



ASX Release

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UPDATE ON ARBITRATION PROCESS WITH AUSGRID

As previously notified by Redbank Energy Limited (ASX:AEJ), Redbank Project has been in dispute with Ausgrid regarding the entitlement of Redbank Project to pass through to Ausgrid under the Power Purchase and Hedge Agreement (“PPHA”) the costs incurred under the Commonwealth Government’s Clean Energy Act, 2011. Redbank Project considers that it is entitled to pass these costs through to Ausgrid, and Ausgrid takes a contrary view.

The dispute resolution provisions under the PPHA were invoked earlier in the year and have culminated in a formal arbitration process which concluded today.

Both parties currently await the decision of the arbitrator. It is expected that the decision will be delivered in February 2013.

Redbank Energy will keep the market updated in respect of the outcome of the arbitration.

ENDS

Further Information:

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