

Energy in
action.®

ASX release

Presentation to APPEA conference, Brisbane

10 October 2012

A presentation is being delivered today to the Australian Petroleum Production and Exploration Association (APPEA) conference in Brisbane by Mike Moraza, Group General Manager, Upstream Gas.

A copy of that presentation is attached.



Paul McWilliams
Company Secretary

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.





REGIONAL IMPACTS Securing Gas Supply in Regional NSW

Mike Moraza | Group General Manager Upstream Gas |
October 2012 | AGL External

CSG concerns

Coal Seam Gas Mining
It's time to



If you are asking what you can do to STOP CSGM, join people across NSW and the rest of the country

NATIONAL DAY of ACTION

16th October at 1

Foreshore Park, New
Camp Shortland next to New

Be a part of the biggest social move

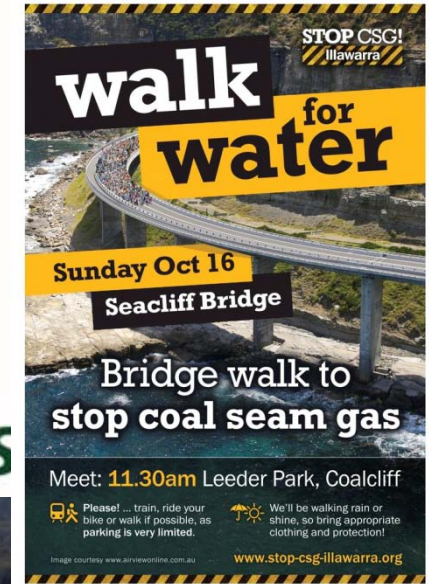
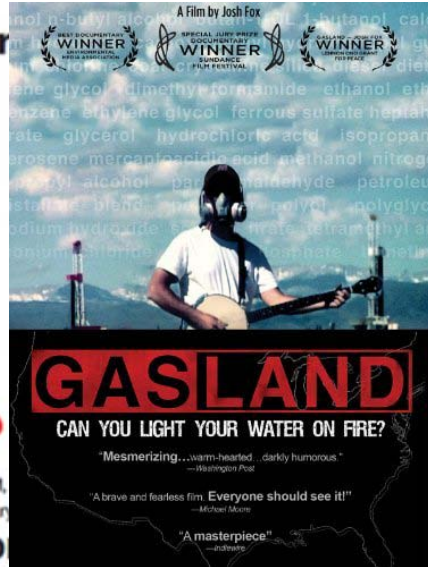
Say NO to CSG mining

Tell the state and federal governm

- we demand they put people be
- profits of Multi-national Comp
- we won't risk our fresh water s
- we will defend our agricultura
- we will fight for the health of grandchildren

**DEFEND OUR WATER
STOP COAL SEAM GAS**

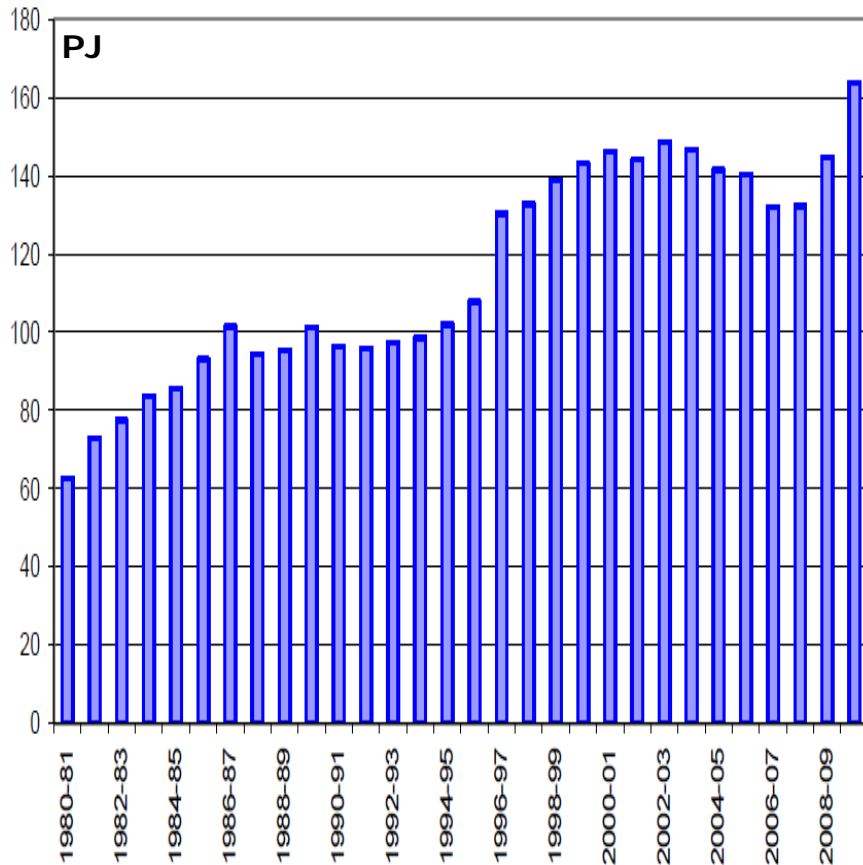
For information contact Phillipa Pars



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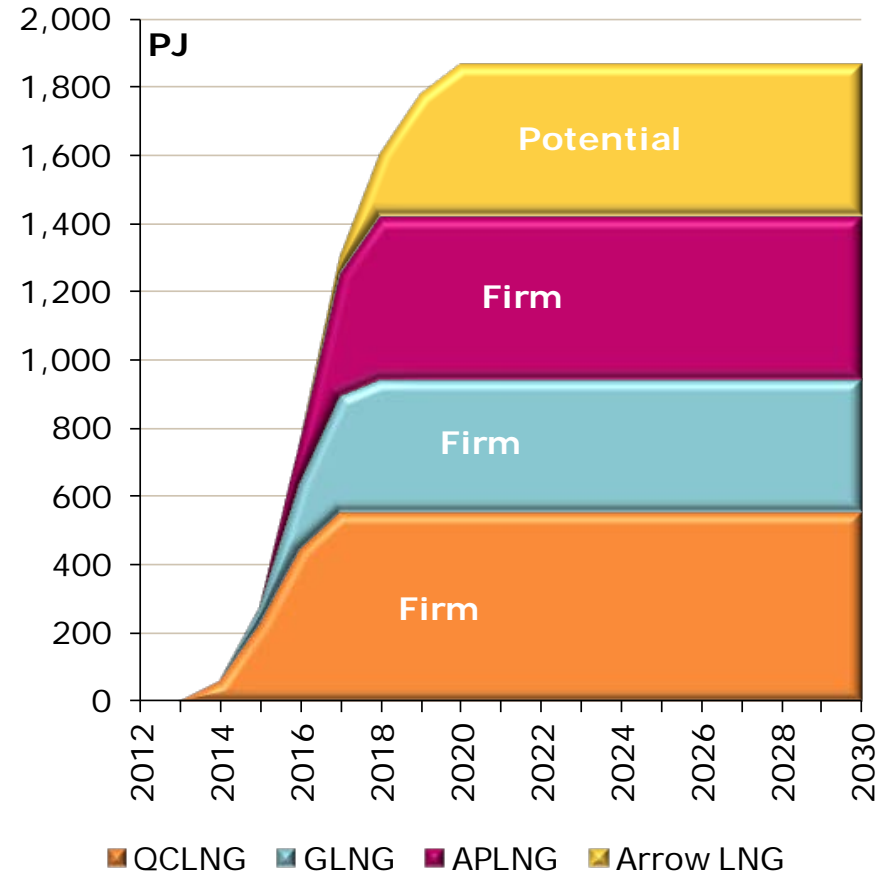
Demand

Historical Natural Gas Consumption in NSW



Source: ABARE

Gladstone LNG contracts



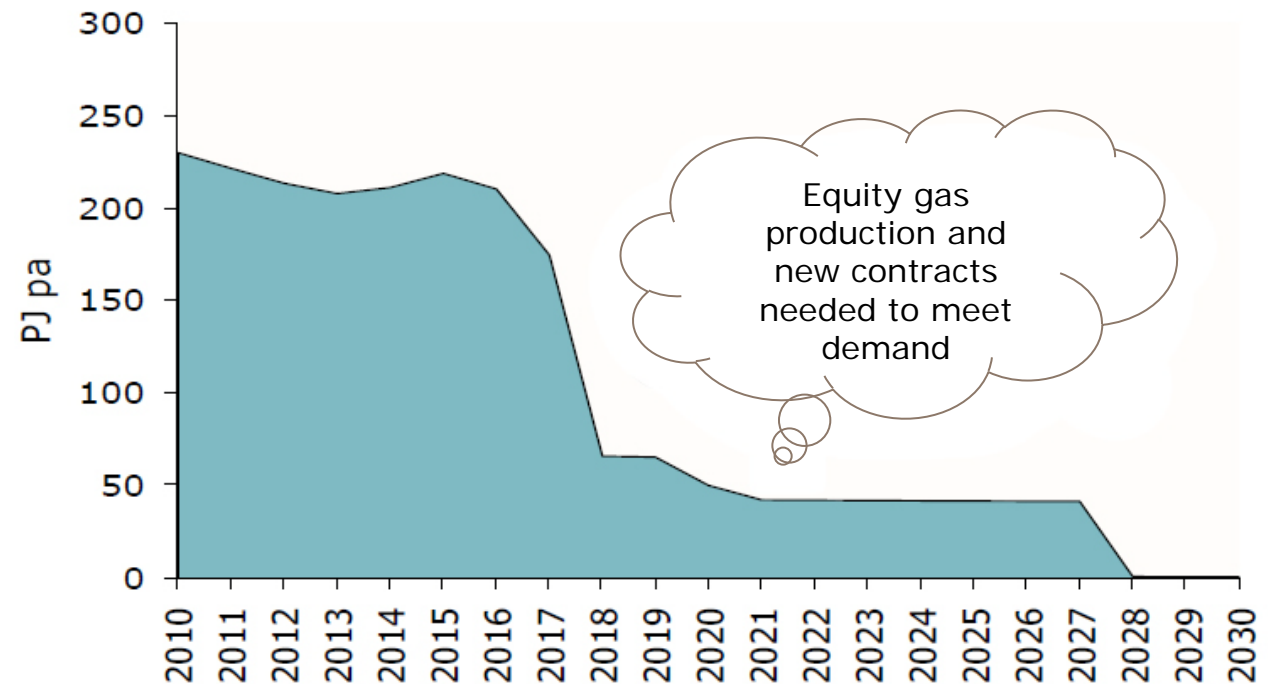
Source: Company reports, AGL estimates

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Supply

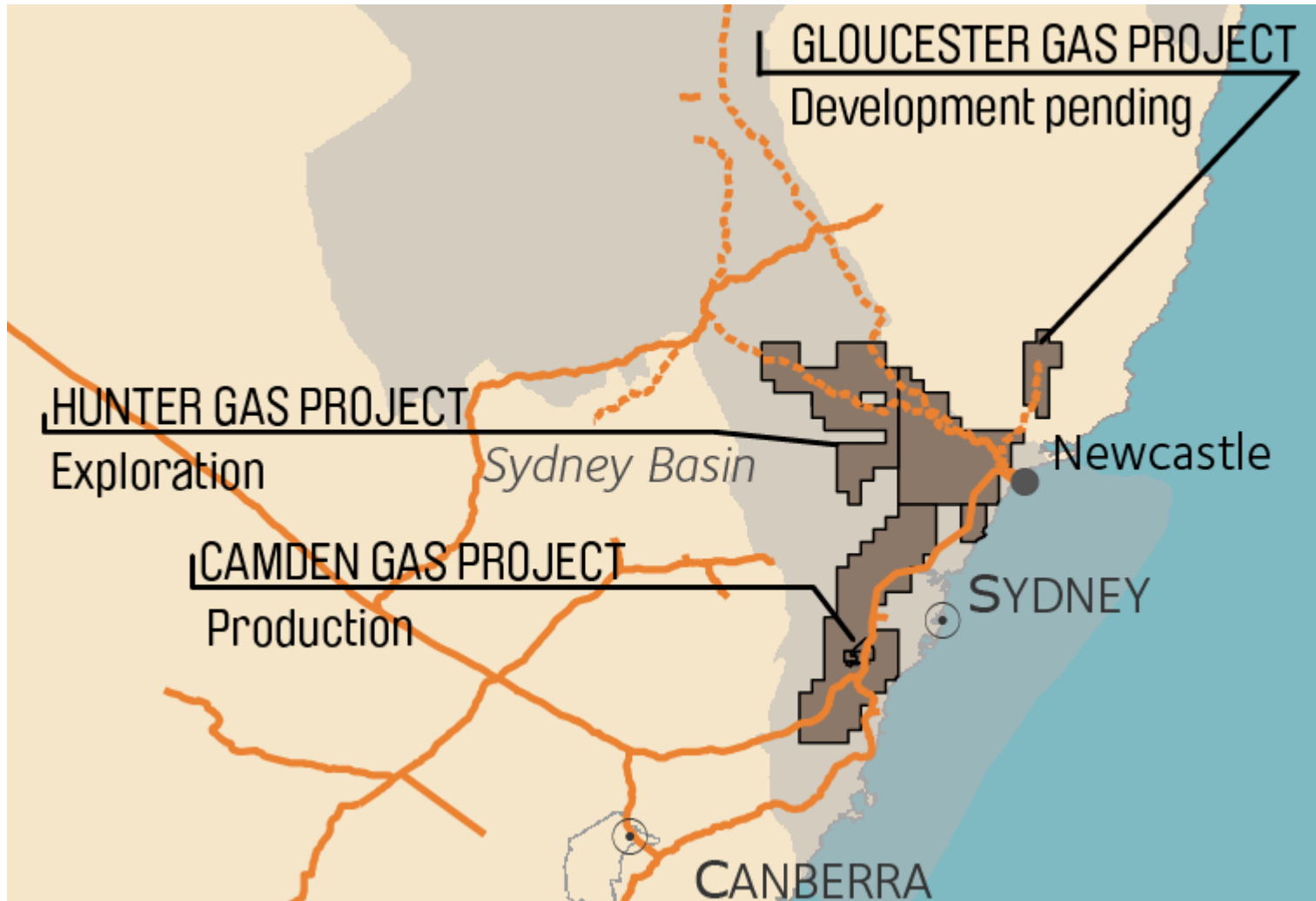
- › 95% of NSW supply from out of state
- › AGL supplies gas to 700,000 NSW customers
- › Legacy contracts are expiring as LNG projects are locking in their contracts

AGL Long-term Gas Supply Contracts



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AGL's NSW CSG projects



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Camden Gas Project (PELs 1, 2, 4, 5, 6)

Producing New South Wales gas for use by the state

- > Producing since 2001
- > Currently supplies around 5% of gas used in NSW
- > 143 wells drilled; 100 km of low pressure gas gathering lines
- > Gas sales at of 15 to 17.5 TJ/d; equates to supplying around 265,000 homes in NSW with gas
- > Northern expansion planned:
 - » Additional production and project life
 - » 11 surface locations could supply gas needs of an additional 265,000 NSW homes
 - » Have applied for transition to State Significant Development regime



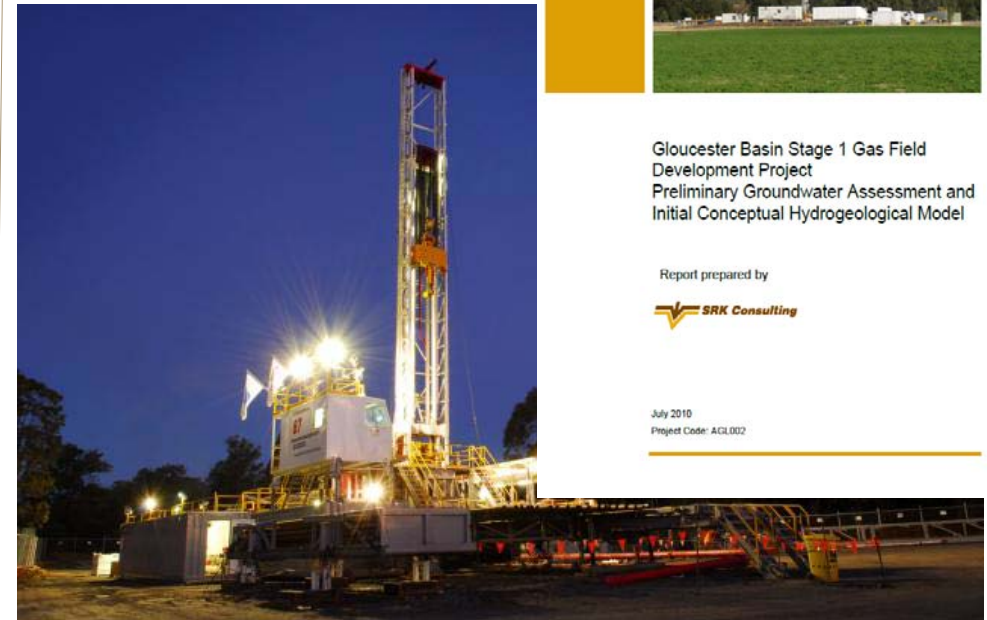
^88 producing wells are connected to the Rosalind Park gas plant, above

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Gloucester Gas Project (PEL 285)

Exploration underway; await Commonwealth approval for development

- > Independent peer review of AGL's water studies released in May 2012
- > NSW Land and Environment Court decision to uphold the Part 3A approvals
- > Commitments made to the community in December 2011 have been met
- > The Waukivory pilot program commenced on 24 September 2012
- > AGL has submitted all information required by SEWPaC to satisfy EPBC Act assessment requirements and enable it to refer the project to the Interim Independent Expert Scientific Committee; decision expected soon
- > AGL owns 948 acres in the Gloucester area
- > Target first gas: 2016



Gloucester Basin Stage 1 Gas Field Development Project
Preliminary Groundwater Assessment and Initial Conceptual Hydrogeological Model

Report prepared by



July 2010
Project Code: AGL002

- ^ Ensign 67 Rig currently in Gloucester;
- > AGL's published water study

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- » October 2012
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Hunter Gas Project (PELs 4 and 267)

Exploration activity to continue for another 3 to 5 years

- › PEL 267 renewal expected soon
- › 142 PJ 2P reserves; targeting 500 PJ
- › 16 core holes; 6 strat holes; 2 test wells
- › 307 km of seismic data
- › Groundwater monitoring program established
- › Local community relations program
- › Award-winning vineyard demonstrating coexistence
- › In FY13, AGL proposes:
 - › Expanding the groundwater monitoring network in Broke, including 5 monitoring bores at 5 different locations
 - › Drilling up to 6 exploration wells
 - › Acquiring up to 180 km of 2D seismic
 - › Production pilot testing of 6 wells at 2 locations
- › Activities centred on 3,255 acres of AGL-owned property
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^AGL's storefront for the community to visit and ask questions

NSW Government's new CSG regulations

More rigorous framework provides certainty

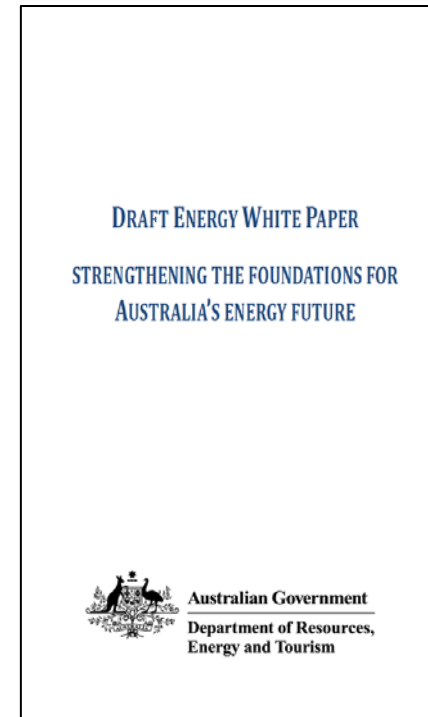
- › The package of Strategic Regional Land Use Plans:
 - » New England North West and Upper Hunter Plans
 - » Gateway process
 - » CSG codes of practice for well integrity and fracturing
 - » Policies on groundwater and aquifers

- › Also announced:
 - » NSW Land and Water Commissioner
 - » PEL renewals with new conditions and increased consultation
 - » Environmental impact assessment guidelines for exploration activities
 - » Regional community funds
 - » Agricultural Impact Statements

Government approvals

New South Wales has reopened for business

- > Expect approval soon on:
 - » PELs 2, 4, 267, 285 renewals
 - » Hunter pilot well REFs
 - » Transition of Camden's northern expansion to new State Significant Development regime
 - » Gloucester EPBC approval
- > Commonwealth's Energy White Paper



- » Securing Gas in NSW
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Community relations

Misinformation and misunderstanding influences opinions

- › AGL's community engagement activity includes:
 - › Community Consultative Committees
 - › Project newsletters and fact sheets
 - › Updates in community newspapers
 - › Regular consultation with landowners and neighbours
 - › Information placed on local notice boards
 - › Consultation on exploration proposals
 - › Websites
 - › Information centres
 - › Camden open days















^AGL now has locally based community relations managers in Gloucester, Camden and the Hunter

- › Securing Gas in NSW
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Viability check list

AGL well positioned to increase self-supply of gas from 2016

	Camden	Gloucester	Hunter
Reserves and resource			
Regulatory framework			
Permit renewals			
Government approvals			

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