

AGL ENERGY LIMITED

of 2014

RE: PROPOSED ACQUISITION OF MACQUARIE GENERATION (A CORPORATION ESTABLISHED UNDER THE ENERGY SERVICES CORPORATIONS ACT 1995 (NSW))

ANNEXURE CERTIFICATE

This is the annexure marked "**BAR 22**" annexed to the statement of **BRETT ALAN REDMAN** dated 23 March 2014

Annexure BAR22

Filed on behalf of (name & role of party)	<u>AGL Energy Limited</u>		
Prepared by (name of person/lawyer)	<u>Liza Carver</u>		
Law firm (if applicable)	<u>Ashurst Australia</u>		
Tel	<u>+61 2 9258 5897</u>	Fax	<u>+61 2 9258 6999</u>
Email	<u>Liza.Carver@ashurst.com</u>		
Address for service (include state and postcode)	<u>Level 35, 225 George Street, Sydney, NSW, 2000 DX 388 Sydney</u>		

[Form approved 01/08/2011]

Michael Fraser
Managing Director & CEO

STRICTLY CONFIDENTIAL

5 February 2014



Goldman Sachs Australia Pty Ltd
Level 46, Governor Philip Tower
1 Farrer Place
SYDNEY NSW 2000

Attention: Nick Forster, Managing Director/Antony Steinberg, Executive Director

Dear Nick and Antony,

Binding Bid Price

AGL is pleased to provide details of its Binding Bid Price for the assets of Macquarie Generation. Unless otherwise defined, capitalised terms in this letter are as defined in the Process Letters issued by the State to bidders in the Macquarie Generation Sale Process or as defined in the accompanying transaction documentation.

- The Binding Bid Price, which is inclusive of NSW Stamp Duty payable on the acquisition, is \$1,505 million (one thousand five hundred and five million dollars).

With respect to the financing of the acquisition, Section 8 of the Binding Bid details the underwritten rights issue and bridge loan facility that have been arranged to finance the acquisition.

- The amount of the proposed renounceable rights issue is \$1,250 million (one thousand two hundred and fifty million dollars).
- The amount of the bridge loan facility is \$500 million (five hundred million dollars).

The final amount that will be raised under the rights issue will be determined by AGL prior to the launch of the rights issue. The balance of the Binding Bid Price



will be met from cash, existing undrawn debt facilities, the bridge loan facility or a combination thereof.

Yours sincerely

A handwritten signature in black ink, which appears to read "Michael Fraser". The signature is written in a cursive style with a long horizontal stroke at the end.

Michael Fraser
Managing Director and Chief Executive Officer