



## ASX & Media Release

### Final Investment Decision reached on the 500 MW Tomago Battery Project

31 July 2025

AGL Energy Limited (AGL) has reached a Final Investment Decision (FID) on a 500 MW, four-hour duration, grid scale battery to be located in the Hunter Region of New South Wales.

Construction work for the battery is expected to begin in late 2025, with the commencement of operations targeted for late 2027. The expected asset life of the battery is 20 years. The total construction cost of this grid forming battery project is estimated to be approximately \$800 million.<sup>1</sup> AGL has entered into a contract with Fluence as the engineering, procurement and construction provider.

The battery will be funded on AGL's balance sheet, utilising operating cash flows and existing debt facilities, including green capex loans.

AGL's Managing Director and CEO, Damien Nicks, said: "the Final Investment Decision on the Tomago battery project marks yet another significant milestone in AGL's delivery of its strategy and the transition and decarbonisation of its energy portfolio."

"Once operational, the Tomago Battery will expand on AGL's existing suite of grid scale battery assets and contracted capacity from third parties and further enhance our flexible asset portfolio. Importantly, both the 250 MW Torrens Island and 50 MW Broken Hill Batteries have delivered strong performance since they commenced operations, and the 500 MW Liddell Battery remains on track to commence operations in early 2026."

"In addition, we have a clear pathway to FID for a further 900 MW of grid scale battery projects, as we aim to accelerate the development of our grid-scale battery portfolio and grow our fleet of flexible assets. We will continue to leverage our innovative, in-house capabilities to optimise the performance of our grid-scale battery assets."

Authorised for release by AGL's Market Disclosure Committee.

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<sup>1</sup> Total estimated construction cost of approximately \$800 million includes engineering, procurement and construction costs, project management costs, overheads, contingency, and interest during construction.



### About AGL Energy

At AGL, we believe energy makes life better and are passionate about powering the way Australians live, move and work. Proudly Australian for more than 185 years, AGL supplies around 4.5 million<sup>[1]</sup> energy, telecommunications and Netflix customer services. AGL operates Australia's largest private electricity generation portfolio within the National Electricity Market, comprising coal and gas-fired generation, renewable energy sources such as wind, hydro and solar, and batteries and other firming and storage technology. We are building on our history as one of Australia's leading private investors in renewable energy to be a leader the transition to a lower emissions and smart energy future in line with the goals of our Climate Transition Action Plan. We'll continue to innovate in energy and other services to enhance the way Australians live, work and move.

For more information visit [agl.com.au](https://www.agl.com.au).

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<sup>[1]</sup> Services to customers number is as at 31 December 2024.