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ASX and Media release

AGL announces first gas reserves for its Hunter Gas Project

20 October 2010

AGL Energy Limited (AGL) today announced that it has booked first reserves for its 100% owned and operated Hunter coal seam gas project. Independent experts have estimated proved plus probable (2P) gas reserves of 142 petajoules (PJ) and proved plus probable plus possible (3P) reserves of 271 PJ.

This represents the results of exploration in the first of a number of prospective areas within the wider Hunter Gas Project area.

Further details are included in Appendix A.

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About AGL

AGL is one of Australia's leading integrated energy companies 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 Australia's largest retail energy and dual fuel customer base. 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.





Appendix A

The summary tabulation below shows AGL's Hunter Gas Project reserves as at 30 September 2010.

AGL gas reserves (PJ)	2P	3P
Hunter Gas Project	142	271

Information about this report

The estimates of 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 Hunter Gas Project 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.