



infigen

INFIGEN ENERGY

**NOTICE OF
ANNUAL GENERAL
MEETINGS**

3pm on Wednesday, 22 November 2017
Radisson Blu Plaza Hotel
27 O'Connell Street, Sydney

INFIGEN ENERGY NOTICE OF ANNUAL GENERAL MEETINGS

The Annual General Meeting of Shareholders of
Infigen Energy Limited (ABN 39 105 051 616)
(**Company**)

and

The Annual General Meeting of Shareholders of
Infigen Energy (Bermuda) Limited (ARBN 116 360 715)
(**Foreign Company**)

and

A meeting of Unitholders of Infigen Energy Trust
(ARSN 116 244 118) (**Trust**)

Issued by the Company, the Foreign Company
and Infigen Energy RE Limited (**Responsible
Entity**) (ABN 61 113 813 997; AFSL 290 710) as
Responsible Entity of the Trust

(together, the Company, the Foreign Company
and the Trust, **Infigen Energy**).

Notice is given that the 2017 Annual General Meetings
of the Shareholders of the Company and the Foreign
Company will be held concurrently with a meeting of
Unitholders of the Trust as follows:

Time: 3pm (AEDT)

Date: Wednesday, 22 November 2017

Place: Radisson Blu Plaza Hotel
27 O'Connell Street
Sydney

MESSAGE FROM THE CHAIRMAN

Dear Security Holders,

The 2017 financial year (**FY17**) has been a year of substantial change within the Australian energy market generally and for Infigen's business specifically. We have responded to the challenges and opportunities that accompany the transformation to a lower emissions future.

Safety continues to be our first priority. We are currently especially focussed on both the safety of our people on our operating assets as well as the construction risks of the Bodangora wind farm project. We will continue to strive to improve our safety systems and culture in pursuit of our goal of zero harm. During the year we had one lost time injury during a tower rescue simulation, and that resulted in both a lost time injury frequency rate and total recordable injury frequency rate of 4.7 for the year.

In FY17 we commenced the process of re-shaping our capital structure. We raised \$151 million with the support of security holders. We have developed a five year business plan. It provides a basis upon which we are exploring with the debt markets the optimal time to refinance debt associated with the existing operating assets. This will be a strong focus for the company in FY18. Importantly the company is in a position where the current corporate debt facility does not expire until 2022. In these circumstances the company will only consider an early refinancing if by doing so it creates value for security holders.

Within the 2017 Remuneration Report I indicated that the FY18 'at risk' remuneration framework was being reviewed to ensure it motivates and rewards the delivery of long term security holder value.

The FY18 Long Term Incentive (**LTI**) grant will continue to comprise two equal tranches, each subject to a different performance condition. Vesting of each tranche remains contingent on achieving the relevant performance hurdle. The two performance conditions are (a) Relative Total Shareholder Return (**TSR**) and (b) a new Operational Performance Condition that replaces the EBITDA to capital efficiency measure.

The previous measure of EBITDA/Capital Base has proven to be unduly sensitive to wind conditions and to external market trends in energy and Large-scale Generation Certificate prices. We have replaced the condition with measures that reflect progress with implementation of the detailed plan that we have adopted to give effect to the strategy to be outlined by the CEO at the 2017 Annual General Meeting (**AGM**). This change will be addressed more completely in the 2018 Remuneration Report in due course.

The performance hurdle of the new Operational Performance Condition is measured by way of a matrix that scales vesting dependent on management's performance in the delivery of specific targets set out in the implementation plan for the business strategy. Whilst the specific targets remain commercial in confidence, the parameters are revenue diversity, as measured by the proportion of energy sales delivered through direct commercial and industrial customer channels and growth, as measured by energy sales volume.

LTI grants awarded from FY18 onward will no longer be subject to retest. Both performance hurdles are measured over a 3 year period after which all unvested rights will lapse. We have also included a condition whereby the Board may adjust the amount of FY18 performance rights that will vest where the vesting outcome is considered inappropriate because absolute TSR is negative or in the event that the Operational Performance Condition outcome does not fairly or reasonably reflect the sustainable economic value created for Infigen Energy and its security holders during the performance measurement period.

At the AGM security holders will have the opportunity to vote on:

- the adoption of the Remuneration Report as set out in the Infigen Energy Annual Report 2017;
- the re-election of Fiona Harris as a Director of Infigen;
- the election of Leonard Gill, Mark Chellew and Emma Stein as Directors of Infigen;
- the approval of the issue of securities under the Infigen Energy Equity Plan being an exception to ASX Listing Rule 7.1;

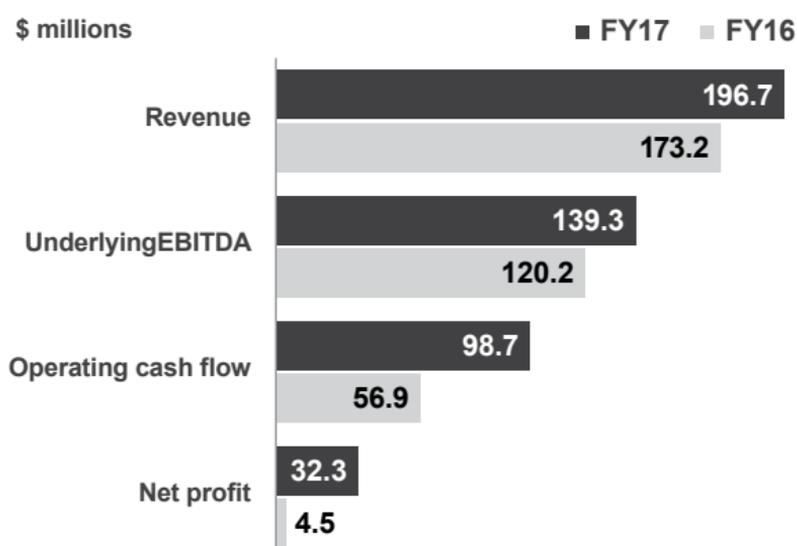
- the approval of Executive Director participation in the Infigen Energy Equity Plan for FY17 and FY18; and
- the re-appointment of the Auditor for Infigen Energy (Bermuda) Limited.

Finally, I would like to thank security holders for your continued support. Your Directors look forward to welcoming you to our AGM to be held on 22 November 2017.



Mike Hutchinson
Chairman

Key highlights



ORDINARY BUSINESS

Item 1: Financial Report – Company, Foreign Company and Trust

To receive and consider the combined consolidated financial report of Infigen Energy and the financial report of the Trust, as well as the combined reports of the Directors and Auditor for the year ended 30 June 2017.

There is no vote on this item.

Item 2: Remuneration Report – Company only

To adopt the Remuneration Report for the year ended 30 June 2017. The Remuneration Report is set out in the Directors' Report included within the Infigen Energy Annual Report 2017.

This is a non-binding advisory vote.

Item 3: Director Re-election – Company and Foreign Company only

To consider and, if thought fit, to pass the following as an ordinary resolution of the shareholders of the Company and Foreign Company:

That Fiona Harris, being a Director of the Company and the Foreign Company, who retires as a Director by rotation, in accordance with article 10.3 of the Constitution of the Company and bye-law 12.3 of the Bye-Laws of the Foreign Company, and being eligible offers herself for re-election, is re-elected as a Director of the Company and Foreign Company.

Item 4: Director Election – Company and Foreign Company only

To consider and, if thought fit, to pass the following as an ordinary resolution of the shareholders of the Company and Foreign Company:

That Leonard Gill, who has been appointed by the Directors of the Company and the Foreign Company in accordance with article 10.8 of the Constitution of the Company and bye-law 12.8 of the Bye-Laws of the Foreign Company, and being eligible offers himself for election, is elected as a Director of the Company and Foreign Company.

Item 5: Director Election – Company and Foreign Company only

To consider and, if thought fit, to pass the following as an ordinary resolution of the shareholders of the Company and Foreign Company:

That Mark Chellew, who has been appointed by the Directors of the Company and the Foreign Company in accordance with article 10.8 of the Constitution of the Company and bye-law 12.8 of the Bye-Laws of the Foreign Company, and being eligible offers himself for election, is elected as a Director of the Company and Foreign Company.

Item 6: Director Election – Company and Foreign Company only

To consider and, if thought fit, to pass the following as an ordinary resolution of the shareholders of the Company and Foreign Company:

That Emma Stein, who has been appointed by the Directors of the Company and the Foreign Company in accordance with article 10.8 of the Constitution of the Company and bye-law 12.8 of the Bye-Laws of the Foreign Company, and being eligible offers herself for election, is elected as a Director of the Company and Foreign Company.

SPECIAL BUSINESS

Item 7: Approval of the issue of securities under the Infigen Energy Equity Plan as an exception to ASX Listing Rule 7.1 – Company, Foreign Company and Trust

To consider and, if thought fit, to pass the following as an ordinary resolution of the shareholders of each of the Company and the Foreign Company, and the unitholders of the Trust:

*That issues of securities under the Infigen Energy Equity Plan (**Equity Plan**) be approved as an exception to ASX Listing Rule 7.1 pursuant to exception 9 in ASX Listing Rule 7.2.*

Item 8: Participation in the Infigen Energy Equity Plan by Mr Ross Rolfe – Company, Foreign Company and Trust

To consider and, if thought fit, to pass the following as an ordinary resolution of the shareholders of each of the Company and the Foreign Company, and the unitholders of the Trust:

That approval is given for the issue to Mr Ross Rolfe, Managing Director of the Company, of up to 1,159,795 performance rights under the Equity Plan on the basis described in the Explanatory Notes accompanying this Notice.

Item 9: Participation in the Infigen Energy Equity Plan by Ms Sylvia Wiggins – Company, Foreign Company and Trust

To consider and, if thought fit, to pass the following as an ordinary resolution of the shareholders of each of the Company and the Foreign Company, and the unitholders of the Trust:

That approval is given for the issue to Ms Sylvia Wiggins, an Executive Director of the Company, of up to 471,132 performance rights under the Equity Plan on the basis described in the Explanatory Notes accompanying this Notice.

Item 10: Re-appointment of Auditor – Foreign Company only

To consider and, if thought fit, to pass the following as an ordinary resolution of the shareholders of the Foreign Company:

That PricewaterhouseCoopers, being the current Auditor of the Foreign Company, be re-appointed as Auditor of the Foreign Company to hold office until the close of the next Annual General Meeting of the Foreign Company at a fee to be determined by the Directors.

VOTING EXCLUSION STATEMENT

Item 2

A vote must not be cast (in any capacity) on item 2 by or on behalf of:

- the Company's key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**); and
- closely related parties of KMP.

However, a vote may be cast on item 2 by a KMP as a proxy, or a closely related party of a KMP as a proxy, if the vote is not cast on behalf of a KMP or a closely related party of a KMP, and:

- the proxy appointment is in writing and specifies the way the proxy is to vote on item 2; or
- the proxy is the Chairman of the Meetings, and:
 - the proxy appointment does not specify the way the proxy is to vote on item 2; and
 - the proxy appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of KMP.

If the Chairman of the Meetings is your proxy or is appointed as your proxy by default, and you do not direct your proxy how to vote in respect of item 2 on the proxy form, you will be expressly authorising the Chairman of the Meetings to exercise your proxy even if item 2 is connected directly or indirectly with the remuneration of KMP.

The Chairman of the Meetings intends to vote undirected proxies in favour of item 2.

Items 7, 8 and 9

For the purposes of the ASX Listing Rules, the Company, Foreign Company and the Responsible Entity will disregard any votes cast by:

- Mr Rolfe and his associates on items 7 and 8; and
- Ms Wiggins and her associates on items 7 and 9.

Further, a vote must not be cast on items 7, 8 and 9 by a KMP, or a closely related party of a KMP, acting as proxy, if their appointment does not specify the way the proxy is to vote on items 7, 8 and 9 (as the case may be).

However, the Company, the Foreign Company and the Responsible Entity need not disregard a vote on items 7, 8 and 9 (and that person is not prohibited from voting) if:

- it is cast by a person identified above as proxy for a person who is entitled to vote on the item and the vote is cast in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting at which the resolution is being voted on (who may be a KMP) as proxy for a person who is entitled to vote and the proxy appointment expressly authorises the chair to exercise the proxy even if the resolution is connected, directly or indirectly, with the remuneration of KMP.

If you appoint the Chairman of the Meetings as your proxy, and you do not direct your proxy how to vote on items 7, 8 and 9 on the proxy form, you will be expressly authorising the Chairman of the Meetings to exercise your proxy even though items 7, 8 and 9 are connected directly or indirectly with the remuneration of KMP.

The Chairman of the Meetings intends to vote undirected proxies in favour of items 7, 8 and 9.

By order of the Boards of Infigen Energy.

Dated: 10 October 2017

David Richardson



Company Secretary
Infigen Energy

NOTES

1. In this notice:

- **Infigen Energy Group** means the Company and each of its body corporates that is a subsidiary of the Company, the Foreign Company and each controlled entity of the Foreign Company, and the Trust and each sub-trust of the Trust.
- **Security holders** means the shareholders of the Company and the Foreign Company and the unitholders of the Trust.

2. On a show of hands, every person present and qualified to vote has one vote and if one proxy has been appointed, that proxy will have one vote on a show of hands. Under the Corporations Act, if a security holder appoints more than one proxy, neither proxy may vote on a show of hands, but both proxies will be entitled to vote on a poll.

3. On a poll:

- in the case of a resolution of the Company or the Foreign Company, each security holder present in person has one vote for each share they hold. Also each person present as a proxy, attorney or duly appointed corporate representative of a security holder, has one vote for each share held by the security holder that the person represents; and
- in the case of a resolution of the Trust, each security holder present in person has one vote for each one dollar of the value of the units in the Trust held by the security holder. Also, each person present as proxy, attorney or duly appointed corporate representative of a security holder has one vote for each one dollar of the value of the units in the Trust held by the security holder that the person represents.

4. A security holder entitled to attend and vote is entitled to appoint not more than two proxies. If it is desired to appoint two proxies, then an additional proxy form can be obtained from Infigen Energy's security registry by telephoning +61 1800 226 671.

5. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion or number of the security holders' voting rights.
6. A proxy need not be a security holder and may be an individual or body corporate.
7. Proxy forms (and if the appointment is signed by the appointor's attorney, the original authority under which the appointment was signed or a certified copy of the authority) must be received by Infigen Energy's security registry Link Market Services:
 - by mail to Locked Bag A14, Sydney South NSW 1235; or
 - by hand to 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000; or
 - by fax to +61 2 9287 0309.

Alternatively, if a proxy is not appointed under a power of attorney, proxy forms may also be lodged online at the Company's website at www.infigenenergy.com in accordance with the instructions provided on the website. You will need your Holder Identification Number (**HIN**) or Security Reference Number (**SRN**), and your postcode, as shown on your proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions provided on the website.

All proxies must be received prior to 3pm (AEDT) on Monday, 20 November 2017.

8. The Board of the Company, the Board of the Foreign Company and the Board of the Responsible Entity of the Trust have determined that, for the purposes of the meetings, shares and units will be taken to be held by the persons who are registered as security holders as at 7pm (AEDT) on Monday, 20 November 2017. Accordingly, transfers of Stapled Securities registered after that time will be disregarded in determining entitlement to attend and vote at the meetings.

EXPLANATORY NOTES

These explanatory notes are intended to provide security holders with information to assess the merits of the resolutions contained in the accompanying Notice of Meetings.

The Directors recommend that security holders read these explanatory notes in full before making any decision on how to vote on the resolutions.

A reference to a **Stapled Security** is a reference to one share in the Company, one share in the Foreign Company and one unit in the Trust that are stapled together to form a single security and must be traded and otherwise dealt with as a single security.

ORDINARY BUSINESS

Item 1: Financial Report – Company, Foreign Company and Trust

The Infigen Energy Annual Report 2017 has been distributed to security holders. The Infigen Energy Annual Report 2017 includes combined financial reports, as well as combined Directors' and Auditor's reports, for the Company and Trust. The Infigen Energy Annual Report 2017 is available at Infigen Energy's website: www.infigenenergy.com.

Security holders do not vote on the financial reports and the Directors' and Auditor's reports. However, an opportunity for security holders to discuss the financial and other reports will be provided at the meetings.

Item 2: To adopt the Remuneration Report – Company only

Security holders are asked to consider and adopt the Remuneration Report of the Company by way of a non-binding resolution. The Remuneration Report is set out in the Directors' Report included within the Infigen Energy Annual Report 2017 and is also available from the Company's website: www.infigenenergy.com.

The information included in each annual Remuneration Report is largely determined by the requirements of the *Corporations Act 2001 (Cth)*. However, the Chairman has prepared a letter to security holders at the start of the Remuneration Report that aims to assist security holders by identifying the key remuneration-related matters for the Company for FY17.

An opportunity to discuss the Remuneration Report will be provided at the meeting.

The vote on the Remuneration Report is advisory only. The Directors will, however, take into account the discussion on this resolution and the outcome of the vote when considering the future remuneration arrangements of Directors and senior management.

The Directors of the Company recommend the adoption of the Remuneration Report.

If at least 25% of the votes cast on the resolution at the 2017 AGM are against the adoption of the Remuneration Report, then:

- if comments are made on the report at the meeting, the Company's Remuneration Report for the financial year ending 30 June 2018 will be required to include an explanation of the Board of the Company's proposed action in response or, if no action is proposed, the Board of the Company's reasons for this; and
- if, at the Company's 2018 AGM, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report for the financial year ending 30 June 2018 are against its adoption, the Company will be required to put to security holders a resolution proposing that a general meeting (Spill Meeting) be called to consider the election of directors of the Company (Spill Resolution). For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the directors of the Company (other than the Managing Director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

Item 3: Director Re-election – Company and Foreign Company only

Fiona Harris retires as a Director of the Company and of the Foreign Company and being eligible, offers herself for re-election.

Fiona was originally appointed to the Board of the Company and the Board of the Foreign Company as an independent Non-Executive Director on 21 June 2011. Fiona is Chairman of the Audit, Risk & Compliance Committee and is also a member of the Nomination & Remuneration Committee.

Fiona has been a professional non-executive director for the past 22 years, holding positions across a variety of industry and geographical sectors, including utilities, financial services, energy and natural resources and property in Australia, USA, Finland, and West Africa. She has also been involved in a range of corporate transactions.

Fiona is currently a director of Oil Search Limited, BWP Trust and Perron Group Limited. She is a member of Chief Executive Women. Fiona's previous directorships of listed companies in the past three years were Aurora Oil and Gas Limited, Sundance Resources Limited and Toro Energy Limited.

Fiona holds a Bachelor of Commerce degree and is a Fellow of Chartered Accountants Australia and New Zealand and the Australian Institute of Company Directors. She is a past State President and National Board Director of AICD, and a recipient of their Gold Medal for Western Australia.

Fiona was previously a Sydney-based partner with KPMG, working with the firm in Perth, San Francisco and Sydney.

The Directors of the Boards of the Company and Foreign Company (other than Fiona Harris who abstains) recommend that security holders vote in favour of re-electing Fiona Harris as a Director of the Company and Foreign Company.

Item 4: Director Election – Company and Foreign Company only

Leonard Gill, who has been appointed by the Directors of the Company and the Foreign Company in accordance with article 10.8 of the Constitution of the Company and bye-law 12.8 of the Bye-Laws of the Foreign Company, and being eligible, offers himself for election.

Leonard was appointed an independent Non-Executive Director of the Board of the Company and the Board of the Foreign Company on 5 June 2017.

Leonard is a professional non-executive director with a 35 plus year career in the electricity, gas and infrastructure industries. He also provides energy and management consultancy services.

Leonard is currently Chair of Family Life, a community support services charity, and a Non-Executive Director of Ecogen Energy Pty Ltd and Ampetus Energy Pty Ltd. His previous roles include Chairman of Alinta Energy, Chairman of Metgasco, Non-Executive Director of WDS Limited, Non-Executive Director of Verve Energy, Managing Director and CEO of TXU Australia and Chairman of South East Australian Gas Pty Ltd.

Leonard holds a Bachelor of Engineering (Civil) from the University of Melbourne and is a Member of the Australian Institute of Company Directors.

The Directors of the Boards of the Company and Foreign Company (other than Leonard Gill who abstains) recommend that security holders vote in favour of electing Leonard Gill as a Director of the Company and Foreign Company.

Item 5: Director Election – Company and Foreign Company only

Mark Chellev, who has been appointed by the Directors of the Company and the Foreign Company in accordance with article 10.8 of the Constitution of the Company and bye-law 12.8 of the Bye-Laws of the Foreign Company, and being eligible, offers himself for election.

Mark was appointed an independent Non-Executive Director of the Board of the Company and the Board of the Foreign Company on 21 September 2017.

Mark has over 30 years of experience in the building materials and related industries, including roles such as Managing Director of Blue Circle Cement in the United Kingdom and senior management positions within the CSR group of companies in Australia and the United Kingdom.

Mark is the former Managing Director and Chief Executive Officer of Adelaide Brighton Limited, a position he held for over 12 years before his retirement from the role in May 2014. Mark has been an Independent Non-Executive Director of Cleanaway Waste Management Limited since March 2013 and became Chairman in September 2016.

Mark holds a Bachelor of Science (Ceramic Engineering), Masters of Engineering (Mechanical Engineering) and Graduate Diploma in Management.

The Directors of the Boards of the Company and Foreign Company (other than Mark Chellev who abstains) recommend that security holders vote in favour of electing Mark Chellev as a Director of the Company and Foreign Company.

Item 6: Director Election – Company and Foreign Company only

Emma Stein, who has been appointed by the Directors of the Company and the Foreign Company in accordance with article 10.8 of the Constitution of the Company and bye-law 12.8 of the Bye-Laws of the Foreign Company, and being eligible, offers herself for election.

Emma was appointed an independent Non-Executive Director of the Board of the Company and the Board of the Foreign Company on 21 September 2017.

Emma has significant corporate and operational experience within energy, fuel and industrial markets, and was previously the UK Managing Director for French utility Gaz de France's gas and electricity retailing operations. Prior to this, Emma was Managing Director of British Fuels - Gas, the first independent company to gain a domestic retail licence following the deregulation of the UK's energy markets in the 1990's.

Since moving to Australia in 2003, Emma has been an independent Non-Executive Director on the boards of companies in the oil and gas, resources, energy and energy infrastructure, engineering, waste management and facility management sectors.

Emma currently serves as a Non-Executive Director of Programmed Maintenance Services Limited (appointed June 2010), Alumina Limited (appointed February 2011) and Cleanaway Waste Management Limited (appointed August 2011). Emma is a former Non-Executive Director of Transfield Services Infrastructure Fund, Clough Limited and the DUET Group.

Emma holds tertiary qualifications in Science and a Masters of Business Administration (MBA). Emma is an Honorary Fellow of the University of Western Sydney and a Fellow of the Australian Institute of Company Directors.

The Directors of the Boards of the Company and Foreign Company (other than Emma Stein who abstains) recommend that security holders vote in favour of electing Emma Stein as a Director of the Company and Foreign Company.

SPECIAL BUSINESS

Item 7: Approval of the issue of securities under the Infigen Energy Equity Plan as an exception to ASX Listing Rule 7.1 – Company, Foreign Company and Trust

ASX Listing Rule 7.1 requires security holder approval for an issue of equity securities if, over a 12 month period, the amount of equity securities issued is more than 15% of the number of ordinary securities on issue at the start of that 12-month period. Listing Rule 7.2 exception 9 provides that an issue under an employee incentive scheme does not detract from the available 15% limit under Listing Rule 7.1 if security holders approved the issue of securities under an employee incentive scheme as an exception to Listing Rule 7.1 no more than three years before the date of issue.

The issue of securities under the Infigen Energy Equity Plan (**Equity Plan**) was last approved for the purpose of Listing Rule 7.1 on 20 November 2014. As the exception in Listing Rule 7.2 only applies to securities issued within 3 years of receiving security holder approval the Boards consider it appropriate to refresh the previous approval obtained on 20 November 2014 so the exception in Listing Rule 7.2 will apply for a further 3 years.

If this resolution is passed, the issue of securities under the Equity Plan will not be taken into account when undertaking the calculation of the limit pursuant to Listing Rule 7.1. If this resolution is not passed, the issue of equity securities under the Equity Plan will reduce the limit on securities which may be issued without further security holder approval.

A summary of the rules of the Equity Plan is set out in Annexure A to this Notice.

The Directors of the Boards of the Company, the Foreign Company and the Responsible Entity (other than Ross Rolfe and Sylvia Wiggins who abstain) recommend that security holders vote in favour of this resolution.

Below are the number of performance rights issued under the Infigen Energy Equity Plan and subsequently vested or lapsed since receiving security holder approval for the purposes of Listing Rule 7.1 on 20 November 2014.

Total number of performance rights issued under the Equity Plan	15,615,603
Performance rights issued under the Equity Plan that have met respective performance hurdles and vested into Stapled Securities	7,856,217
Performance rights issued under the Equity Plan that have lapsed	2,349,439

Items 8 and 9: Participation in the Infigen Energy Equity Plan by Mr Ross Rolfe and Ms Sylvia Wiggins – Company, Foreign Company and Trust

Approval is sought for the grant of performance rights under the Equity Plan to Mr Ross Rolfe and Ms Sylvia Wiggins for the purpose of the Long Term Incentive (**LTI**) component of each executive’s remuneration package and to satisfy the deferred component of their FY17 Short Term Incentive (**STI**) award. The details of each executive’s remuneration have been disclosed previously in the Company’s Remuneration Report and at the time of their appointment as executives of the Company.

Why is security holder approval being sought?

Security holders are being asked to approve the grant of the performance rights to each executive because of ASX Listing Rule 10.14 which provides that a director of a listed entity can only acquire securities under an employee incentive scheme that may involve the issue of new listed securities with security holder approval. The ASX Listing Rules do not require approval for a director to acquire securities bought on market.

In order to meet contractual obligations to our executives, if security holder approval is not obtained the Board will proceed to grant the performance rights on the basis that any vested performance rights will be satisfied with Securities acquired on market or cash settled in accordance with the relevant rules in the Equity Plan.

Proposed grant of performance rights for each executive

The number of performance rights proposed to be granted to each executive is set out in Table 1 below.

Table 1

	Incentive Grant	Performance Rights	VWAP	Value
Ross Rolfe	FY17 deferred STI	170,409	\$0.7482	\$127,500
	FY17 LTI	369,230	\$0.7517	\$277,550
	FY18 LTI	620,156	\$0.7482	\$464,000
Sylvia Wiggins	FY17 deferred STI	3,342	\$0.7482	\$2,500
	FY18 LTI	467,790	\$0.7482	\$350,000

The performance rights to be granted to Mr Rolfe include his FY17 LTI award because Mr Rolfe's executive employment with the Company commenced following the completion of the 2017 AGM and this is the first opportunity the Company has had to obtain approval to grant these performance rights. This grant of performance rights was agreed with Mr Rolfe at the time he was appointed as Chief Executive Officer and Managing Director subject to the approval of security holders and was disclosed at the time of his appointment.

The performance rights will be subject to the rules of the Equity Plan which are summarised in Annexure A to this Notice. Further details of the performance rights are provided below.

Award of performance rights to satisfy the deferred component of the executives' FY17 STI

Under the Infigen Energy Short Term Incentive Plan (**STI Plan**) up to 50% of each executive's STI award is required to be deferred and, subject to approval by security holders, is to be awarded in the form of a grant of performance rights under the Equity Plan.

The number of performance rights proposed to be granted to satisfy the deferred component of each executive's FY17 STI are specified in Table 1 above and has been determined using the volume weighted average ASX market price of Stapled Securities in the

last five trading days of the FY17 financial year in accordance with the rules of the STI Plan.

The vesting and forfeiture conditions that apply to these performance rights are:

1. Unless they vest or are forfeited or lapse at an earlier date in accordance with the Equity Plan (for example in connection with a change of control event), the performance rights will vest when the first trading window is opened (as determined under the Company's Securities Trading Policy) after the release of Infigen Energy's financial results for FY18.
2. The performance rights will be forfeited if the executive's employment ceases other than due to death, total and permanent disablement, redundancy, retirement, material adverse change or other reason approved by the Board prior to the vesting date in point 1 above.
3. The performance rights will automatically lapse upon the happening of certain events specified in the Equity Plan (these are summarised in Annexure A).
4. The Board of the Company may declare that a performance right has lapsed if the performance right was awarded to the executive based on a Key Performance Indicator (**KPI**) achievement under the STI Plan for FY17 that is subsequently determined to be incorrect as a result of misstated financial information and the performance right would not have been awarded by the Board of the Company had it been aware of the financial misstatement.

FY17 Long Term Incentive as part of Mr Rolfe's FY17 remuneration package

Mr Rolfe will, subject to security holder approval, be eligible to receive an LTI award under the Equity Plan that is on the same terms as LTI awards made to other senior managers for FY17. The number of performance rights proposed to be granted to Mr Rolfe for his FY17 LTI is specified in Table 1 above.

The number of performance rights to be granted to Mr Rolfe has been determined using the volume weighted average ASX market price of Stapled Securities in the five trading days leading up to Infigen Energy's ASX release dated 13 October 2016 announcing the appointment of Mr Rolfe as CEO/MD.

Performance conditions of proposed awards under the Equity Plan in respect of the FY17 LTI Grant

1. The performance rights comprise two tranches of equal value (**Tranche 1** and **Tranche 2**).
2. The number (if any) of performance rights awarded to the Managing Director that will ultimately vest is dependent on the achievement of performance conditions determined by the Board of the Company. The Board of the Company has determined the performance rights should be subject to a Total Shareholder Return (**TSR**) performance condition and an operational performance condition involving earnings before interest, taxes, depreciation and amortisation (**EBITDA**). The vesting of Tranche 1 of the performance rights will be subject to the TSR condition, while the vesting of Tranche 2 of the performance rights will be subject to the EBITDA performance condition.
3. The performance period for both Tranche 1 (TSR performance condition) and Tranche 2 (EBITDA performance condition) will be a 3 year period from 1 July 2016 to 30 June 2019.
4. The Board of the Company has the discretion to vary or substitute either or both of the performance conditions in circumstances where a significant corporate transaction materially affects the achievability of a performance condition. If these circumstances arise the Board of the Company will exercise its discretion in a manner consistent with ensuring that the revised or alternative performance condition(s) is/are not materially easier or more difficult to achieve than the condition(s) as it/they stood before the transaction occurred.

5. Further details of the performance conditions are provided below.
6. **TSR performance condition** (applicable to Tranche 1 performance rights) – TSR measures the growth in the price of Stapled Securities plus cash distributions notionally reinvested in Stapled Securities, compared to each company in the S&P/ASX 200 (excluding companies in the financial services and the materials/resources sector).
7. The vesting scale for the Tranche 1 performance rights is set out in Table 2 below.

Table 2

Infigen Energy's TSR performance compared to the relevant peer group	Percentage of Tranche 1 performance rights that vest
0 to 24 th percentile	Nil
25 th percentile	25%
26 th to 50 th percentile	26% – 50% (i.e. for every percentile increase between 26% and 50% an additional 1% of the Tranche 1 performance rights will vest)
51 st to 75 th percentile	52% – 100% (i.e. for every percentile increase between 51% and 75% an additional 2% of the Tranche 1 performance rights will vest)
> 75 th percentile	100%

8. **EBITDA performance condition** (applicable to Tranche 2 performance rights) – the vesting of the Tranche 2 performance rights will be subject to an EBITDA performance condition set by the Board of the Company. The EBITDA performance condition rewards senior management for sustaining and delivering capital efficiency performance over an extended period.

An EBITDA growth target is to be established annually by the Board of the Company. This growth target will be a stretch goal. The prospective targets remain confidential, however, each year's target, and the performance against that target, will be disclosed retrospectively in the Remuneration Report. The EBITDA performance will be measured relative to Infigen Energy's capital base.

The annual EBITDA growth target will be a specified percentage increase in the ratio of EBITDA to Infigen Energy's Capital Base over the year. The Capital Base will be measured as prior year net assets less derivative valuations, plus current year's earnings and net debt, normalised for foreign exchange. Both the EBITDA and Capital Base will be measured on a proportionately consolidated basis to reflect Infigen Energy's economic interest in all investments. Any shortfall or over-achievement in each year of the three year performance period will be rolled over into the calculation of results for the next year. At the completion of the annual measurement periods the EBITDA growth targets will provide a cumulative target of which at least 90% must be achieved in order for any vesting of Tranche 2 performance rights to occur.

The vesting scale for the Tranche 2 performance rights is set out in Table 3 below.

Table 3

Infigen Energy's EBITDA Performance	Percentage of Tranche 2 performance rights that vest
0 to < 90% of the cumulative target	Nil
90% ≤ 110% of the cumulative target	5% – 100% (i.e. for every 1% increase between 90% and 110% of target, an additional 5% of the Tranche 2 Performance Rights will vest).
> 110%	100%

9. Any performance rights that do not vest following the measurement of performance against the TSR and EBITDA performance conditions described above will be subject to a single re-test 4 years after the commencement of the relevant performance period (i.e. after 30 June 2020). Any performance rights that do not vest following that re-test will then lapse.

Long Term Incentive as part of the executive's FY18 remuneration package

Each of Mr Rolfe and Ms Wiggins will, subject to security holder approval, be eligible to receive an LTI award under the Equity Plan that is on the same terms as LTI awards made to other senior managers for FY18. The number of performance rights proposed to be granted to each of Mr Rolfe and Ms Wiggins are specified in Table 1 above.

The number of performance rights to be granted has been determined using the volume weighted average ASX market price of Stapled Securities in the last five trading days of the FY17 financial year.

Performance conditions of proposed awards under the Equity Plan in respect of the FY18 LTI Grant

1. The performance rights comprise two tranches of equal value (**Tranche 1** and **Tranche 2**).
2. The number (if any) of performance rights awarded to the Executive that will ultimately vest is dependent on the achievement of performance conditions determined by the Board of the Company. The Board of the Company has determined the performance rights should be subject to a Total Shareholder Return (**TSR**) performance condition and an operational performance condition (described below).
3. The performance period for Tranche 1 (TSR performance condition), Tranche 2 (Operational performance condition) will be a 3 year period from 1 July 2017 to 30 June 2020. There will be no re-testing.
4. Further details of the performance conditions are provided below.

5. **TSR performance condition** (applicable to Tranche 1 performance rights) – TSR measures the growth in the price of Stapled Securities plus cash distributions notionally reinvested in Stapled Securities. The vesting scale for Tranche 1 performance rights is set out in Table 4 below.

Table 4

Infigen Energy's TSR performance compared to the relevant peer group	Percentage of Tranche 1 Performance Rights that vest
< 50 th percentile	Nil
50 th percentile	50% of the Tranche 1 Performance Rights will vest
51 st to 75 th percentile	52% – 100% (i.e. for every percentile increase between 51% and 75% an additional 2% of the Tranche 1 Performance Rights will vest)
> 75 th percentile	100%

6. The **Operational performance condition** measures progress in implementing the revised business strategy to increase sustainable value through de-risking revenue and achieving prudent growth. The primary assessment will be based on a matrix that rewards achievements in delivering specific targets set out in the Board approved implementation plan. The targets are Revenue Diversity, as measured by the proportion of energy sales delivered through direct commercial and industrial customer channels, and Growth, as measured by Energy Sold volume (GWh). The matrix is aligned with and directly reflects Infigen's transformational strategy to deliver a range of products and solutions to different customers: balance risk, price and tenor; secure longer term revenue stability; and growth.
7. The Board has a discretion to adjust the vesting outcomes (both upwards and downwards) including in the following circumstances:
- (a) outperformance in value creation which is not reasonably captured by the Operational performance condition;

- (b) misstatements or misrepresentations that warrant a downward adjustment;
 - (c) in the event of a significant corporate transaction which the Board considers has affected the achievability of the performance conditions;
 - (d) where strict applicability of the matrix parameters would lead to an outcome that does not satisfactorily reflect the sustainable economic value created for Infigen or its security holders over the performance period including where this results in a vesting outcome that was not fair or reasonable (to either the LTI participants or Infigen) in all the circumstances; or
 - (e) where the vesting outcome is considered inappropriate because absolute TSR is negative.
8. Further details will be provided in future formal Remuneration Reports.

Common conditions of proposed awards under the Equity Plan in respect of the FY17 LTI Grant and the FY18 LTI Grant

- A. The Board of the Company has discretion to accelerate the vesting of all or part of any unvested LTI performance rights in certain circumstances described in the Equity Plan, including if a takeover bid is made to the holders of Stapled Securities that the Board resolves has a reasonable prospect of success or if Stapled Securities cease to be quoted on an exchange. These circumstances are outlined in Annexure A.
- B. The rules relating to the lapse of unvested LTI performance rights and the circumstances in which a participant who ceases employment is entitled to retain their unvested performance rights are set out in the Equity Plan and are summarised in Annexure A.
- C. The Board of the Company may declare that a performance right has lapsed following a materially adverse financial misstatement which previously overstated the Infigen Energy Group's financial performance to take account of performance rights which would not have been awarded or vested had the Board been aware of the financial misstatement.

Additional information required by the Listing Rules

In accordance with the requirements of the Listing Rules, the following information is provided to security holders:

1. Each performance right that vests in accordance with the vesting conditions described above will (subject to the Board of the Company otherwise determining that the vested performance rights will be cash settled under the Equity Plan rules) translate into one Stapled Security (subject to any adjustment in accordance with the Equity Plan rules).
2. The number of performance rights which will be granted to each executive, subject to approval by security holders, is specified in Table 1 above.
3. The executives will not be required to pay any amount on the grant or vesting of their performance rights.
4. Neither executive has previously received a grant of performance rights under the Equity Plan.
5. The executives will be prohibited from entering into hedging arrangements or transactions that will limit or reduce exposure to economic risk of holding unvested performance rights.
6. The proposed grant of performance rights to the executives will be made as soon as practicable after security holder approval is obtained, and in any event no later than 12 months after this meeting.
7. No loan will be made by Infigen Energy in connection with the potential grant of performance rights to the executives.
8. Mr Rolfe and Ms Wiggins are currently the only Directors of the Company, Foreign Company or Responsible Entity entitled to potentially receive a grant of performance rights under the Equity Plan.

The Directors of the Boards of the Company, the Foreign Company and the Responsible Entity (other than Ross Rolfe and Sylvia Wiggins who abstain) recommend that security holders vote in favour of resolutions 8 and 9.

Item 10: Re-appointment of Auditor – Foreign Company only

Section 89 of the Companies Act 1981 (Bermuda) requires that the Auditor of the Foreign Company be appointed as Auditor by the shareholders of the Foreign Company at each Annual General Meeting of the Foreign Company. Upon appointment, the Auditor is to hold office until the close of the next Annual General Meeting. PricewaterhouseCoopers is the current Auditor of the Company, Foreign Company and Trust, and as such, PricewaterhouseCoopers is nominated for re-appointment as Auditor of the Foreign Company up until the close of the next Annual General Meeting.

Section 89 of the Companies Act 1981 (Bermuda) also provides that the Directors of the Foreign Company may approve the remuneration of the Auditor as authorised by the shareholders of the Foreign Company. Directors of the Company and the Responsible Entity of the Trust currently have authority to approve the remuneration of PricewaterhouseCoopers in its capacity as Auditor of both the Company and the Trust. Shareholders of the Foreign Company are therefore requested to provide the Directors of the Foreign Company with similar authority to approve the remuneration of PricewaterhouseCoopers in its capacity as Auditor of the Foreign Company. The remuneration paid to PricewaterhouseCoopers in its capacity as Auditor of the Company, the Trust and the Foreign Company during the 2017 financial year is shown in Note 35 to the financial statements within the Infigen Energy Annual Report 2017.

The Directors of the Board of the Foreign Company recommend that shareholders of the Foreign Company approve the resolution to re-appoint PricewaterhouseCoopers as Auditor of the Foreign Company.

Security holders are reminded that the Foreign Company is now a largely inoperative formal element of Infigen Energy's historical structure that is maintained only because its removal could be complex and expensive under the terms of the stapling deed and various lender arrangements.

ANNEXURE A – Overview of the Infigen Energy Equity Plan (Equity Plan)

1. The Board of the Company (**Board**) may in its absolute discretion determine which eligible persons will be offered the opportunity to participate in the Equity Plan.
2. Eligible persons may be invited to apply to be a participant in the Equity Plan.
3. Under the Equity Plan, the Company may grant performance rights, options or security appreciation rights (**Awards**). All Awards are subject to the rules of the Equity Plan and any other conditions determined by the Board.
4. An application to participate in the Equity Plan will not be accepted if, at the time of the application, the applicant:
 - (a) is not an employee of an Infigen Energy Group entity;
 - (b) is subject to notice of termination of his or her employment.
5. The Board may impose performance conditions on any awards under the Equity Plan to reflect the group's business plans, budgets and performance objectives. The Board may vary these performance conditions from time to time. Awards will not vest unless these vesting conditions are satisfied or accelerated vesting occurs in accordance with paragraph 9 below.
6. An unvested Award does not entitle a participant to participate in any new issue of Stapled Securities. Awards will also not attract dividends, distributions or voting rights until they vest (and in the case of options, are exercised) and Stapled Securities are allocated (whether or not the Stapled Securities are then subject to non-disposal restrictions).

7. On the vesting of an Award, the Company must cause to be issued, transferred or paid (as applicable) to the participant:
- (a) in respect of vested options which are exercised by the option holder, the number of Stapled Securities (expressed to one decimal place) the subject of each vested option;
 - (b) in respect of vested performance rights, in the absolute discretion of the Board, either:
 - (i) the number of Stapled Securities (expressed to one decimal place) the subject of each vested performance right multiplied by the number of vested performance rights held by that participant, rounded down to the nearest whole number of Stapled Securities; or
 - (ii) a cash amount equivalent to the Market Price of a Stapled Security on the vesting date multiplied by the number of Stapled Securities contemplated under paragraph 7(b)(i) above. The Market Price means an amount equal to the volume weighted average of the selling price of a Stapled Security recorded on the ASX over the 5 ASX trading days immediately preceding the vesting date or if no sale occurred during such period the last sale price of a Stapled Security recorded on the ASX; or
 - (c) in respect of vested security appreciation rights, a cash amount (rounded to the nearest whole dollar) calculated by multiplying the number of Stapled Securities to which those security appreciation rights relate by an amount equal to the amount by which the Market Price of a Stapled Security on the vesting date of the security appreciation right exceeds the base price of that security appreciation right. No amount is payable where that Market Price does not exceed that base price.

8. No amount is payable for the grant of an Award.
9. The Board may, in its absolute discretion, accelerate the vesting of all or part of any unvested Award, in the following circumstances:
 - (a) a takeover bid is made to holders of Stapled Securities which the Board resolves has a reasonable prospect of success;
 - (b) a court orders that a meeting be held to consider a scheme involving a proposed arrangement for the merger or acquisition of the Infigen Energy Group;
 - (c) if Stapled Securities cease to be quoted on any securities exchange;
 - (d) the winding up of the Company, Foreign Company or Trust; or
 - (e) a participant's employment ceases due to death or total and permanent disability.

The Equity Plan contains rules regulating the exercise of the Board's discretion in these circumstances. In the case of events (a)-(c) any Awards which are not subject to accelerated vesting will lapse on a date determined by the Board.

10. An unvested Award held by a plan participant will lapse on the earlier of:
 - (a) the expiry date applicable to the Award; or
 - (b) that participant becoming bankrupt or committing an act of bankruptcy; or

- (c) the Board determining that the participant:
- (i) has committed (or it is evident that the participant intends to commit) any act (whether by omission or commission) which amounts or would amount to any of dishonesty, fraud, wilful misconduct, wilful breach of duty, serious and wilful negligence or incompetence in the performance of the participant's duties;
 - (ii) is convicted of a criminal offence (other than minor/trivial offences) or is guilty of wilful or recklessly indifferent conduct which may injure the reputation or business of an Infigen Energy Group member; or
 - (iii) has failed to comply with a non-compete or confidentiality condition contained in their employment contract with an Infigen Energy Group member;
- (d) that participant ceasing to be an employee due to reasons other than death, total and permanent disablement, redundancy or retirement (unless the Board of the Company determines otherwise in its absolute discretion); or
- (e) subject to certain exceptions, the compulsory or voluntary winding up of the Company, Foreign Company or Trust as detailed in the Equity Plan.

11. If a participant's employment ceases due to death, total and permanent disablement, redundancy or retirement, or for any other reason approved by the Board in its absolute discretion, then his or her unvested Awards will be retained by the participant after his or her employment ceases and will vest or lapse in accordance with the terms of the grant of the Award and the Equity Plan rules.

12. The Equity Plan provides for the acquisition, by issue or transfer, of fully paid Stapled Securities by the plan entity appointed by the Company. Stapled Securities may then be transferred from the plan entity to a participant upon the relevant performance conditions being satisfied. Any Stapled Securities issued under the Equity Plan will rank equally with those traded on the ASX at the time of issue.
13. A participant may not sell, assign, transfer or otherwise deal with, or grant a security interest over, an Award. An Award lapses immediately on any purported sale, assignment, transfer, dealing or grant of security interest unless the Board in its absolute discretion approves the dealing or transfer or transmission is effected by force of law on death or legal incapacity to the participant's legal representative.
14. In the event of any capital reorganisation of the Company (or certain other matters affecting the Company's capital structure including any bonus issues and rights issues), the participant's Award will be adjusted, as set out in the Equity Plan and otherwise in accordance with the ASX Listing Rules. In general, it is intended that the participant will not receive any advantage or disadvantage from any such adjustment relative to holders of Stapled Securities.
15. The Board may impose restrictions on the disposal of Stapled Securities acquired by a participant under the Equity Plan and implement such arrangements (including a holding lock) as it determines are necessary to enforce this restriction. Once any restriction is removed, and subject to the Company's Securities Trading Policy, Stapled Securities acquired under the Equity Plan may be dealt with freely by the participant.

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