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asx and media release

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AGL Energy receives proposed price for AlintaAGL

AGL Energy Limited (AGL) has received notice from Alinta 2000 Limited (Alinta) of the option exercise price at which Alinta is prepared to sell its 67 per cent interest in AlintaAGL Pty Ltd to AGL.

The price proposal was received on 21 September under the terms of the Subscription and Call Option Deed between Alinta and AGL, agreed in August last year during the companies' merger and subsequent demerger.

The agreement gave AGL the option to either move to 100 per cent ownership of AlintaAGL, or sell its 33 per cent interest at a pro-rata price, in the event of a change in control of Alinta. Alinta was acquired by Babcock & Brown last month.

AlintaAGL owns the Western Australian retail business formerly owned by Alinta as well as generation assets at Alcoa's Pinjarra and Wagerup alumina refineries.

AGL has three months to consider the proposal and will advise the market when it notifies Alinta of its decision.

Ends.

Further enquiries:

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About AGL

AGL is Australia's leading integrated energy company. Drawing on 170 years of experience, it includes retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has Australia's largest retail energy and dual fuel customer base supplying around 4.1 million customer accounts. This includes customers supplied with gas and electricity through AGL's joint venture partnerships, ActewAGL and AlintaAGL. 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. One of Australia's largest renewable energy producers, AGL is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.