

## ASX Announcement

### Hastings Diversified Utilities Fund (HDF)

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**16 June 2009**

### Epic Energy secures conditional agreement with Origin Energy to underpin further expansion of the South West Queensland Pipeline and QSN Link

Hastings Funds Management Limited (Hastings) as Responsible Entity for HDF today advised that Epic Energy ("Epic") has signed a conditional long term Gas Transmission Agreement ("GTA") with Origin Energy ("Origin") to underpin the proposed Stage 3 expansion of the South West Queensland Pipeline ("SWQP") and QSN Link (which would incorporate the capacity to be provided under the Stage 2 expansion). The overall agreement includes a conditional long term GTA on Epic's Moomba to Adelaide Pipeline ("MAPS").

HDF Chief Operating Officer Tom Meinert said, "This is a significant milestone achievement for Epic and underscores the growth opportunities within its pipeline system. The agreement demonstrates the potential within the southern Australian markets for coal seam gas as a long term fuel source in a carbon constrained environment".

As initially announced in July 2008, Epic has been undertaking a feasibility study into the Stage 3 expansion of the SWQP and QSN Link (the project). The project involves the construction of a new circa 935 kilometre, 450 mm diameter, pipeline adjacent to Epic's existing SWQP. The expanded SWQP daily capacity would be increased from 168TJs to approximately 380TJs.

To underpin the expansion the project required sufficient take or pay contracts with financially capable and credit worthy shippers. In combination with currently committed loads, the execution of the conditional GTA with Origin fulfils this requirement and represents a major step forward for the project.

Epic is only obliged to proceed with the project if it can obtain the necessary funding on acceptable commercial terms. In this respect the GTA provides Origin with the opportunity to contribute a significant proportion of the funding on market competitive terms, should that be required. The GTA signed with Origin therefore provides both a long term contract and funding options while HDF and Epic continue to explore sources of project funding.

In certain circumstances if the project does not proceed despite Origin being prepared to commit funding, Epic may be required to supply Origin with zero charge gas transportation services on the Moomba to Adelaide Pipeline System from 2011 for 3 years for up to 35 TJs per day (or a substantially similar service). There would be no additional operating or capital costs associated with Epic providing this service. Origin will provide the commitments reflected in the conditional GTA ahead of Epic's financing commitments for the project being in place.

If the project does not proceed, Epic will be required to expense the costs associated with conducting the feasibility study and negotiating the terms of the expansion.

Epic is 100% owned by HDF.

A copy of Origin's ASX announcement is attached.

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Hastings Funds Management Limited

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## ASX/Media Release

16 June 2009

### Origin to secure long term gas pipeline capacity to link its Eastern Australian portfolio

Origin Energy Limited ("Origin") has entered into a conditional gas transportation agreement with Epic Energy ("Epic") which will result in the expansion of capacity on the 935 kilometre South West Queensland Pipeline and QSN Link from Wallumbilla to Moomba.

Origin's Executive General Manager Energy Markets, Mr Frank Calabria said, "The expansion of the South West Queensland Pipeline and QSN Link will provide Origin with increased flexibility in moving gas resources from Queensland to our customers and power stations in southern Australia."

Origin has entered into a conditional agreement for the transportation of up to 1,200 PJ of gas over 22 years from January 2012 with extension options over some capacity for up to a further 10 years. The agreement also includes additional long term capacity on the Moomba to Adelaide pipeline and options to further expand the capacity of the South West Queensland Pipeline in the future.

Completion of the transaction is subject to Epic securing funding for the development. Should Epic be unable to secure funding within an agreed timeframe, Origin has the opportunity to provide a significant proportion of the funding required for the project to Epic on market competitive terms.

In certain circumstances where the project does not proceed, despite Origin being prepared to provide funding, Epic may be required to provide Origin with some zero charge gas transportation services on the Moomba to Adelaide Pipeline System.

Epic is wholly owned by the Hastings Diversified Utilities Fund.

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#### **About Origin Energy**

Origin Energy is Australasia's leading integrated energy company focused on gas and oil exploration and production, power generation and energy retailing.

Listed in the ASX top 20 the company has approximately 4,000 employees, is a leading producer of gas in eastern Australia, is the largest owner and developer of gas-fired electricity generation in Australia and is a leading wholesaler and retailer of energy. The company services more than 3.5 million electricity, natural gas and LPG customers across Australia, New Zealand and the Pacific. Origin's strategic positioning and portfolio of assets provide flexibility, stability and significant opportunities for growth in the ever changing energy industry. Through Australia Pacific LNG, its 50:50 incorporated joint venture with ConocoPhillips, Origin is developing Australia's largest CSG to LNG project based on Australia's largest CSG reserves base.

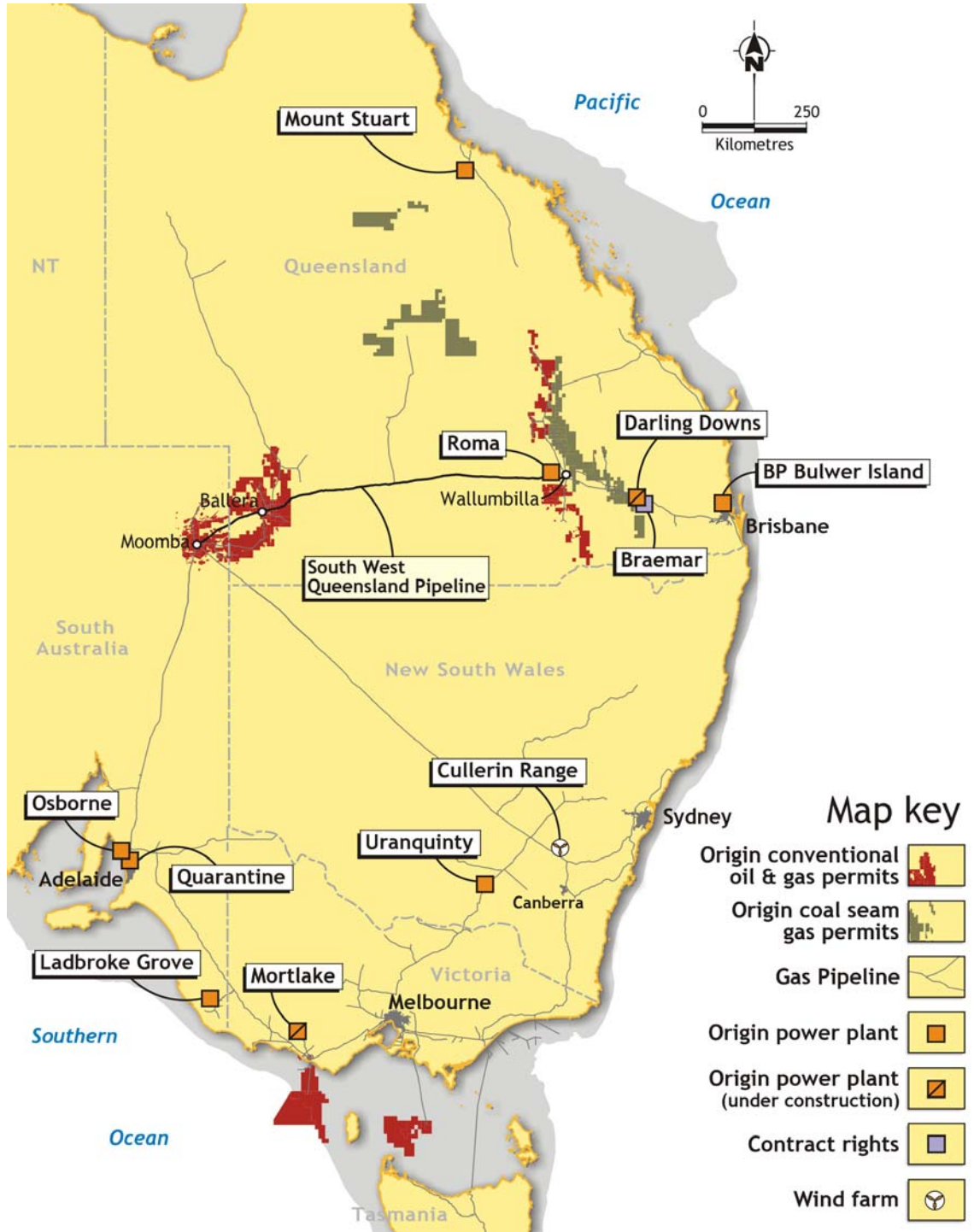
In New Zealand, Origin is the major shareholder in Contact Energy, the country's leading integrated energy company, operating geothermal, thermal and hydro generation facilities and servicing electricity, gas and LPG customers across both the North and South islands. Origin also operates several oil and gas projects in New Zealand and is one of the largest holders of petroleum exploration acreage in the country.

Origin has a strong focus on ensuring the sustainability of its operations, is the largest green energy retailer in Australia and has significant investments in renewable energy technologies.

For more information go to [www.originenergy.com.au](http://www.originenergy.com.au)

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Map of Eastern Australia showing the South West Queensland Pipeline and Origin's gas resources and power generation interests