

Safeguarding the Future.

Building effective community and stakeholder partnerships

Presented by

Shaughn Morgan
Manager, Stakeholder Relations

AGL Energy Limited

Energy in
action.[®]

Since 1837

AGL

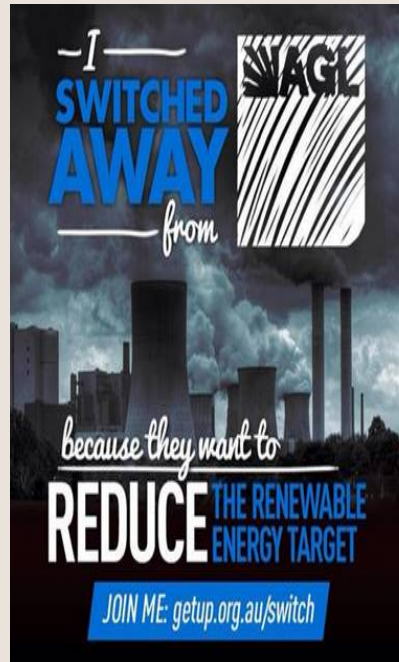
AGL's experience:

Highly active
and visible

Willing to go to
great lengths to
be heard

Well funded and
coordinated

Aggressive and
nothing to lose



Strategic Regional Land Use Policy (September 2012)

- Protect agricultural land and water resources from mining and CSG proposals.



Significant write down of assets (August 2013)

- Camden North Expansion (\$400m)
- Hunter Gas Project (\$300m)



State Environmental Planning Policy (October 2013)

- Prohibit CSG development within or under all residential areas, rural village land & CICs.

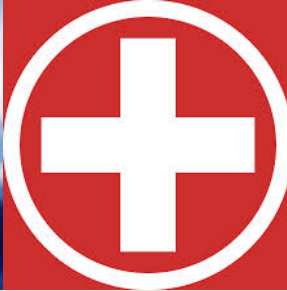
**Pressure on
NSW gas
supply**

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AGL's Approach.



Secure gas
from
Gloucester.

Establish a
foundation for
engagement.

Build trust
within the
community
and develop a
social license.

Normalise
CSG.



Decrease
opposition to
CSG.

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Working Side by Side.


AGREED PRINCIPLES FOR CO-OPERATION DAIRY CONNECT NSW & AGL ENERGY LIMITED

- AGL and Dairy Connect, working side by side, wish to facilitate further discussion of the ways in which they can each assist in the development, production and responsible growth of the dairy industry and coal seam gas industry in NSW.
- Both parties agree to cooperate to explore opportunities for:
 - making available AGL owned land and water that is surplus to its project requirements to dairy farmers (subject to relevant approvals);
 - the development of dairy-related industries, such as milk powder, which would require access to energy and/or gas supply;
 - AGL to support dairy-related activities in the areas in which it undertakes its projects;
 - the facilitation of timely communication to dairy farmers, ensuring open access to information and technical reports relating to the natural coal seam gas operations of AGL;
 - providing practicable infrastructure improvements in the local communities where AGL's natural coal seam gas projects operate in order to enhance the long-term viability of agriculture in the local community;
 - viable alternatives to limit the amount of water required to be purchased from river systems; and
 - Dairy Connect to support the development and operation of irrigation trial projects.
- AGL and Dairy Connect agree to maintain on-going dialogue and hold regular meetings to identify and discuss opportunities for co-existence between both industries and ensure that this cooperation is reviewed and updated where appropriate.

Signed on Tuesday 20th May, 2014 by representatives of Dairy Connect NSW and AGL Energy Limited as an indication of their support of the principles set out above:



Michael Fraser
Managing Director &
Chief Executive Officer
AGL Energy Limited



Mike Logan
Chief Executive Officer
Dairy Connect NSW

Agreed Principles of Land Access

Introduction

These principles have been agreed between landholders and gas companies based on values of respect, integrity and trust.

They have been facilitated between representatives of agricultural landholders and gas companies.

Application


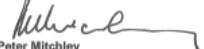
The principles agreed in this document relate to coal seam gas projects in New South Wales and specifically cover access to private agricultural landholder's property (**Landholders**) for coal seam gas drilling operations for exploration and production purposes (**Operations**).

Principles



All parties to this document have agreed the following principles:

1. Any Landholder must be allowed to freely express their views on the type of Operations that should or should not take place on their land without criticism, pressure, harassment or intimidation. A Landholder is at liberty to say "yes" or "no" to the conduct of Operations on their land;
2. Gas companies confirm that they will respect the Landholder's wishes and not enter onto a Landholder's property to conduct Operations where that Landholder has clearly expressed the view that Operations on their property would be unwelcome; and
3. The Parties will uphold the Landholder's decision to allow access for Operations and do not support attempts by third party groups to interfere with any agreed Operations. The Parties condemn bullying, harassment and intimidation by third party groups and individuals in relation to the agreed Operations.



On this day, Friday the 28th of March 2014, we the undersigned parties hereby agree to abide by the principles in this document.



Peter Mitchley
General Manager - Energy New South Wales
Santos Ltd.



Michael Fraser
Managing Director & Chief Executive Officer
AGL Energy Ltd.

Matt Brand
Chief Executive Officer
NSW Farmers Association

Leah Ross
o/o Lyndon Mulligan
Chairman
Cotton Australia Ltd.

Stefanie Schulte
o/o Richard Stott
Chairman
NSW Irrigators Council

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Sharing Decisions.

Trust and understanding of government approvals and compliance.

Concerned about salt from irrigation trial.

Concerned about water – don't understand the science.

They Said.



We Did.


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How can you get involved?



www.agl.com.au/naturalgas

www.YourSayAGL.com.au

 @YourSayAGL

Join AGL's online
community at
YourSayAGL.com.au

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