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AGL

ASX statement

AGL announces 32% increase in 2P reserves over 12 months to June 2011

6 October 2011

AGL Energy Limited (AGL) announced that it has increased its total proved plus probable (2P) gas reserves entitlement as at 30 June 2011 to 2,089 petajoules (PJ), an increase of 511 PJ (32%) over the past 12 months.

This increase is net of production over the intervening period.

Further details are included in Appendix A.



Vikki Shizas

Acting Company Secretary

About AGL

AGL is one of Australia's leading integrated renewable energy company 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.

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Appendix A

The summary tabulations below show breakdowns of AGL's interests in gas reserves as at 30 June 2011. All data represents AGL's net equity interest.

AGL gas reserves (PJ)	2P	3P
Reserves as at 30 June 2010	1,578	3,372
– FY11 production	(13)	(13)
± Acquisitions and divestments	65	137
± Discoveries, extensions and revisions	459	144
Reserves as at 30 June 2011	2,089	3,640

AGL 2P gas reserves (PJ)	Reserves as at 30 June 2010	Production	Changes ¹	Reserves as at 30 June 2011
Gloucester (100%)	669	-	-	669
Moranbah (50%)	501	(7)	(124)	370
Camden (100%)	154	(6)	-	148
Hunter (100%)	-	-	142	142
Silver Springs (various)	-	- ²	65	65
Spring Gully (various)	8	-	-	8
Sub-Total	1,332	(13)	83	1,402
ATP 1103 rights (50%) ³	246	-	441	687
Total	1,578	(13)	524	2,089

¹ Includes acquisitions, divestments, discoveries, extensions and revisions; and balancing items due to rounding.

² As this is the initial booking by AGL of Silver Springs gas reserves as at 30 June 2011, production is not recorded here.

³ Under a 50-year project agreement that commenced in 2000, AGL has no effective exploration rights (or ongoing cost obligations) within exploration tenement ATP 1103 as these were assigned to Arrow Energy. However, AGL is entitled to participate up to a 50% interest in any commercial development by contributing its share of past costs. Past costs are anticipated to be less than \$0.05/GJ.

Information about this report

The estimates of gas reserves shown in this report were prepared in accordance with the definitions and guidelines set out in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers.

The reserves associated with AGL's 100% owned and operated Gloucester, Camden and Hunter gas projects were estimated by SRK Consulting (SRK). SRK is an independent international consulting practice that has been operating since 1974 and currently employs over 900 professionals worldwide. Staff from SRK's Brisbane office worked closely with AGL staff to validate detailed resource databases that formed the basis for 3D geological models. Evidence of commercial production flows in combination with these models formed the basis for the reserve estimates.



AGL's joint venture share of gas reserves associated with the Moranbah Gas Project (MGP) and exploration permit ATP 1103 were calculated using information provided by the operator. The operator did not undertake a new reserves assessment as at 30 June 2011, but did so as at 31 December 2010. Netherland, Sewell & Associates, Inc (NSAI) prepared the reserves report at that time and AGL's share of 2P reserves within the MGP area was revised down by 124 PJ (excluding depletion owing to production) following a review based on the latest production data. NSAI revised the calculation of recovery factors taking into account coal permeability based on production results from deeper areas.

The Silver Springs gas reserves, acquired by AGL in October 2010 as part of the Mosaic Oil NL (Mosaic) transaction, were assessed by RPS Energy Pty Ltd in October 2010 based on information supplied by Mosaic.

AGL's joint venture share of reserves associated with the Spring Gully Project was calculated using information provided by the operator.

The information in this report, and the AGL Annual Report 2011 released on 26 September 2011, has been compiled by Andrew Falkner, a full-time employee of AGL. Andrew Falkner is qualified in accordance with ASX Listing Rule 5.11 and has consented to the form and context in which this statement appears.

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