



Activation of Dividend Reinvestment Plan

06 July 2007

The AGL Energy Limited (AGL) Board of Directors have approved the activation of the AGL Dividend Reinvestment Plan (DRP). The DRP will be operable in conjunction with payment of the 2007 final dividend in September (refer below timetable).

A copy of the DRP rules is attached.

The DRP will provide shareholders with a convenient means of increasing their shareholding in AGL without incurring transaction costs. It will also provide AGL with a further means of managing its ongoing capital requirements.

Shareholder participation in the DRP is entirely voluntary. Directors may modify, suspend or terminate the DRP when they consider appropriate. These discretions will be reviewed by the Directors in conjunction with each dividend payment.

The Directors have elected to introduce the DRP with a 0% (zero) discount for the 2007 final dividend.

In light of the DRP introduction Directors have elected not to proceed with the Share Purchase Plan (SPP) previously announced in February.

Indicative timing

Mid July Letter to shareholders, including personalised DRP Application Form

22* August	Announcement of FY07 year result/declaration of FY07 final dividend
7* September	Record Date (& last date for receipt by Registry of DRP Applications)
28* September	Payment of FY07 final dividend (& allotment of DRP shares where applicable)

* Subject to final Board confirmation

Paul McWilliams
Company Secretary

[Click here to download DRP rules](#)