

6 December 2011

Origin Energy settles farmin agreement with EP 426 joint venture in WA

Integrated energy company ERM Power Limited (ASX: EPW) is pleased that the relationship between Origin Energy Limited and the joint venture parties in petroleum exploration permit EP 426 in the North Perth Basin of Western Australia has been formalised with the execution of a farmin agreement.

Managing Director and CEO Philip St Baker said Empire Oil & Gas NL, as the operator of EP 426, had announced that the farmin agreement entered into on 18 August between Origin Energy and the joint venture parties including ERM Power was settled on 5 December.

“We look forward to working with Origin Energy to enhance our understanding of the North Erregulla prospect,” Mr St Baker said.

ERM Power will have a 13.89% interest in the exploration permit after Origin earns its 40% interest by paying 80% of the costs of a 3D seismic survey.

Exploration Permit	Joint venture parties	Shareholding before farmin	Joint venture parties	Shareholding after farmin
EP 426	Empire Oil & Gas NL	42.22%	Empire Oil & Gas NL	21.11%
	ERM Power Limited	27.78%	ERM Power Limited	13.89%
	*Norwest Energy NL	20%	*Norwest Energy NL	20%
	Allied Oil & Gas PLC	10%	Allied Oil & Gas PLC	5%
			Origin Energy Developments Pty Ltd	40%

*Norwest Energy NL is not a party to the farmin agreement and will contribute pro-rata its 20% interest.



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About ERM Power

ERM Power (ASX code: EPW) is an integrated energy company which operates electricity sales, generation and gas procurement businesses. Founded in 1980 as a specialist energy advisory firm, it grew through deregulation and privatisation to become one of Australia's largest private energy sector companies before listing on the Australian Securities Exchange on 10 December 2010. ERM Power is leveraged to the forecast growth in the Australian electricity market through its sales business, ERM Sales, which focuses on large business customers, and its generation business, which focuses on low emission gas-fired assets with long term contracts. In the last six years ERM Power has developed five power stations, operating two of them and retaining interests in two.

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