

ASX and Media Release

AGL acquires two wind farm developments from Transfield Services

18 June 2009

AGL Energy Limited (AGL) announced today that it has acquired two wind farm developments from Transfield Services Limited for \$9 million.

Under the agreement, AGL has acquired the right to install up to 62 turbines (estimated capacity between 124 MW and 186 MW) at Barn Hill, located 170km north of Adelaide near the settlement of Red Hill. AGL has also acquired the right to develop a smaller wind farm in Queensland which would allow AGL to expand its existing wind farm development at Crow's Nest, near Toowoomba, by 20 turbines. This would increase the potential capacity of Crow's Nest to approximately 200 MW.

The Barn Hill project, which has development consent, is estimated to have long-term average wind speeds of approximately 8.3 metres per second, consistent with other projects in the region. Additionally, it will utilise a high voltage transmission line separate from the line which is used by AGL at its nearby complex of Hallett wind farms.

AGL Managing Director Michael Fraser said the transaction was consistent with AGL's leadership position in renewable energy and its strategy of developing a pipeline of renewable projects to meet its long-term obligations under the expanded Renewable Energy Target scheme.

"The Federal Government's commitment to a 45,000 gigawatt hours renewable energy target by 2020 has bipartisan support," Mr Fraser said. "AGL's portfolio of current renewable generation and potential development opportunities positions us well under the expanded Renewable Energy Target scheme.

"The wind farm developments we have acquired from Transfield Services will deliver further diversity across our renewable energy portfolio," Mr Fraser added.

Mr Fraser also stated that construction of AGL's Hallett 2 Wind Farm was proceeding on budget and ahead of schedule, with first generation achieved in early May 2009. Hallett 2 will be fully commissioned in the second half of calendar 2009.

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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.