

Media release

AGL defers drilling exploration program

AGL Energy Limited (AGL) announced today that it has deferred its proposed exploration drilling program near Gloucester to enable further community consultation to take place.

AGL makes the decision to defer the drilling program with some reluctance in the knowledge of the impact it will have on our local business suppliers and partners and their employees so close to Christmas.

AGL has undertaken to defer until:

- An independently peer reviewed hydrogeological study of the Stage 1 area has been completed and the results made public;
- The results of the judicial review into the consent for the Stage 1 gas production program are handed down by Justice Pepper.

The drilling program, which has all necessary environmental approvals in place, will commence once these matters are completed.

While AGL acknowledges that the Barrington-Gloucester-Stroud Preservation Alliance (the Alliance) wants a new groundwater study initiated and completed without any involvement from AGL, the reality is that extensive groundwater monitoring has already taken place. This work will be independently peer reviewed by an expert appointed by the Gloucester Community Consultative Committee.

AGL was planning to drill six exploration wells on private land with the agreement of the land owner. In line with the current approvals and NSW Government moratorium, the program was not intended to involve fracturing of any wells nor gas production or flow testing.

This postponement will allow for further consultation with the local community, said AGL's Group General Manager Upstream Gas, Mike Moraza.

"Once we have the outcomes of the judicial review and of the independently peer reviewed water study, the drilling exploration program will recommence. AGL is committed to continuing to consult with the local community around all of our activities through to the development of Stage 1 of the project," Mr Moraza said.

"We have also explained to the Alliance that other work on the Gloucester gas project will continue in the meantime, including seismic surveying, ground water monitoring, irrigation trials, and helimag surveys."



As discussed with the Alliance, AGL intends to proceed with the installation of additional monitoring bores to gain further information about water levels and water quality. AGL will finish partially completed roadworks to avoid erosion before site activities are suspended.

Media

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About AGL

AGL is one of Australia's leading integrated renewable energy companies and is taking action toward creating a sustainable energy future for our investors, communities and customers. Drawing on over 170 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has one of Australia's largest retail energy and dual fuel customer bases. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. AGL is Australia's largest private owner and operator of renewable energy assets and is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.