



ASX & Media Release

AGL's Gloucester gas exploration pilot approved

6 August 2014

AGL Energy Limited (AGL) today welcomed the NSW Government approval of its exploration pilot program to flow test gas at Gloucester.

AGL has received approval from the Office of Coal Seam Gas for the Waukivory Pilot and the Environment Protection Licence from the Environment Protection Authority.

The approvals mean AGL can now commence the Waukivory Pilot to fracture stimulate and flow test four existing gas wells that are located within the Stage 1 area of the Gloucester Gas Project.

Managing Director and CEO, Michael Fraser, said the Waukivory Pilot is an important step in the development of the Gloucester Gas Project, which will secure a local supply of gas for NSW communities and businesses.

"We welcome these approvals from the NSW Government. At present NSW produces less than five percent of its own gas and imports the rest from interstate. However if the Gloucester Gas Project proceeds, we have the potential to bolster that locally produced gas figure to around 20 percent," said Mr Fraser.

Stage 1 has already been through a full environmental assessment and received approval from the independent NSW Planning Assessment Commission. That approval was upheld by the Land and Environment Court. Stage 1 is also the subject of Commonwealth approval.

"All of the natural gas produced from the Gloucester Gas Project is for NSW customers and will not be exported," said Mr Fraser.

Information from the Waukivory Pilot will enable AGL to comply with the terms of the State and Federal approvals. AGL will conduct its operations at Waukivory in a safe manner, minimising disturbance to the local community. Work will be undertaken in accordance with our approvals and with the latest Code of Practice.

AGL has been consulting with the community on the Gloucester Gas Project since 2009 and will continue to keep the local community informed of the Waukivory Pilot Program's progress. Anyone with questions is encouraged to engage with AGL via www.yoursayaql.com.au.

Further inquiries:

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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 175 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.