



AGL Shareholders approve AGL Scheme

6 October 2006

The Australian Gas Light Company (AGL) shareholders have today agreed to create two sector leading energy and infrastructure companies by approving the merger of AGL's infrastructure assets with Alinta Limited and the subsequent separation of AGL Energy.

AGL Shareholders voted in favour of the Recommended Proposal which will create Australia's leading integrated energy company – the new AGL and Australia's largest energy infrastructure company – new Alinta.

Subject to the approval today of an interdependent Alinta Scheme of Arrangement by Alinta Shareholders and approval of the AGL and Alinta Schemes by a Federal Court hearing next Monday October 9, the new companies will begin trading on a deferred settlement basis on the Australian Stock Exchange next Thursday October 12, 2006.

Following official implementation of the AGL and Alinta Schemes, AGL shareholders will retain 100 per cent ownership of new AGL and a 44 per cent share of new Alinta receiving 58 shares in new Alinta for every 100 shares they currently own in AGL¹.

AGL Chairman Mark Johnson said the decision by shareholders to vote in favour of the Recommended Proposal marked a significant new stage in AGL's 169-year history and would unlock substantial additional growth opportunities for AGL Shareholders.

"This decision positions AGL Shareholders for continued growth in returns as they share in the future expansion of both new AGL and new Alinta. This is delivering a superior outcome to AGL's original demerger proposal," Mr Johnson said.

The AGL Board had unanimously recommended the proposal as in the best interests of AGL shareholders, a statement supported by independent expert Grant Samuel.

Dividends

Subject to Federal Court Approval of the Recommended Proposal, a stub dividend of 25.5 cents per share will now be paid on October 23, 2006 to AGL Shareholders.

As outlined in the Supplementary Booklet, dividends relating to the financial year to 30 June 2007 are expected to total 80 cents per AGL share fully franked comprising;

- 25.5 cents per share stub dividend
- 35.4 cents per share new AGL dividend
- 19.1 cents per share new Alinta dividend

¹ This equates to 0.5774 Alinta shares for every one AGL share currently owned

Key Shareholder Dates

- 9 October Court Approval of AGL Scheme
- 12 October new AGL and new Alinta commence trading on ASX (on a deferred basis) AGL shareprice code is AGK
- 16 October Record Date for Stub Dividend
- 18 October AGL Scheme Record Date
- 23 October Stub Dividend payment date
- 25 October Transaction Implementation Date

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