

**What's this about?**

Effective date: 22/08/2014

|  |                                  |                                   |                             |                                  |                            |  |
|--|----------------------------------|-----------------------------------|-----------------------------|----------------------------------|----------------------------|--|
| <input checked="" type="radio"/> ASX Trade | <input type="radio"/> ASX 24     |                                   |                             |                                  |                            |  |
| <input checked="" type="radio"/> Trading   | <input type="radio"/> Clearing   | <input type="radio"/> Settlement  |                             |                                  |                            |  |
| <input type="radio"/> Operations           | <input type="radio"/> Technology | <input type="radio"/> Market Data | <input type="radio"/> Rules | <input type="radio"/> Compliance | <input type="radio"/> Risk | <input checked="" type="radio"/> Other |

Title

AGL ENERGY LIMITED – ACCELERATED RENOUNCEABLE ENTITLEMENT OFFER (WITH RETAIL ENTITLEMENTS TRADING)

Description

AGL Energy Limited (ASX Code: AGK) (Company) announced a 1 for 5 underwritten accelerated renounceable pro-rata entitlement offer of new securities at an issue price of \$11.00 per new ordinary share to raise approximately A\$1,232 million (Entitlement Offer).

The Entitlement Offer has the following two components.

- An institutional entitlement offer, where offers have been made to qualifying institutional securityholders for them to apply for their pro-rata entitlement (Institutional Entitlement Offer).
- A retail entitlement offer, where offers will be made to qualifying retail securityholders for them to apply for their pro-rata entitlement (Retail Entitlement Offer).

New ordinary shares issued under the Entitlement Offer will not be eligible for the FY14 final dividend, but will rank equally with existing ordinary shares on issue from the date of issue.

Rights trading for the Retail Entitlement Offer only is expected to commence on Monday, 25 August 2014 and end on Monday, 8 September 2014.

The Entitlement Offer is fully underwritten.

The anticipated timetable in relation to the Entitlement Offer is set out below.

| Event  | Date                     |
|--|--------------------------|
| Trading Halt commences (prior to market open)  | Wednesday 20 August 2014 |
| Institutional Entitlement Offer opens  |                          |
| Institutional Entitlement Offer closes   | Thursday 21 August 2014  |
| Institutional Entitlement Offer shortfall bookbuild  | Friday 22 August 2014    |
| Announce results of Institutional Entitlement Offer  | Monday 25 August 2014    |
| Trading Halt lifted (prior to market opens) – Ordinary shares recommence trading (ASX code: AGK) |                          |

|  |                             |
|--|-----------------------------|
| Rights trading for Retail Entitlements <u>only</u> commences on deferred settlement basis (ASX code: AGKRA)            |                             |
| Record Date for Entitlement Offer  |                             |
| Retail Entitlement Offer opens   | Tuesday 26 August 2014      |
| Entitlement Offer booklet despatched to retail shareholders  | Friday 29 August 2014       |
| Retail Entitlements allotted   |                             |
| Settlement of Institutional Entitlement Offer  | Monday 1 September 2014     |
| Retail Entitlements commence trading on normal settlement basis (ASX Code: AGKRA)                                      |                             |
| New shares issued under Institutional Entitlement Offer commence trading on a normal (T+3) basis (ASX code: AGK)       | Tuesday 2 September 2014    |
| Rights trading for Retail Entitlements ends (ASX code: AGKRA)  | Monday 8 September 2014     |
| New Shares under the Retail Entitlement Offer commence trading on ASX on a deferred settlement basis (ASX code: AGKNA) | Tuesday 9 September 2014    |
| Retail Entitlement Offer closes  | Monday 15 September 2014    |
| Announce results of Retail Entitlement Offer<br>Retail Entitlement Offer shortfall bookbuild (after market close)      | Thursday 18 September 2014  |
| Settlement of Retail Entitlement Offer   | Wednesday 24 September 2014 |
| Issue of new shares under Retail Entitlement Offer   | Thursday 25 September 2014  |
| Trading commences in new shares issued under Retail Entitlement Offer on a normal (T+3) basis (ASX code: AGK)          | Friday 26 September 2014    |

### *Settlement issues*

Despite the fact that securities are trading 'ex entitlement' on ASX Trade, CHES will not recognise for settlement purposes the 'ex entitlement' or the 'cum entitlement' tag on CHES messages and CHES will not maintain cum balances during the deemed 'CHES ex-period', i.e. the period commencing on the deemed CHES ex-date up to and including the record date. However, a record date cum balance will be available the business day following the record date, which will be equal to the registered holding balance at CHES end of day on the record date. As a result any transfer that occurs prior to record date will be effectively transferred on a 'cum' basis.

Therefore, Participants must ensure that any transfer, including the priming of Broker Entrepot Accounts, is conducted in accordance with the basis of quote. For example, a transfer in relation to a transaction conducted on an ex-basis should ordinarily only occur post record date.

CHES will perform automatic diary adjustments to 'cum entitlement' settlement obligations outstanding as at the record date.

### *Trading issues*

ASX will not price a 'cum' market with respect to trading in the Company's securities. Persons who acquire the Company's securities after the commencement of the trading halt on Wednesday 20 August 2014 are not entitled to participate in the Entitlement Offer.

For further details, please refer to the Company's announcements on Wednesday 20 August 2014.

#### Need more information?

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If further information is required in relation to the Entitlement Offer, please contact the Company on +61 2 9921 2789 or +61 3 8633 6388.

Issued by  
Anthony Ingegneri

Disclaimer