

ASX Release

16 November 2010

Termination of Redbank Working Capital and Liquidity Facilities

Redbank Project Pty Limited (Redbank), a wholly-owned subsidiary of Alinta Energy Limited (ASX:AEJ), today received notices from Bank of Western Australia Limited (Bankwest) that the \$4.5 million Working Capital Facility (drawn to \$2.5 million) and the \$6.75 million Liquidity Facility (undrawn) that Bankwest provides to Redbank will not be renewed. Redbank is not currently in default of any of its facilities.

The termination of these facilities means that:

- Redbank will have to repay any drawn facilities at the end of the respective notice periods of 45 days and 90 days.
- If the withdrawal of the Liquidity Facility would result in the downgrading or withdrawal of the Standard & Poor's private rating of Redbank for one of the company's lenders, then a default would occur if the Liquidity Facility is not replaced.

Redbank is in discussions with its lending group. The Redbank Directors believe these discussions will be complete before the expiry of the Bankwest notices.

Redbank is 151MW coal-fired power station located in the Hunter Valley, New South Wales. Redbank has a Power Purchase and Hedge Agreement with Energy Australia for its electricity production. Redbank is funded by project debt that has no recourse to the rest of the Alinta Energy Limited Group.

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About Alinta Energy Group

Alinta Energy Group (ASX: AEJ) is an integrated energy company, operating power generation businesses as well as providing gas and electricity to commercial, industrial and retail customers across Australia.