

ASX and Media release

14 May 2011



AGL completes the sale of Hallett 5 Wind Farm

AGL Energy Limited (AGL) today announced it has sold the 53 MW Hallett 5 Wind Farm to Eurus Energy, and will realise a development fee of \$30 million from the transaction in FY2012. The facility is already operational, with practical completion having been achieved in late March 2012. AGL will continue to operate and maintain the facility, as well as retain the rights to all Large-scale generation certificates (LGCs) and electricity output until 2036.

The Hallett 5 Wind Farm is located approximately 10 kilometres northwest of the township of Hallett, and 25 kilometres southeast of Jamestown, in the mid north of South Australia. It was constructed by Suzlon under a fixed price turnkey contract utilising 24 Suzlon S88v3A turbines and one new model s97 turbine.

Using a transaction structure similar to that previously used for the other Hallett wind farm sales, AGL will buy all of the electricity and LGCs produced by the facility as well as operate and maintain the facility under long term arrangements. Similar to the Oaklands Hill Wind Farm sale, Eurus Energy will share wind volume risk within a 'collar' of energy volumes.

The sale recoups AGL's development costs incurred to date of approximately \$129 million.

AGL is Australia's largest private owner and operator of renewable energy assets with over 1,300 MW of capacity currently in operation. Over the past five years, AGL has invested approximately \$3bn in renewable energy projects.

Table 1: AGL's renewable generation portfolio

Asset	Type	Capacity
Bogong	Hydro	140 MW
Southern Hydro	Hydro	656 MW
Wattle Point	Wind	91 MW
Hallett 1	Wind	95 MW
Hallett 2	Wind	71 MW
Hallett 4	Wind	132 MW
Hallett 5	Wind	53 MW
Oaklands Hill	Wind	67 MW
Macarthur ¹	Wind	420 MW

¹ Joint Venture with Meridian Energy. Under construction

KEY FACTS: Hallett 5 Wind Farm

Location	10km northwest of Hallett township, and 25km southeast of Jamestown, mid north South Australia
Total construction cost	\$129 million
Contractor	Suzlon Energy Australia Pty Ltd
Turbines	24 x 2.1 MW S88v3A, 1 x 2.1 MW S97
Size	S88: 88m diameter, 80m hub. Tip 124m S97: 97m diameter, 80m hub. Tip 129m
Landowners	Agreements with 6 landowners for 25 years of operation. AGL retains two 25-year extension options
Employment	Up to 100 during construction, 4 during operation
Capacity	52.5 MW
Capacity factor	Approximately 36%
Average wind speed	7.9 m/s
Expected output	Approximately 159 GWh p.a.
Construction schedule	Practical completion late March 2012 – now operational
Risk and benefits allocation	Eurus Energy's revenue reflects a sharing of wind speed variability. AGL takes O&M risk. All electricity and LGC revenues are to AGL's account
Effective Electricity + LGC off-take price ¹	July 2012 – June 2014: \$93/MWh ² July 2014: \$110/MWh ²
Development fees	\$30 million in FY2012

1. Includes the benefit of a reduction in network connection charges for AGL's South Australian wind portfolio due to the construction of Hallett 5
2. December 2011 dollars

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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 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.