



ASX & Media Release

AGL signs gas sales agreement with GLNG

24 December 2015

AGL Energy Limited (AGL) today announced that it has executed an agreement with the GLNG Project participants, Total, PETRONAS, Santos & KOGAS, for the sale of 254 petajoules (PJ) of gas to the GLNG project.

The gas will be supplied at Wallumbilla over a period of eleven years commencing in January 2017 with pricing based on an oil-linked formula. AGL is able to continue to utilise Queensland gas during periods of high east coast demand.

This transaction is consistent with AGL's objective of selling gas from existing favourable Queensland wholesale contracts into the high value Queensland market. The annual quantities are profiled to sell up to 34 PJ/year in the period 2018 to 2020 and AGL has retained flexibility in its portfolio for future sales to its consumer market. This sale is the third sale of gas from AGL's wholesale gas portfolio into the LNG projects in Queensland, and the first long term sale to the GLNG project.

AGL's Executive General Manager, Energy Markets, Stephen Mikkelsen said "The signing of AGL's first major agreement to sell gas to GLNG demonstrates the value of AGL's diverse east coast gas portfolio and the flexibility the portfolio has to meet the changing demands of the east coast Australian market."

"The agreement stands to deliver significant value and largely mitigates any oil price exposure under the Esso Australia – BHP Billiton contract in calendar years 2018 to 2020, announced earlier this year."

Further inquiries:

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About AGL

AGL is one of Australia's leading integrated energy companies and is the largest ASX listed owner, operator and developer of renewable energy generation in the country. 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 taking action toward creating a sustainable energy future for investors, communities and customers.