



ASX & Media Release

Disclosure by Galipea Partnership under Takeovers Panel Guidance Note 20 - Equity Derivatives

21 June 2023

AGL Energy Limited (AGL) has received the attached letter from Grok Ventures, including a notice from Galipea Partnership (ABN 43 843 920 211) (and each other person named as a substantial holder in Galipea Partnership's substantial holder notice filed on 18 May 2022 (the Previous Notice)) in accordance with Takeovers Panel Guidance Note 20 - Equity Derivatives, which contains details of an equity collar transaction and other transactions entered into by Galipea Partnership which affect the interests notified in the Previous Notice.

Authorised for release by AGL's Company Secretary, Melinda Hunter.

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About AGL Energy

At AGL, we believe energy makes life better and are passionate about powering the way Australians live, work and move. Proudly Australian for more than 185 years, AGL supplies around 4.3 million^[1] energy and telecommunications customer services. We're committed to becoming a leading multi-product retailer, making energy and other essential services simple, fair and transparent. AGL operates Australia's largest private electricity generation portfolio within the National Electricity Market, comprising coal and gas-fired generation, renewable energy sources such as wind, hydro and solar, batteries and other firming technology, and gas production and storage assets. We are building on our history as one of Australia's leading private investors in renewable energy to now lead the business of transition to a low emissions, affordable and smart energy future in line with the goals of our Climate Transition Action Plan. We'll continue to innovate in energy and other essential services to enhance the way Australians live, and to help preserve the world around us for future generations.

For more information visit agl.com.au.

^[1] Services to customers number at 9 February 2023.

Grok Ventures
13 Trelawney Street
Woollahra
NSW 2025



20 June 2023
Melinda Hunter
AGL Energy Limited
Level 24, 200 George Street
Sydney NSW 2000

By Email

Dear Melinda

We refer to the attached letter from Allens and provide the following by way of background.

We are pleased to see a significant change in the strategic direction of AGL since we became investors in mid 2022, as the company embraced the large economic opportunity to help customers and the Australian grid decarbonise and electrify.

In particular, we applaud the thinking around:

- energy as a service for customers;
- realising the end of gas and coal is inevitable and embracing an electrified future; and
- retaining cash flow to invest in replacement renewables and firming capacity.

We continue to implore AGL to increase its decarbonisation ambitions. In particular, firm up closure dates for Bayswater and Loy Yang A which are consistent with a 1.5 degree scenario.

Grok Ventures
13 Trelawney Street
Woollahra
NSW 2025



Grok Ventures recently sold a small parcel of shares and entered into a cash settled equity derivative to hedge a portion of our stake in AGL. The net impact is reducing our relevant interest in AGL by less than 1%, and increasing our short position by 2%.

Grok remains AGL's largest shareholder and we continue to view AGL as a high conviction investment in our portfolio.

As a prudent and disciplined investment company, we have decided to rebalance our portfolio to enable us to pursue other exciting climate technology and renewable energy investments. This small sale of shares should not be seen as a broader divestment plan or change in our focus. Even after the sale, AGL remains Grok's largest holding in its portfolio.

Grok will allocate further internal resources to increase the depth of our engagement with the company on the issues we believe will deliver value to AGL's strategy. We look forward to continuing to work constructively with the Board and management to tackle the huge mission of decarbonisation and electrification.

Our expectation of the company remains the same - to deliver clean, cheap and reliable energy to customers.

Yours sincerely

Jeremy Kwong-Law

CEO & CIO, Grok Ventures

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20 June 2023

Melinda Hunter
AGL Energy Limited
Level 24, 200 George Street
Sydney NSW 2000

By Email

Dear Ms Hunter

Notification of entry into an equity collar transaction

We act for the Galipea Partnership (ABN 43 843 920 211) (**Galipea Partnership**). On 18 May 2022 Galipea Partnership filed a substantial holder notice with the ASX disclosing that it held a relevant interest in 75,883,390 fully paid ordinary shares in AGL (**Shares**) representing 11.28% of Shares on issue and cash settled put and call options in relation to 8,117,552 reference Shares (the **Previous Notice**).

This disclosure is required under Takeover Panel Guidance Note 20 (**GN20**) and is provided on behalf of Galipea Partnership and each other person named as a substantial holder in the Previous Notice¹ (the **Group**). We are instructed as follows:

- (a) On 16 June 2023, Galipea Partnership entered into cash settled put and call options in respect of 13,000,000 reference Shares representing 1.9% of AGL Shares on issue (the **Collar**). The Collar does not give Galipea Partnership any relevant interest in AGL.
- (b) For the purposes of GN20, entry into the Collar has caused Galipea Partnership's total short position in relation to AGL to increase by more than 1% since the date of the Previous Notice. Details of the Collar transaction are set out in Annexure A.
- (c) Galipea Partnership currently holds a relevant interest in 70,037,429 AGL Shares representing 10.41% of AGL Shares on issue. Since the date of the Previous Notice, Galipea Partnership has disposed of 5,846,061 AGL shares representing less than 1% of AGL Shares on issue, the details of which are set out in Annexure B.
- (d) Galipea Partnership also continues to hold cash settled put and call options in relation to 6,859,875 reference Shares on the terms disclosed in the Previous Notice.² These cash settled options do not give Galipea Partnership any relevant interest in AGL.
- (e) In accordance with GN20, Galipea Partnership requests that this disclosure be provided to the ASX.

Yours sincerely

Charles Ashton

Partner

Allens

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¹ Michael Alexander Cannon-Brookes, Galipea Partnership (by its partners CBC Co Pty Limited as trustee of the Cannon-Brookes Head Trust and Feroniella Pty Limited), CBC Co Pty Limited in its personal capacity and as trustee of the Cannon-Brookes Head Trust, Cannon-Brookes Services Pty Limited and each of their related entities from time to time.

² The number of cash settled put and call options disclosed in the Previous Notice has reduced by 1,257,677.

Annexure A - Details of Collar transaction

| Type of equity derivative | Entry date | No of reference Shares | Initial Reference Price | Strike Price | Settlement price |
|--|--------------|------------------------|-------------------------|---|--|
| Cash settled European put option, of which Galipea Partnership is the option taker | 16 June 2023 | 13,000,000 | \$10.60 | 100% of the Initial Reference Price. | For a tranche of options, the volume weighted average price per Share that would be realised by the counterparty and/or any of its affiliate(s) in terminating or liquidating any applicable hedge positions with respect to that tranche (plus any expenses, fees, exchange fees, costs, taxes, stamp taxes, levies, charges, commissions and trading fees incurred by the counterparty and/or any of its affiliate(s)), as determined by the counterparty, acting in a commercially reasonable manner. |
| Cash settled European call option, of which Galipea Partnership is the option writer | 16 June 2023 | 13,000,000 | \$10.60 | 116.05% of the Initial Reference Price. | For a tranche of options, the volume weighted average price per Share that would be realised by the counterparty and/or any of its affiliate(s) in terminating or liquidating any applicable hedge positions with respect to that tranche (plus any expenses, fees, exchange fees, costs, taxes, stamp taxes, levies, charges, commissions and trading fees incurred by the counterparty and/or any of its affiliate(s)), as determined by the counterparty, acting in a commercially reasonable manner. |

Annexure B – Relevant Interests**Changes in Relevant Interests since the Previous Notice**

| Date of change | Person whose relevant interest changed | Nature of change | Consideration given in relation to change | Class and number of securities affected | Person's votes affected |
|----------------|--|--------------------------------|---|---|-------------------------|
| 07/10/2022 | Galipea Partnership | Acquisition of ordinary shares | \$7.12 per share | 100 Shares | 100 |
| 04/04/2023 | Galipea Partnership | Sale of ordinary shares | \$8.20 per share | 3,846,061 Shares | 3,846,061 |
| 06/04/2023 | Galipea Partnership | Sale of ordinary shares | \$8.28 per share | 2,000,000 Shares | 2,000,000 |

Current Relevant Interests

| Holder of relevant interest | Registered holder of securities | Person entitled to be registered as holder | Nature of relevant interest | Class and number of securities | Person's votes |
|-----------------------------|---|--|---|--------------------------------|----------------|
| Galipea Partnership | Neweconomy.com.au Nominees Pty Ltd | Neweconomy.com.au Nominees Pty Ltd | Relevant interest under s608(1) of the Corporations Act | 19,859,875 | 19,859,875 |
| Galipea Partnership | HSBC Custody Nominees (Australia) Limited | HSBC Custody Nominees (Australia) Limited | Relevant interest under s608(1) of the Corporations Act | 50,177,454 | 50,177,454 |
| Galipea Partnership | Galipea Partnership | Galipea Partnership | Relevant interest under s608(1) of the Corporations Act | 100 | 100 |

| | | | | | |
|-----------|---|---|---|------------|------------|
| The Group | Neweconomy.com.au Nominees Pty Ltd | Neweconomy.com.au Nominees Pty Ltd | Relevant interest under s608(1) of the Corporations Act | 19,859,875 | 19,859,875 |
| The Group | HSBC Custody Nominees (Australia) Limited | HSBC Custody Nominees (Australia) Limited | Relevant interest under s608(1) of the Corporations Act | 50,177,454 | 50,177,454 |
| The Group | Galipea Partnership | Galipea Partnership | Relevant interest under s608(1) of the Corporations Act | 100 | 100 |