank draft):

Form for payment details: Drawer, Cheque Number, BSB Number, Account Number, Amount of cheque (A\$)

Make your cheque or bank draft payable to "Origin Energy Limited Share Purchase Plan Account"

Contact Details: Telephone Number - Business Hours, Contact Name (PRINT)

Form with input boxes for contact details

TERMS AND CONDITIONS OF SHARE PURCHASE PLAN

Participation

All persons registered as holders of fully paid ordinary shares of Origin Energy Limited ("Origin Energy") at the Record Date whose address in Origin Energy's share register is in Australia or New Zealand may participate in the Share Purchase Plan ("Plan"). The Board of Origin Energy has determined that it is not lawful or practical for shareholders in other jurisdictions to participate in the Plan. Participation is optional and is subject to these terms and conditions.

The application form includes a certification by the applicant, which is required by law, that the amount subscribed under the offer, together with amounts subscribed in any similar plan offer by Origin Energy in the last 12 months by the applicant does not exceed \$5,000.

Each applicant should be able to make the certification because Origin Energy has not made a Share Purchase Plan offer in the last 12 months.

Offers made under the Plan are not renounceable. This means that shareholders cannot transfer their right to purchase shares under this offer to another person.

Shareholders must select from one of the five parcels of shares offered.

If the subscriptions received by Origin Energy from shareholders under this offer exceed A\$75 million, or such other amount determined by the Directors, Origin Energy may scale back the maximum number of shares which are issued to each shareholder under this offer (the "Reduced Maximum"), subject to the Reduced Maximum being a minimum of 100 shares. In the event that Origin Energy elects to scale back the number of shares to be issued under this offer, each shareholder will be entitled to:

- (a) for those shareholders who have applied for the Reduced Maximum or less than the Reduced Maximum number of shares, the number of shares applied for; or
- (b) for those shareholders who have applied for greater than the Reduced Maximum, only the Reduced Maximum number of shares.

In addition, Origin Energy may resolve to allot to any person fewer shares than that person applied for under the Plan if the allotment of those shares, either alone or in conjunction with the allotment of shares under other applications received by Origin Energy, would contravene any law or the listing rules of the Australian Stock Exchange.

Note that the maximum number of 700 shares will apply even if a shareholder received more than one offer (whether in respect of a joint holding or because the shareholder has more than one holding under separate share accounts). Origin Energy reserves the right to reject any acceptance where this rule has not been complied with.

Pricing

The price per share for each Origin Energy Share issued under this offer is \$7.10. This represents a discount of 24% to the Volume Weighted Average Price over the period 8 to 19 January 2007 inclusive. The market price of shares in Origin Energy may rise or fall between the date of this offer and the date that the shares are allotted to you. This means that the subscription price you pay for the shares may exceed the market price of the shares at the date of allotment of the shares under this offer. We recommend that you obtain your own financial advice in relation to this offer and consider price movements of shares in Origin Energy prior to accepting this offer.

Allotment of shares

Shares to be allotted under the Plan will be allotted on the Allotment Date. Shares allotted under the Plan will rank equally in all respects with all other fully paid ordinary shares in Origin Energy on the date of issue.

Origin Energy will, promptly after allotment of shares under this Plan, make application for the shares to be listed for quotation on the official list of the Australian Stock Exchange Limited.

Costs of Participation

No brokerage, commissions or other transaction costs will be payable by participants in respect of the application for, and allotment of, shares under the Plan.

Dispute Resolution

Origin Energy may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan whether generally or in relation to any participant, or application, or shares and the decision of Origin Energy shall be conclusive and binding on all participants and other persons to whom the determination relates.

Origin Energy reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of Origin Energy under these conditions may be exercised by the Directors or any delegate of the Directors.

If you have any queries concerning the offer please contact Origin Energy's share registry on 1300 664 446 or 61 2 8280 7155 for overseas callers.

Payment and Lodgement Details

Payment may only be made by BPAY, cheque or bank draft.

Cheques or bank drafts must be made payable to "Origin Energy Limited Share Purchase Plan Account." To pay via BPAY please contact your participating financial institution.

Completed cheques and Entitlement and Acceptance Forms should be returned using the reply-paid envelope provided. Alternatively, please mail or deliver to the address below. If paying by BPAY, you do not need to return the Entitlement and Acceptance Form.

Mailing Address: Origin Energy Limited, C/- Link Market Services Limited, Reply Paid 3560, Sydney NSW 2001, Australia; *or*

Delivery Address: Origin Energy Limited, C/- Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000 (*Please do not use this address for express post mailing*)

Make sure you send your Entitlement and Acceptance Form and cheque allowing enough time for mail delivery, so Link Market Services Limited receive them on or before 5:00pm (Sydney time) 19 February 2007.