



ASX RELEASE

Infigen Energy

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Infigen Energy Trust ARSN 116 244 118

Infigen Energy (Bermuda) Limited ARBN 116 360 715

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29 August 2016

APPENDIX 4E AND FY16 ANNUAL FINANCIAL REPORT

Attached are the following reports relating to Infigen Energy (ASX: IFN):

- Appendix 4E – Preliminary Final Report
- Infigen Energy Group Annual Financial Report for the year ended 30 June 2016
- Management Discussion and Analysis of Financial and Operational Performance for the year ended 30 June 2016

ENDS

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About Infigen Energy

Infigen Energy (Infigen) is a developer, owner and operator of renewable energy generation in Australia. We own six wind farms and a solar farm with a combined installed capacity of 557 megawatts operating in New South Wales, South Australia and Western Australia.

Infigen's operating assets generate enough power to meet the needs of over 250,000 homes saving over a million tonnes of carbon dioxide emissions each year.

Infigen's development pipeline comprises approximately 1,100 megawatts of large-scale wind and solar projects spread across five states in Australia.

Infigen trades on the Australian Securities Exchange (ASX) under the code IFN.

For further information please visit our website: www.infigenenergy.com

INFIGEN ENERGY GROUP

APPENDIX 4E – Preliminary Final Report for the year ended 30 June 2016

Name of entity:	Infigen Energy (ASX: IFN), a stapled entity comprising Infigen Energy Limited (ABN 39 105 051 616), Infigen Energy (Bermuda) Limited (ARBN 116 360 715), and the Infigen Energy Trust (ARSN 116 244 118)
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Reporting period

Current Period:	1 July 2015 – 30 June 2016
Previous Corresponding Period:	1 July 2014 – 30 June 2015

Results for announcement to the market

	% Movement	2016 A\$'000	2015 A\$'000
Revenues from continuing operations	29.5%	173,229	133,807
Profit / (loss) from continuing operations after tax attributable to members	138.2%	7,033	(18,432)
Loss from discontinued operations after tax attributable to members	99.1%	(2,547)	(285,171)
Profit / (loss) for the period attributable to members	101.5%	4,486	(303,603)

Distributions

Distributions	Record date	Payment date	Amount per security	Franked amount per security
Final distribution	N/A	N/A	Nil	N/A
Interim distribution	N/A	N/A	Nil	N/A

A brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Refer to the attached Management Discussion and Analysis of Financial and Operational Performance for the year ended 30 June 2016.

Financial statements

Refer to the attached Consolidated Financial Statements for the year ended 30 June 2016.

Net tangible asset backing per unit

	30 June 2016	30 June 2015
Net tangible asset backing per stapled security	20 cents	17 cents

Control gained or lost over entities during the period

- Infigen Energy US Development LLC and its controlled entities were sold to a third party on 27 July 2015.
- Infigen Energy US LLC and its controlled entities; as well as Infigen Energy US JE LLC and its controlled entities, were sold to a third party on 28 October 2015.
- Caprock Solar 1 LLC, Caprock Solar Holdings 1 LLC, Caprock Solar 2 LLC and Caprock Solar Holdings 2 LLC were sold to a third party on 21 December 2015.
- A 50% equity interest in Bodangora Wind Farm Pty Ltd and Forsayth Wind Farm Limited was sold to a third party on 22 December 2015.

Accounting standards used by foreign entities

Refer to the attached Consolidated Financial Statements for the year ended 30 June 2016.

Commentary on results and outlook

Refer to the attached Management Discussion and Analysis of Financial and Operational Performance for the year ended 30 June 2016.

Audit / review of accounts upon which this report is based and Qualification of audit / review

This report is based on accounts which have been audited by an independent auditor. This auditor has issued an un-qualified opinion on the financial statements for the Infigen Energy Group for the year ended 30 June 2016.



INFIGEN ENERGY GROUP

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

TOGETHER WITH THE DIRECTORS' REPORT

Infigen Energy Group

Annual Financial Report for the year ended 30 June 2016

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Corporate Structure

The Infigen Energy Group (**Infigen**) consists of the following entities:

- Infigen Energy Limited (**IEL**), a public company incorporated in Australia;
- Infigen Energy Trust (**IET**), a managed investment scheme registered in Australia;
- Infigen Energy (Bermuda) Limited (**IEBL**), a company incorporated in Bermuda; and
- the subsidiary entities of IEL and IET.

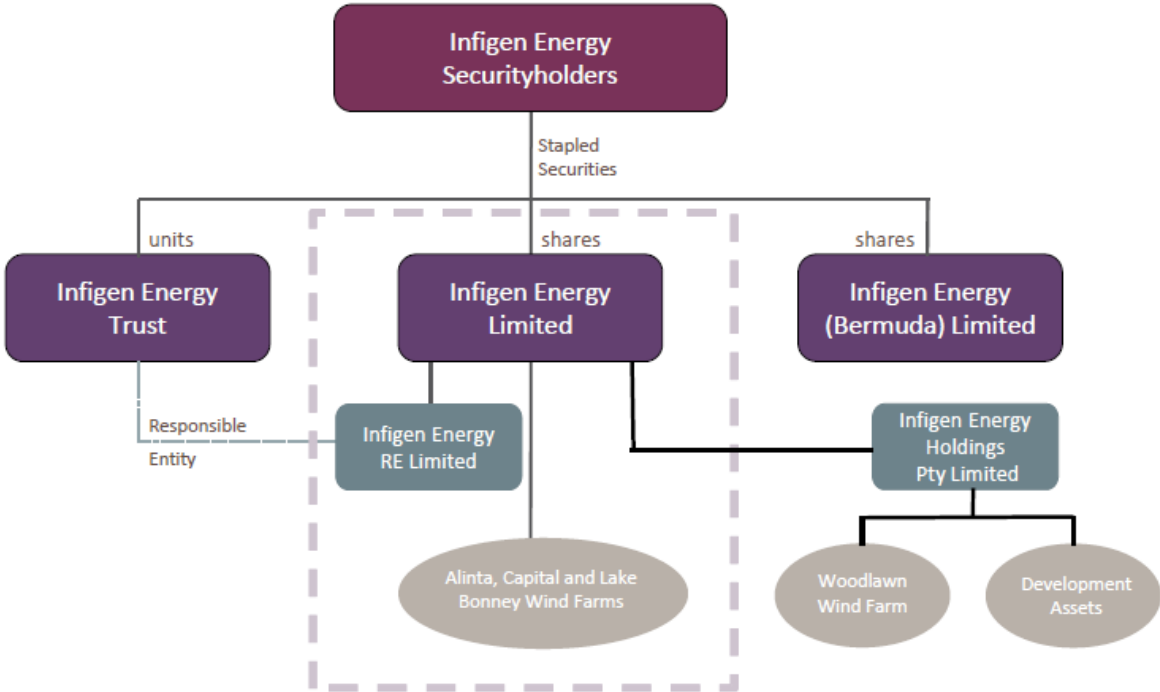
One share in each of IEL and IEBL and one unit in IET have been stapled together to form a single stapled security, tradable on the Australian Securities Exchange under the 'IFN' code.

Infigen Energy RE Limited (**IERL**) is the Responsible Entity of IET.

The current stapled structure of the Infigen Energy group was established immediately prior to listing on the Australian Securities Exchange in 2005 and currently cannot be readily materially simplified due to requirements of Infigen's corporate debt facility (**Global Facility**). IEBL was established and included in Infigen's stapled structure in 2005 to provide flexibility regarding potential investment ownership structures. IEBL has not been utilised for that purpose since it was established and Infigen aims to wind-up this entity when it is feasible to do so.

The following diagram represents the structure of the Infigen Energy group, including the entities and assets within the Global Facility borrower group.

Corporate Structure & Global Facility



Entities and assets within the Global Facility borrower group as at 30 June 2016

Directors' Report

The Directors of Infigen Energy Limited and the Directors of Infigen Energy RE Limited, the Responsible Entity of Infigen Energy Trust, present their report together with the Financial Report of the Group and the Trust (refer below) for the year ended 30 June 2016.

The Financial Report of IEL comprises the consolidated Financial Report of IEL and its controlled entities, including IET and its controlled entities and Infigen Energy (Bermuda) Limited, (the **Infigen Energy Group** or **Group**).

The Financial Report of IET comprises the consolidated Financial Report of IET and its controlled entities (the **Infigen Energy Trust Group** or **Trust**).

Directors

The following people were Directors of IEL, IEBL and IERL during the whole of the financial year and up to the date of this report (unless otherwise indicated):

- Michael Hutchinson
- Philip Green
- Fiona Harris (granted leave of absence by the Board from 1 July 2015 – 29 February 2016)
- Ross Rolfe AO
- Sylvia Wiggins (appointed a Director on 18 April 2016)
- Miles George

Further Information on Directors

The particulars of the Directors of IEL, IERL and IEBL at or since the end of the financial year and up to the date of the Directors' Report are set out below.

Name	Particulars
<u>Michael Hutchinson</u> Non-Executive Chairman of IEL, IEBL and IERL <i>Appointed to IEL, IEBL and IERL on 18 June 2009</i> <i>Chairman of the Nomination & Remuneration Committee</i>	<p>Mike was appointed an independent non-executive director of Infigen Energy in June 2009 and subsequently elected Chairman on 11 November 2010. He is also Chairman of the Nomination & Remuneration Committee.</p> <p>Mike was formerly an international transport engineering consultant, a senior Federal Government official and a corporate advisory consultant; and has extensive experience in the transport and communications sectors.</p> <p>Mike has previously been a non-executive director of the Australian Infrastructure Fund Ltd, Leighton Holdings Ltd, Epic Energy Holdings Ltd, Hastings Funds Management Ltd, Westpac Funds Management Ltd, Pacific Hydro Ltd, OTC Ltd, HiTech Group Australia Ltd, the Australian Postal Corporation and the Australian Graduate School of Management Ltd.</p> <p>Mike holds a first class honours degree in Civil Engineering from the University of Newcastle upon Tyne, United Kingdom, and graduated from the Harvard Business School Advanced Management Program (AMP110). He is a member of the Institution of Civil Engineers, the Institution of Highways and Transportation, Engineers Australia, and the Australian Institute of Company Directors.</p>
<u>Philip Green</u> Non-Executive Director of IEL, IEBL and IERL <i>Appointed to IEL, IEBL and IERL on 18 November 2010</i>	<p>Philip was appointed a non-executive Director of Infigen Energy in November 2010.</p> <p>Philip is a Partner of TCI Advisor Services LLP ("TCI"), an advisor to a substantial securityholder of Infigen Energy. Philip joined TCI in 2007 and his responsibilities include TCI's global utility, renewable energy and infrastructure investments.</p> <p>Prior to joining TCI, Philip led European Utilities equity research at Goldman Sachs, Merrill Lynch and Lehman Brothers over a 12 year period. Philip is a UK Chartered Accountant (ACA) and has a Bachelor of Science (Hons) in Geotechnical Engineering.</p>

Name	Particulars
<p><u>Fiona Harris</u> Non-Executive Director of IEL, IEBL and IERL</p>	<p>Fiona was appointed as an independent non-executive director of Infigen Energy in June 2011 and is the Chairman of the Audit, Risk & Compliance Committee. Fiona is also a member of the Nomination & Remuneration Committee.</p>
<p><i>Appointed to IEL, IEBL and IERL on 21 June 2011</i></p>	<p>Fiona has been a professional non-executive director for the past 21 years, during which time she has been a director of organisations across a variety of industry sectors, including utilities, financial services, energy and natural resources and property, and been involved in a range of corporate transactions. Prior to this Fiona spent 14 years with KPMG, working in Perth, San Francisco and Sydney, and specialising in financial services.</p>
<p><i>Chairman of the Audit, Risk & Compliance Committee</i> <i>Member of the Nomination & Remuneration Committee</i></p>	<p>Fiona is currently Chairman of Barrington Consulting Group, a director of BWP Trust and a director of Perron Group Limited. Fiona's previous directorships of listed companies in the past three years were Aurora Oil & Gas Limited, Oil Search Limited, Sundance Resources Limited and Toro Energy Limited.</p>
	<p>Fiona holds a Bachelor of Commerce degree and is a Fellow of Chartered Accountants Australia and New Zealand, and is a past State President and National Board Director of the Australian Institute of Company Directors.</p>
<p><u>Ross Rolfe AO</u> Non-Executive Director of IEL, IEBL and IERL</p>	<p>Ross was appointed an independent non-executive director of Infigen Energy in September 2011. Ross is a member of the Audit, Risk & Compliance Committee and the Nomination & Remuneration Committee.</p>
<p><i>Appointed to IEL, IEBL and IERL on 9 September 2011</i></p>	<p>Ross has broad experience in the Australian energy and infrastructure sectors in senior management, government and strategic roles.</p>
<p><i>Member of the Audit, Risk & Compliance Committee</i> <i>Member of the Nomination & Remuneration Committee</i></p>	<p>In August 2008 Ross was appointed to the position of Chief Executive Officer of Alinta Energy. Ross completed a capital restructuring of the business and stepped down from the CEO and Managing Director role in April 2011.</p>
	<p>Prior to that appointment, Ross held the position of Director General of a range of Queensland Government Departments, including Premier and Cabinet, State Development, and Environment & Heritage, as well as the position of Co-ordinator General. Ross was also the Chief Executive Officer of Stanwell Corporation, one of Queensland's largest energy generation companies from 2001 until 2005. Ross was previously Chairman of WDS Limited and CS Energy, as well as a non-executive director of CMI Limited and Thiess Pty Ltd.</p>
	<p>Ross is currently Chairman of the North Queensland Airports Group and a Director of Transurban Queensland and Tennis Queensland. Ross also holds a part-time senior executive role at Lend Lease.</p>
<p><u>Sylvia Wiggins</u> Non-Executive Director of IEL, IEBL and IERL</p>	<p>Sylvia was appointed an independent non-executive director of Infigen Energy in April 2016. Sylvia is a member of the Audit, Risk & Compliance Committee.</p>
<p><i>Appointed to IEL, IEBL and IERL on 18 April 2016</i></p>	<p>Sylvia has over 20 years' experience as a legally qualified chief executive officer, executive and senior investment banker across a broad range of businesses and countries, most recently working in the energy, infrastructure, defence and structured finance areas.</p>
<p><i>Member of the Audit, Risk & Compliance Committee</i></p>	<p>Sylvia has originated, structured and advised upon transactions including capital and debt issuance, IPOs, asset acquisitions and divestments, mergers and acquisitions, and trade sales. Sylvia has also provided corporate advice covering strategic planning, commercial negotiations, capital management and corporate governance.</p>
	<p>Sylvia manages her own advisory firm which she established in 2014 having previously worked with a number of international investment and advisory firms. From 2009 to 2011 Sylvia worked at the Alinta Energy Group. Prior to that Sylvia was the inaugural Chief Executive Officer of Global Investments Limited, which is listed on the Singapore Stock Exchange.</p>

Name	Particulars
<p><u>Miles George</u> Executive Director of IEL, IEBL and IERL</p> <p><i>Appointed to IEL, IEBL and IERL on 1 January 2009</i></p>	<p>Miles is the Managing Director of Infigen Energy and has over 20 years' experience in business development, investment, financing and management roles in the infrastructure and energy sectors in Australia, the US and Europe.</p> <p>Over the past 16 years Miles has been focussed on development, investment, financing and management in the renewable energy industry. Miles undertook a leading role in the development of Infigen's first wind farm project at Lake Bonney in South Australia, commencing in 2000. In 2003 Miles jointly led the team which established the renewable energy business now known as Infigen Energy, and in 2005 Miles jointly led the Initial Public Offer and listing of Infigen's business on the ASX.</p> <p>Following listing, Miles continued to work on the development, financing and management of Infigen's wind farm investments in Australia, the US and Europe. He was appointed as Managing Director of Infigen Energy in 2009.</p> <p>Miles was elected Chairman of the Board of the Clean Energy Council in December 2013 and was re-elected as Chairman in December 2015. In December 2015 Miles was appointed as the Generator Representative of the Australian Energy Market Commission Reliability Panel.</p> <p>Miles holds degrees of Bachelor of Engineering and Master of Business Administration (Distinction) from the University of Melbourne.</p>

Directors' Interests in IFN Stapled Securities

One share in each of IEL and IEBL and one unit in IET have been stapled together to form a single stapled security, tradable on the Australian Securities Exchange under the 'IFN' code. IERL is the Responsible Entity of IET. The table below lists the Directors of IEL, IEBL and IERL during the financial year as well as showing the relevant interests of those Directors in IFN stapled securities during the financial year.

Directors	Role	IFN Stapled Securities Held			
		Balance 1 July 2015	Acquired during the year	Sold during the year	Balance 30 June 2016
M Hutchinson	Independent Chairman	192,500	40,000	0	232,500
F Harris	Independent Non-Executive Director	100,000	0	0	100,000
P Green ¹	Non-Executive Director	0	0	0	0
R Rolfe	Independent Non-Executive Director	0	57,500	0	57,500
S Wiggins	Independent Non-Executive Director	0	0	0	0
M George	Executive Director	2,629,827	1,813,674 ²	(650,000) ³	3,793,501

¹ P Green is a Partner of TCI Advisory Services LLP which is an advisor to a substantial securityholder of IFN. Mr Green has advised Infigen that he does not have a relevant interest in those IFN securities.

² The IFN securities acquired by M George during the year resulted from the vesting of Performance Rights relating to FY13 Long-Term Incentives as well as Deferred Short-Term Incentives earned in FY14.

³ M George sold IFN securities during the year to fund tax liabilities associated with the vesting of Performance Rights issued in accordance with the Infigen Energy Equity Plan.

Directors' Meetings

The number of Board meetings and meetings of standing Committees established by the respective Boards held during the year ended 30 June 2016, and the number of meetings attended by each Director, are set out below.

Directors	Board Meetings						Committee Meetings			
	IEL		IERL		IEBL		Audit, Risk & Compliance		IEL Nomination & Remuneration	
	A	B	A	B	A	B	A	B	A	B
M Hutchinson ¹	23	23	23	23	23	23	3	3	7	7
F Harris ²	6	6	6	6	6	6	2	2	3	3
P Green ³	21	23	21	23	21	23	3	3	n/a	n/a
R Rolfe	21	23	21	23	21	23	5	5	7	7
S Wiggins ⁴	2	2	2	2	2	2	2	2	n/a	n/a
M George	23	23	23	23	23	23	n/a	n/a	n/a	n/a

A = Number of meetings attended.

B = Number of meetings held during the period that the person held office during the year.

¹ M Hutchinson was temporarily appointed to the Audit, Risk & Compliance Committee whilst F Harris was on leave and attended all Committee meetings during that period.

² F Harris was granted a leave of absence from 1 July 2015 to 29 February 2016. F Harris attended all Board and Committee meetings upon returning from leave through to 30 June 2016.

³ P Green was a member of the Audit, Risk & Compliance Committee from 1 July 2015 to 1 May 2016 and attended all Committee meetings during that period.

⁴ S Wiggins was appointed a Director on 18 April 2016 and a member of the Audit, Risk & Compliance Committee on 1 May 2016, and attended all Board and Committee meetings following appointment through to 30 June 2016.

Additional meetings of committees of Directors were held during the year, but these are not included in the above table (for example, where the Boards delegated authority to a committee of Directors to oversight or approve specific matters or otherwise approve documentation on behalf of the Boards).

Company Secretary

The name and particulars of the Company Secretary of IEL, IERL and IEBL during and since the end of the financial year are set out below.

Name	Particulars
David Richardson Company Secretary of IEL, IEBL and IERL <i>Appointed 26 October 2005</i>	David is the General Manager Corporate Governance & Company Secretary of Infigen Energy and is responsible for the company secretarial, risk management, insurances, corporate compliance and internal audit functions. David joined Infigen Energy as Company Secretary in 2005. David was previously a Company Secretary within the AMP Group, including AMP Capital Investors, Financial Services and Insurance divisions, as well as holding prior financial services sector and regulatory positions. David holds a Diploma of Law, Bachelor of Economics, Graduate Diploma in Company Secretarial Practice and is a Graduate of the AICD Company Directors Course. David is a Member of the Governance Institute of Australia and the Australian Institute of Company Directors.

Principal Activities

(i) Infigen Energy Group

The Infigen Energy Group is a specialist renewable energy business that develops, owns and operates energy generation assets.

Infigen currently owns and operates six wind farms and one solar farm in Australia. These generation assets have a combined installed capacity of 557 megawatts (MW) operating in New South Wales, South Australia and Western Australia.

Infigen also has a pipeline of development assets comprising approximately 1,100 MW (on an equity interest basis) of large-scale wind and solar energy projects spread across five states in Australia.

(ii) *Infigen Energy Trust Group*

During the reporting period, IET held interests in financial investments.

In 2005, the units issued in IET were stapled to the shares issued by IEL and IEBL to form 'stapled securities'. Since 2005, IET has raised the majority of the equity capital for the Group as part of the issue and listing of stapled securities on the Australian Securities Exchange. IET has also been the stapled entity that has enabled distributions to be paid to securityholders since that time.

Review of Operations

(i) *Infigen Energy Group*

During the year ended 30 June 2016, the Group recorded revenues of \$173.2 million compared with \$133.8 million in FY15, representing an increase of approximately 29.5%.

The Group recorded a statutory net profit for FY16 of \$4.5 million compared to a net loss for FY15 of \$303.6 million. The FY15 net loss included a loss from discontinued operations of \$285.2 million following the sale of the US business.

Infigen has an operating capacity of 557 MW in Australia, comprising the following six wind farms:

- Alinta wind farm in WA (89.1 MW)
- Lake Bonney 1 wind farm in SA (80.5 MW)
- Lake Bonney 2 wind farm in SA (159 MW)
- Lake Bonney 3 wind farm in SA (39 MW)
- Capital wind farm in NSW (140.7 MW)
- Woodlawn wind farm in NSW (48.3 MW).

Infigen also owns and operates the 0.1 MW Capital East energy storage and solar photovoltaic (PV) demonstration facility adjacent to its Capital wind farm.

Infigen holds a 100% equity interest in each of these assets. There was no change to Infigen's operating capacity in Australia during FY16.

Of Infigen's six operational wind farms, approximately 45-50% of the production from these wind farms (electricity and LGCs) is currently contracted under medium and long term agreements. Merchant LGC exposure varies based on the Sydney Desalination Plant's operating regime.

Key highlights for the Group during the year included:

- *Safety*: achieved a rolling 12-month lost time injury frequency rate (LTIFR) of zero, with no lost time injuries (LTIs) since November 2013, and eight years without an LTI at the Alinta and Lake Bonney wind farms.
- *Sale of US businesses*: completed the sale of the US solar development assets and the US wind business resulting in approximately \$100 million increase in cash available for growth.
- *Net profit after tax*: \$4.5 million, a \$308.1 million improvement compared to the prior corresponding period (pcp), which included a \$285.2 million loss from discontinued US operations.
- *Net profit after tax (continuing operations)*: \$7.0 million, a \$25.4 million improvement compared to the pcp, primarily due to higher electricity and LGC prices.
- *EBITDA*: \$120.2 million, up 44% or \$36.7 million on the pcp.
- *Net operating cash flow (continuing operations)*: \$56.9 million, up 71% or \$23.7 million on the pcp.
- *Reduced borrowings*: \$51.0 million of Global Facility borrowings repaid from operating cash flow and \$5.5 million of Woodlawn facility borrowings repaid, with a net debt balance of \$594.9 million at 30 June 2016.
- *Organisational restructure*: completed after the sale of the US businesses to reduce corporate costs from FY17 and position the Australian business for growth.
- *Growth and development*: positioned development pipeline to respond to supportive market conditions.

(ii) *Infigen Energy Trust Group*

The profit attributable to unitholders of IET for the year ended 30 June 2016 was \$28.6 million compared to a loss of \$206.0 million for the prior year (following the impairment of loans in FY15).

Further commentary regarding the Group and Trust's operating and financial performance for the year is included in the Management Discussion and Analysis of Financial and Operational Performance Report.

Distributions

No distribution for the year ended 30 June 2016 has been declared.

As previously advised, the sweeping of surplus cash flows from operating assets held within the Global Facility Borrower Group to repay debt effectively serves to continue to preclude the payment of distributions to securityholders from the Borrower Group.

Notwithstanding the sale of the US business increasing Infigen's cash reserves, Infigen remains relatively highly geared and will continue to use the majority of its future net operating cash flow to repay borrowings.

Further details regarding distributions are set out in Note 22 to the Financial Statements.

Infigen Energy Trust

As at 30 June 2016, IET had 772,469,146 units on issue. During FY16, 4,581,565 units were issued by IET. These units were issued on 4 September 2015 in accordance with the Infigen Energy Equity Plan relating to vesting of FY13 LTI and FY14 Deferred STI obligations.

During FY16 the Responsible Entity of IET, Infigen Energy RE Limited, did not hold any units in IET.

As at 30 June 2016, IET held assets of \$568.9 million (30 June 2015: \$538.4 million). The increase was predominantly due to the Trust recognising \$29.3 million for the unwinding of the discount of the loan receivable from related parties recognised in FY15.

Further details regarding the assets held by IET during the financial year are set out in the Consolidated Statements of Financial Position and relevant Notes to the Financial Statements, including the basis for valuation of the assets as disclosed in Note 7.

Changes in State of Affairs

During the year management focused on efficiency improvements for the operating wind farms as well as continuing to advance the wind and solar PV projects in the development pipeline.

Infigen completed the sale of substantially all of its US solar development assets to a wholly owned subsidiary of SunPower Corporation on 27 July 2015. The residual US solar development assets were sold to Duke Energy Renewables on 21 December 2015.

Infigen completed the sale of its US wind business to a portfolio company affiliated with ArcLight Capital Partners, LLC on 28 October 2015.

Other changes in the state of affairs for the year are included in the Management Discussion and Analysis of Financial and Operational Performance Report.

Subsequent Events

Since the end of the financial year, in the opinion of the Directors, there have not been any transactions or events of a material or unusual nature likely to affect significantly the operations or affairs of IEL and IET in future financial periods.

Future Developments

The outlook for LGC and electricity market prices remains substantially higher than recently reported power purchase agreement prices. This price spread continues to widen, implying larger value transfers from developers to off-takers. Attractive merchant opportunities now exist for projects with a low cost of energy.

Infigen's extensive experience as a developer-owner-operator and acquirer of assets has created a disciplined investment appraisal culture where Infigen will only pursue opportunities with acceptable risk adjusted returns.

Infigen continues to participate in opportunities to secure power purchase agreements from formal tender processes and bilateral negotiations.

Infigen will also continue to assess corporate activity opportunities that might arise within the current fragmented renewable energy sector in Australia. New greenfield solar PV development initiatives to meet the expected increased demand for solar projects will also be pursued.

The Queensland and Victorian state governments' proposed renewable energy targets that will see those states increase their renewable energy ambition beyond the Federal targets, will provide further opportunities for Infigen to build out its development pipeline.

The Federal Government has announced that it will commence consideration of the required emissions reduction policies in 2017, in close consultation with businesses and the community.

Further development of Federal and/or state-based emissions reduction policies is required for Australia to meet its commitment under the Paris Agreement to reduce emissions by 26-28% on 2005 levels by 2030. Australia's commitment under that agreement, to contribute its fair share of the global action required to limit temperature increases to well below 2 degrees, will require much more ambitious emissions reduction targets.

Environmental Regulations

To the best of the Directors' knowledge, Infigen has complied with all significant environmental regulations applicable to its operations.

Indemnification and Insurance of Officers

Infigen has agreed to indemnify all Directors and Officers against losses incurred in their role as Director, Alternate Director, Secretary, Executive or other employee of Infigen or its subsidiaries, subject to certain exclusions, including to the extent that such indemnity is prohibited by the *Corporations Act 2001* or any other applicable law. Infigen will meet the full amount of any such liabilities, costs and expenses (including legal fees). Infigen has not been advised of any claims under any of the above indemnities.

During the financial year, Infigen paid insurance premiums for a Directors' and Officers' liability insurance contract which provides cover for the current and former Directors, Alternate Directors, Secretaries and Executive Officers of Infigen and its subsidiaries. The Directors have not included details of the nature of the liabilities covered in this contract or the amount of the premium paid, as disclosure is prohibited under the terms of the contract.

Proceedings on Behalf of Infigen

No person has applied for leave of the Court to bring proceedings on behalf of Infigen, or to intervene in any proceedings to which Infigen is a party, for the purpose of taking responsibility on behalf of Infigen for all or part of those proceedings. Infigen was not a party to any such proceedings during the year.

Former Partners of the Audit Firm

No current Directors or Officers of Infigen have been Partners of PricewaterhouseCoopers at a time when that firm has been the auditor of Infigen.

Non-Audit Services

Based on written advice of the Audit, Risk & Compliance Committee, the Directors are satisfied that the provision of non-audit services during the year by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 34 to the Financial Statements.

Auditor's Independence Declaration

Infigen's auditor has provided a written declaration under section 307C of the *Corporations Act 2001* that to the best of its knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- the applicable Australian code of professional conduct in relation to the audit.

The auditor's independence declaration is attached to this Directors' Report.

Rounding

Pursuant to ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, amounts in the Directors' Report and the Financial Report are rounded to the nearest thousand dollars, unless otherwise indicated.

Remuneration Report

Dear Securityholder,

We are pleased to present the 2016 Remuneration Report.

Following the sale of the US business and the settlement of an amended LRET target in Australia Infigen is in an improved position.

In February 2016 we restructured the business to reflect an Australian-only operating business and create an increased organisational capability to take advantage of the emerging business opportunities within the Australian market.

The Board has maintained a disciplined approach to remuneration matters in FY16 with KMP increases limited to 2.6%. Incentive arrangements continued to be structured such that achievement of the maximum Short Term Incentive (STI) and Long Term Incentive (LTI) opportunity requires stretch outperformance.

The FY14 Deferred STI payments and 70.3% of Tranche 2 of the FY13 LTI grant, which contained the EBITDA performance condition, vested when the trading window was opened for Infigen personnel on 23 December 2015. Infigen issued 4,581,565 securities on 4 September 2015 to meet these FY14 Deferred STI and FY13 LTI obligations.

When the next trading window opens, vesting will occur for:

- 100% of Tranche 1 of the FY13 LTI grant
- 100% of Tranche 1 of the FY14 LTI grant
- 90% of Tranche 2 of the FY14 LTI grant; and
- the FY15 Deferred STI payments

This is the first time that the TSR performance condition has been met since the introduction of the LTI plan, thereby resulting in Tranche 1 LTI grants qualifying for vesting. In accordance with the Infigen Energy Equity Plan, Infigen will issue 8,108,218 securities to meet these vesting obligations, following release of the FY16 annual results.

There was no requirement to apply the clawback mechanism for any vested Deferred STI or LTI payments made to employees in the past financial year.

Directors' fees again remained unchanged throughout the year. The Board approved payment of a Special Committee Fee to two non-executive directors in respect of a project requiring their more intensive engagement. Ms Fiona Harris was granted a leave of absence as a Director from 1 July 2015 to 29 February 2016. During this period responsibility for chairing the Audit Risk and Compliance Committee was shared between Mr Ross Rolfe and myself.

The absence of a non-executive director for this period highlighted the need for succession and diversity of experience to ensure that the Board had the skills and capability to maintain sound governance in the absence of any single director. In April 2016, following a formal search process, the Board appointed Ms Sylvia Wiggins to the Boards of Infigen Energy Limited, Infigen Energy (Bermuda) Limited and Infigen Energy RE Limited.

Yours faithfully



Mike Hutchinson
Chairman
Nomination & Remuneration Committee

1. REMUNERATION REPORT – EXECUTIVE SUMMARY

The Nomination & Remuneration Committee has:

- reviewed executive and senior management salaries;
- monitored performance and the alignment of KPIs to business objectives and priorities;
- approved an organisational restructure for an Australian-only operating business that has reduced corporate costs; and
- reviewed succession plans and organisational capability to support a growth strategy.

Significant matters to note for director, executive and senior management FY16 remuneration are:

- KMP remuneration was increased by 2.6%;
- Tranche 1 of the FY13 LTI grant met the relative total shareholder return performance condition following the final year retest period ending 30 June 2016. As a result 100% will vest; 2,805,265 securities will be issued following the release of the FY16 results to meet this obligation;
- Tranche 1 of the FY14 LTI grant also met the relative total shareholder return performance condition such that 100% will vest; 1,837,945 securities will be issued following the release of the FY16 results to meet this obligation;
- Tranche 2 of the FY14 LTI grant met the financial performance condition such that 90% will vest; 1,654,151 securities will be issued following the release of the FY16 results to meet this obligation. The remaining 10% of Tranche 2 will lapse;
- Deferred STI payments from FY14 vested on 23 December 2015. 2,609,463 securities were issued to meet this obligation;
- Deferred STI payments from FY15 will vest when the first trading window opens following the release of the FY16 results; 1,810,857 securities are expected to be issued to meet this obligation;
- STI payment deferral continues to apply to 50% of an STI payment where that payment is over \$100,000 and to the amount of an STI payment that exceeds \$50,000 where the payment is less than \$100,000. Deferred STI payments are awarded in the form of a grant of performance rights under the Infigen Energy Equity Plan.

2. REMUNERATION FRAMEWORK

Infigen's remuneration framework aims to ensure remuneration:

- is commensurate with contributions, positions and responsibilities;
- is fair and reasonable relative to market benchmarks;
- is linked with Infigen's strategic goals and business performance;
- rewards the delivery of consistently high performance;
- aligns performance with the organisational values and leadership behaviour;
- attracts and retains high performing individuals; and
- is aligned with the long term interests of securityholders.

3. REMUNERATION OF SENIOR MANAGEMENT

The remuneration framework for KMP comprises three components:

- fixed pay;
- a short term incentive (STI), which is a variable payment linked to achieving specified performance measures over a 12 month period; and
- a long term incentive (LTI), which is a payment linked to meeting specified performance hurdles over a 3 or 4 year period.

Remuneration is benchmarked having regard to the advice of external advisers, Guerdon Associates, against industry peers within utilities, electricity generation and infrastructure.

3.1 Fixed Pay

Fixed pay is cash salary and superannuation. Infigen does not offer remuneration packaging other than superannuation salary sacrifice.

3.2 Short Term Incentives (STI)

STI is an at-risk performance-related component of remuneration. STIs are subject to performance against key performance indicators (KPIs). KPIs are set annually and reviewed during the year. KPIs are aligned with strategy, budget, and individual objectives and accountabilities.

Consistent with prior years the Board has determined that it is appropriate and desirable to motivate and reward the KMP to focus on delivering stable and predictable results by delivering annual improvements in operating efficiency (maximising production at lowest cost) to deliver cash flow outcomes.

The Board determines the aggregate amount of STI payments, the KPIs for the CEO, the amount of the CEO's STI payment, and reviews KPI achievement and STI payments for other KMP.

In setting the aggregate amount of the FY16 STI pool, the Board maintained the 'gateway hurdles' within the FY16 STI scheme to establish the benchmark for determining what events will automatically trigger Board consideration to rerate the STI pool. The gateway hurdles are:

- 1) Non achievement of the Budgeted Operating Cash target; or
- 2) A material non-compliance (breach) of a major debt facility; or
- 3) A "Catastrophic", "Major" or multiple "Moderate" incidents occurred as defined in the Risk Management Policy.

Consideration of the STI pool also has regard to the opportunities for management to influence a business outcome, and to those matters (such as wind speeds and energy market pricing) that are not subject to short term management influence but which are nonetheless required to be forecast as accurately as possible and variations managed professionally.

Reflecting the commitment of the Board and senior management to maintain a disciplined approach to managing operating costs and generating cash flow to reduce debt, the KMP financial goal outcomes determined 80% of the FY16 STI opportunity. Strategic and operational goal outcomes determined 20%.

We have set out in Table 1 a description of the FY16 KPIs used to determine the STI payments for KMP. Each KPI is weighted as a percentage of the total STI opportunity and includes an assessment criterion or hurdle. Each KPI contains quantitative measures including budget achievement and is scaled progressively around stretch targets. The hurdles are weighted so that better than budget performance results in self-funded STI payments. The FY16 personal business goals support the alignment of strategic objectives and short term metrics. The Board retains discretion to vary the formulaic assessment of STI payments to allow for any "out of plan" developments, exceptional effort, or other relevant considerations. Such variation can be positive or negative.

TABLE 1: FY16 KPIs for STI

Financial Business Goals (Target Weighting of 80% of STI Target)		
Measure	Goals	Hurdle
Stable, predictable and profitable performance – Safety	Achievement against a TRIR benchmark	Sliding scale of achievement where: <ul style="list-style-type: none"> • Maximum 50% of the KPI weighting is paid for delivering on target; • 100% of the KPI weighting is paid for delivering better than target for safety performance. In addition to completing site based critical control audits.
Stable, predictable and profitable performance – Total Costs	Achieve Budget Total Costs	Sliding scale of budget achievement where: <ul style="list-style-type: none"> • Maximum 50% of the KPI weighting is paid for delivering on budget; • 100% of the KPI weighting is paid for delivering a stretch target for better than budget performance.
Stable, predictable and profitable performance – Operating Cash	Achieve Budget Operating Cash	Sliding scale of budget achievement where: <ul style="list-style-type: none"> • Maximum 50% of the KPI weighting is paid for delivering on budget; • 100% of the KPI weighting is paid for delivering a stretch target for better than budget performance.

Personal Business Goals (Target Weighting of 20% of STI Target)	
Measure	Goals
Stable, predictable and profitable performance – Board Approved Initiatives	Develop and implement pro-active Board approved measures that within FY16, demonstrate substantial and sustainable progress towards realising Infigen’s commercial options within the Australian region to enhance profitability (EBITDA), including facilitating growth opportunities.

3.2.1 FY16 Short Term Incentive Performance

To illustrate how individual STI payments are determined we have included in Table 2 the range of KMPs FY16 KPI assessments as a percentage of total STI opportunity. The resulting STI payments awarded to the KMP are illustrated in Table 3 *Remuneration Received by Executive KMP during the year* in section 4.1 below.

TABLE 2: FY16 STI KPI opportunity and achievement

Measure	Weighting as a % of Total Opportunity	KMP Achievement as a % of Total Opportunity
Safety	5%	5%
Total Costs	25%	25%
Operating Cash	50%	50%
Personal Business Goals	20%	11% - 15%
Total	100%	91% - 95%

The Board exercised its discretion to award thirteen employees, including the KMP, a supplementary STI payment in FY16. This supplementary payment was in recognition of exceptional efforts in completing two challenging transactions, favourably resolving a legacy operational issue and responding to inbound and pursuing outbound potential transactions, while continuing to manage day- to-day business responsibilities.

3.2.2 Short Term Incentive Deferral

STI payments include a 12 month partial deferral condition. STI payment deferral continues to apply to 50% of an STI payment where that payment is over \$100,000 and to the amount of an STI payment that exceeds \$50,000 where the payment is less than \$100,000. Deferred STI payments are awarded in the form of a grant of performance rights under the Infigen Energy Equity Plan. Each vested performance right will entitle the participant to receive one security or a cash amount equivalent to the market price of a security on the vesting date, with settlement in cash or securities determined by the Board in its absolute discretion.

The deferred STI will vest at the end of the deferral period provided the employee hasn’t resigned or had their employment terminated for cause prior to vesting. The deferred payment may be reduced or forfeited if the STI payment was associated with a materially adverse financial misstatement, or, from FY17, if the achievement of a personal KPI proves in hindsight to have been materially overstated.

The deferral condition includes a clawback mechanism that complements the LTI clawback provision. These provisions enable forfeiture of some or all unvested STI and/or LTI related performance rights if a previously vested LTI grant was associated with a materially adverse financial misstatement.

A total of \$546,154 was deferred from FY15 STI payments in the form of 1,810,857 performance rights at a security value of \$0.3016. A total of 1,810,857 securities are expected to be issued by Infigen following the release of the FY16 financial results to satisfy vesting obligations in relation to these deferred STI amounts. It is not presently intended to clawback any of these securities. Since recipients of these securities will incur an associated taxation liability, there will likely be some sales of securities to fund the tax liability. Any such sales are subject to Infigen’s Securities Trading Policy and insider trading laws.

3.3 Long Term Incentives

KMP in positions that can directly affect the long term value of Infigen securities may be eligible for LTIs. LTIs are awarded as future rights to acquire Infigen securities. The rights may vest after 3 or 4 years, subject to performance hurdles being met. Each vested performance right will entitle the participant to receive one security, or a cash amount equivalent to the market price of a security, on the vesting date. Settlement in cash or securities is determined by the Board in its absolute discretion.

The Managing Director's grant is subject to securityholder approval.

The number of rights granted is based on the LTI value, divided by the reference price for Infigen securities. This is the volume weighted average ASX market price in the last five trading days of the prior financial year. For rights granted for FY16 the reference price was \$0.3016; for FY17 the reference price will be \$1.0465.

LTI grants comprise two equal tranches, each subject to a different performance test. Vesting of each tranche is contingent on achieving the relevant performance hurdle.

The two performance hurdles are (a) Relative Total Shareholder Return (TSR) and (b) a financial performance test. The financial performance test is a test of the cumulative growth in the ratio of earnings before interest, taxes, depreciation and amortisation (EBITDA) to capital base.

	Performance Test
Tranche 1	Relative TSR
Tranche 2	EBITDA/Capital

Both hurdles are measured initially over a 3 year period. The 3 year performance period of the FY16 Grant is 1 July 2015 to 30 June 2018. In the event that no performance rights vest after the initial 3 year performance period then the LTI grant will be subject to a single re-test on 30 June 2019, after which all unvested rights will lapse. The re-test provision remains appropriate given the long-term nature of the assets and the lead times involved in improving performance.

3.3.1 TSR performance condition

TSR measures the growth in the price of securities plus cash distributions notionally reinvested in securities. In order for any portion of the Tranche 1 Performance Rights to vest, the TSR of IFN must outperform that of the median company in the S&P/ASX 200 index (excluding financial services and the materials/resources sector).

Tranche 1 Performance Rights vest progressively as follows:

Infigen Energy's TSR performance compared to the relevant peer group	FY14, 15 & 16 Grant Percentage of Tranche 1 Performance Rights that vest
0 to 49th percentile	Nil
50th percentile	25% of the Tranche 1 Performance Rights will vest
51st to 75th percentile	27% - 75% (i.e. for every percentile increase between 51% and 75% an additional 2% of the Tranche 1 Performance Rights will vest)
76th to 95th percentile	76.25% - 100% (i.e. for every percentile increase between 76% and 95% an additional 1.25% of the Tranche 1 Performance Rights will vest)
>95th percentile	100%

The current TSR vesting scale was introduced in financial year 2012 recognising then that the Infigen security price did not reflect the true value of the business and to acknowledge that corporate strategies to reduce Global Facility debt would result in a significant rerating of the security price once completed.

During FY16 there has been a favourable rerating of the Infigen security price. The five day VWAP as at 30 June 2016 (\$1.0465) is 3.3 times higher than the same period ending 30 June 2011 (\$0.3194) when the current vesting scale was introduced.

Following this rerating the Board has amended the vesting scale of the TSR performance condition for future LTI grants to more closely align to market practice. The FY17 Tranche 1 Performance Rights will vest progressively from 25% to 75% of the relevant peer group performance as follows:

Infigen Energy's TSR performance compared to the relevant peer group	FY17 Grant Percentage of Tranche 1 Performance Rights that vest
0 to 24th percentile	Nil
25th percentile	25% of the Tranche 1 Performance Rights will vest
26th to 50th percentile	26% - 50% (i.e. for every percentile increase between 26% and 50% an additional 1% of the Tranche 1 Performance Rights will vest)
51th to 75th percentile	52% - 100% (i.e. for every percentile increase between 51% and 75% an additional 2% of the Tranche 1 Performance Rights will vest)
>75th percentile	100%

3.3.2 EBITDA performance condition

The annual target is a specified percentage increase in the ratio of EBITDA to capital base over the year. The capital base will be measured as equity (net assets) plus net debt. Both the EBITDA and capital base are measured on a proportionately consolidated basis to reflect Infigen's economic interest in all investments.

The annual target for FY16 was set to reflect the performance expectations of Infigen's business and prevailing market conditions. The annual target for each subsequent financial year will be established by the Board based on stretch targets no later than the time of the release of Infigen's annual financial results for the preceding financial year.

The prospective targets are set with reference to Infigen's annual budgets. In prospect, they remain confidential to Infigen. However each year's target and the performance against that target are disclosed retrospectively.

The EBITDA performance condition rewards management for sustaining and delivering capital efficiency performance over an extended period.

Relevant metrics for the last four financial years and current period are provided in the table below.

		30 June 2012	30 June 2013	30 June 2014	30 June 2015	30 June 2016
Closing security price	(cents)	0.225	0.251	0.242	0.320	1.00
EBITDA	(AUD'000)	140,500	160,445	176,682	186,583	120,196
Capital Base	(AUD'000)	1,656,177	1,591,793	1,733,099	1,639,635	1,021,051
EBITDA to capital base	(%)	8.48	10.08	10.19	11.38	11.77
Target	(%)	9.26	9.40	10.03	10.83	10.00

Tranche 2 Performance Rights in FY14, 15 and 16 vest progressively as shown in the table below:

Infigen Energy's EBITDA performance	FY14, 15 & 16 Grant Percentage of Tranche 2 Performance Rights that vest
0% - 90%	Nil
90% ≤ 110% of the cumulative target	For every 1% increase between 90% and 110% of EBITDA target, 5% of the Tranche 2 Performance Rights will vest e.g. 91% of Target = 5% vest 100% of target = 50% vest 110% of target = 100% vest

3.3.3 Long Term Incentive performance

Tranche 1 of the FY13 LTI grant was subject to a final retest as at 30 June 2016. Infigen engaged Orient Capital, who have the expertise and independence to conduct the TSR Calculation and Ranking Report for the period 1 July 2012 to 30 June 2016. As a result of the rerating of the Infigen security price over FY16, Infigen's TSR performance for the 4 year measurement period was 387.512%, placing Infigen at 97.53% of the comparator group. This will result in 100% of the Tranche 1 Performance Rights vesting when the next trading window is opened following the release of the FY16 financial results.

The initial three year performance period for the FY14 LTI grant ended on 30 June 2016. Orient Capital provided the TSR Calculation and Ranking Report for the period 1 July 2013 to 30 June 2016. Infigen's TSR performance for the 3 year measurement period was 324.212%, placing Infigen at 98.89% of the comparator group. This will result in 100% of the Tranche 1 Performance Rights vesting. The Tranche 2 financial performance condition of the FY14 LTI grant also passed the performance test as at 30 June 2016 resulting in 90% of the Tranche 2 Performance Rights vesting. Vesting of both tranches will occur when the first trading window opens after 1 July 2016. The remaining 10% of Tranche 2 will lapse. A total of 3,492,096 securities are expected to be issued by Infigen prior to the trading window opening following the release of the FY16 financial results.

3.4 Equity Plan rules

Performance rights and options are governed by the rules of the Equity Plan approved by securityholders in 2009 and 2011. The Equity Plan includes provisions under which the Board may exercise discretion to accelerate the vesting of any performance rights or options in the event of a change in control of Infigen. In exercising its discretion the Board would intend to have regard to the performance, duration of the performance period and the nature of the relevant transaction.

During the year the Nomination & Remuneration Committee reviewed the policy in respect of any future change of control arrangement that may trigger the option to accelerate vesting of performance rights. The policy of assessing such vesting based on elapsed time within the vesting period and performance assessment (unless there was to be good reason to the contrary) was addressed. It emerged that the terms of the Equity Plan may imply that any residual performance rights that remained unvested after a partial acceleration would remain on foot for assessment at the end of the original testing periods. The Board has exercised its authority under the Equity Plan to make an amendment that addresses this issue for all grants made under the Equity Plan from 1 July 2016. Where vesting of future grants is partially accelerated the remaining unvested portion of that grant will, unless the Board determines otherwise, now automatically lapse.

3.5 Separation Benefits

The Board proposes to continue to limit any future separation benefits to a maximum of 12 months fixed remuneration.

4. INFIGEN ENERGY – KMP REMUNERATION DETAILS

In addition to the non-executive directors, the following persons were the KMP of the Infigen Energy group during the financial year:

M George	Chief Executive Officer
C Baveystock	Chief Financial Officer
B Hopwood	Executive General Manager Commercial & Corporate Finance
S Wright	General Counsel
D Smith	CEO US (until 28 Oct 2015)

4.1 Remuneration Received by Executive KMP during the year

The following table summarises the components of fixed and at-risk remuneration KMP received in FY16 compared to FY15. The only cash remuneration received in FY16 was in the form of salary, superannuation, and non-deferred STI and retention payments. The executive KMP received Infigen securities for the deferred STI and LTI that vested throughout the period.

TABLE 3: Remuneration received by executive KMP during the year

Executive		Fixed Remuneration	Awarded STI (cash)	Vested deferred STI ^{1,2}	Vested LTI ²	Other	Total Actual Remuneration received
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
M George	FY16	636,000	300,580	486,749	416,279	-	1,839,608
	FY15	620,000	135,405	159,426	56,050	-	970,881
C Baveystock	FY16	362,000	120,525	150,108	120,095	-	752,728
	FY15	353,000	50,000	55,712	18,938	-	477,651
B Hopwood	FY16	362,000	124,845	139,325	93,810	-	719,980
	FY15	353,000	56,653	61,793	18,938	-	490,385
S Wright	FY16	362,000	129,110	139,301	56,404	-	686,815
	FY15	353,000	54,825	49,267	-	-	457,092
D Smith ^{3,4,5}	FY16	144,335	-	95,080	-	205,959	445,374
	FY15	353,717	72,626	-	-	120,170	546,513
	FY16	1,866,335	675,060	1,010,564	686,587	205,959	4,444,505
	FY15	2,032,717	369,509	326,198	93,927	120,170	2,942,522

The amounts disclosed in Table 3 above are not the same as the remuneration expensed in relation to each KMP in accordance with the accounting standards (\$3,918,298 for 2016, see table 4). The directors believe that the remuneration received is more relevant to users for the following reasons:

- The statutory remuneration expensed is based on historic cost and does not reflect the value of the equity instruments when they are actually received by the KMPs;
- The statutory remuneration shows benefits before they are actually received by the KMPs; and
- Where performance rights do not vest because the TSR Performance Condition is not satisfied the company must still recognise the full amount of expense even though the KMPs will never receive any benefits.

The information in this section has been audited together with the rest of the remuneration report.

4.2 Statutory Remuneration Data for the Year Ended 30 June 2016

The Statutory Remuneration Data table below shows the accounting expensed amounts that reflect a portion of possible future remuneration arising from prior and current year LTI grants.

TABLE 4: Statutory remuneration data for executive KMP

Executive	Year	Short-term employee benefits					Post employment benefits	Other long-term employee benefits	Share-based payments		
		Salary	STI paid in current period	Other	Non-monetary benefits ¹	Total of short-term employee benefits	Super-annuation	LSL accrual	Equity settled ²	Cash Settled ²	Total
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
M George	FY16	616,692	300,580	-	-	917,272	19,308	17,308	570,288	-	1,524,176
	FY15	601,217	135,405	-	-	736,622	18,783	11,302	616,523	-	1,383,231
C Baveystock	FY16	342,693	120,525	-	-	463,218	19,308	9,189	153,481	-	645,196
	FY15	334,217	50,000	-	-	384,217	18,783	5,796	187,153	-	595,949
B Hopwood	FY16	342,693	124,845	-	-	467,538	19,308	8,264	220,191	-	715,301
	FY15	334,217	56,653	-	-	390,870	18,783	12,119	177,334	-	599,107
S Wright	FY16	342,693	129,110	-	-	471,803	19,308	12,457	179,763	-	683,331
	FY15	334,217	54,825	-	-	389,042	18,783	8,621	132,602	-	549,049
D Smith ^{3,4,5}	FY16	125,924	-	205,959	8,509	340,392	9,902	-	-	-	350,294
	FY15	344,118	72,626	120,170	23,223	560,137	9,599	-	-	63,741	633,476
Total Remuneration	FY16	1,770,695	675,060	205,959	8,509	2,660,223	87,134	47,218	1,123,723	-	3,918,298
	FY15	1,947,986	369,509	120,170	23,223	2,460,888	84,731	37,839	1,113,614	63,741	3,760,811

¹ USA Health Benefits (Medical, Dental, Vision) are offered to all Infigen USA employees.

² Includes the Deferred STI granted in the period.

³ The remuneration amounts reflect a conversion of \$AUD into \$US using an average rate of AU\$0.8368 in FY15 and AU\$0.7283 in FY16.

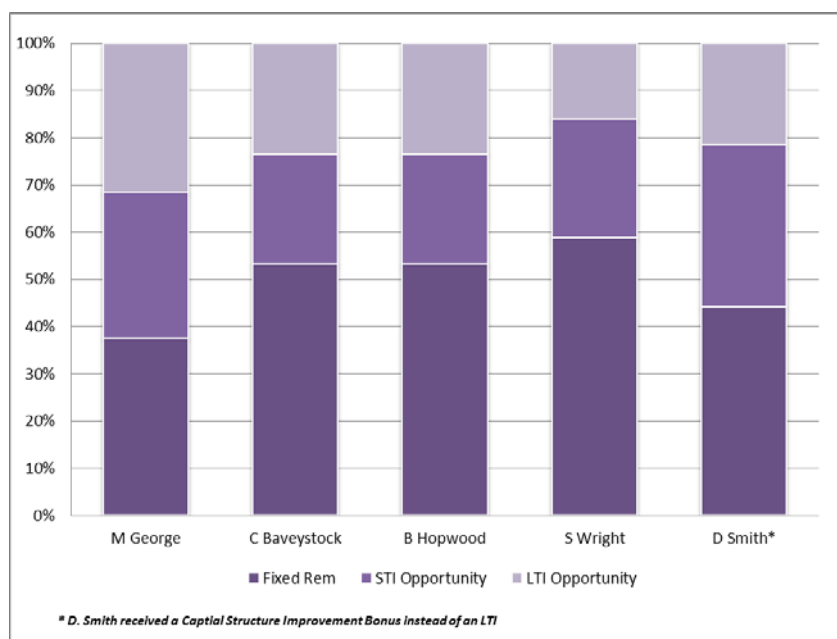
⁴ David Smith was not offered an LTI in FY15 or FY16 instead he received a Capital Structure Improvement Bonus as shown in "Other".

⁵ David Smith ceased to be a KMP on 28 Oct 2015.

4.3 KMP Total Remuneration: Components of Fixed and Variable "at risk" remuneration as a Proportion of Total Remuneration

The proportions of fixed remuneration to at-risk performance based remuneration are decided on a case-by-case basis for each executive. The proportions for FY16 fixed remuneration and the at-risk opportunity are set out below.

TABLE 5: Remuneration components for executive KMP in Financial Year 2016



4.4 Value of Remuneration That May Vest in Future Years

Remuneration amounts provided in the table below refer to the maximum value of performance rights relating to Infigen securities. These amounts have been determined at grant date by using a pricing model and amortised in accordance with AASB 2 'Share Based Payments'. The minimum value of remuneration that may vest is nil.

TABLE 6: Remuneration that may vest in future years

Executive	Grant	Maximum value of remuneration which is subject to vesting in accordance with AASB 2 'Share Based Payments'				
		FY14	FY15	FY16	FY17	FY18
		(\$)	(\$)	(\$)	(\$)	(\$)
M George	FY14	86,195	149,815	150,226		
	FY15		93,815	155,368	154,943	
	FY16			120,082	190,565	190,565
	FY16 ¹			144,612	41,705	
	Total	86,195	243,630	570,288	387,213	190,565
C Baveystock	FY14	25,497	44,316	44,437		
	FY15		27,751	45,958	45,833	
	FY16			27,319	37,346	37,346
	FY16 ¹			35,767	10,315	
	Total	25,497	72,066	153,481	93,493	37,346
B Hopwood	FY14	25,497	44,316	44,437		
	FY15		27,751	45,958	45,833	
	FY16			27,319	37,346	37,346
	FY16 ¹			102,477	72,908	
	Total	25,497	72,066	220,191	156,087	37,346
S Wright	FY14	15,791	27,447	27,522		
	FY15		17,187	28,464	28,387	
	FY16			16,838	23,018	23,018
	FY16 ¹			106,939	78,324	
	Total	15,791	44,635	179,763	129,729	23,018

¹ FY15 Deferred STI

4.5 Unvested Performance Rights

The table below provides details of outstanding performance rights relating to Infigen securities that have been granted to KMP (FY14, FY15 and FY16 Grants). The performance rights are valued as at the grant date even though the grant was based on the VWAP of the five trading days up to 30 June in the year prior to the grant.

TABLE 7: Unvested performance rights

Executive	Grant	Granted number	Grant date	Value per performance right at grant date	Value of performance rights granted at grant date	Potential Vesting Dates		
				(\$)	(\$)	LTI Tranche 1	LTI Tranche 2	Deferred STI
M George	FY13 ^{1,2}	1,189,288	26-Oct-12	0.1492	177,427	30-Jun-15		
	FY14	2,071,146	02-Dec-13	0.1865	386,236	30-Jun-16	30-Jun-16	
	FY15	2,167,080	21-Nov-14	0.1865	404,127	30-Jun-17	30-Jun-17	
	FY16	1,780,504	13-Nov-15	0.2815	501,212	30-Jun-18	30-Jun-18	
	FY16 ³	448,956	13-Nov-15	0.4150	186,317			15-Sep-16
C Baveystock	FY13 ^{1,2}	347,254	26-Oct-12	0.1492	51,806	30-Jun-15		
	FY14	612,648	02-Dec-13	0.1865	114,249	30-Jun-16	30-Jun-16	
	FY15	641,026	21-Nov-14	0.1865	119,541	30-Jun-17	30-Jun-17	
	FY16	527,188	7-Oct-15	0.1935	102,011	30-Jun-18	30-Jun-18	
	FY16 ³	161,691	7-Oct-15	0.2850	46,082			15-Sep-16
B Hopwood	FY13 ^{1,2}	276,895	26-Oct-12	0.1492	41,309	30-Jun-15		
	FY14	612,648	02-Dec-13	0.1865	114,249	30-Jun-16	30-Jun-16	
	FY15	641,026	21-Nov-14	0.1865	119,541	30-Jun-17	30-Jun-17	
	FY16	527,188	7-Oct-15	0.1935	102,011	30-Jun-18	30-Jun-18	
	FY16 ³	187,842	7-Oct-15	0.2850	53,535			15-Sep-16
	FY16 ⁴	174,072	14-Apr-16	0.7000	121,850			15-Sep-16
S Wright	FY13 ^{1,2}	161,144	26-Oct-12	0.1429	24,041	30-Jun-15		
	FY14	379,447	02-Dec-13	0.1865	70,761	30-Jun-16	30-Jun-16	
	FY15	397,022	21-Nov-14	0.1865	74,038	30-Jun-17	30-Jun-17	
	FY16	324,934	7-Oct-15	0.1935	62,875	30-Jun-18	30-Jun-18	
	FY16 ³	181,781	7-Oct-15	0.2850	51,808			15-Sep-16
	FY16 ⁴	190,650	14-Apr-16	0.7000	133,455			15-Sep-16

¹ Relates to Tranche 1 of this grant that entered the fourth year retest

² Vesting will occur when the first trading window opens following the release of the FY16 results.

³ Relates to the STI Deferred from FY15

⁴ Relates to the deferral of a Supplementary FY16 STI payment

TABLE 8: Change in number of performance rights held by KMP

Set out below is the change in the number of performance rights held by KMP over the period 1 July 2015 to 30 June 2016.

	Balance at 30 June 2015	Granted	Vested	Other Changes ¹	Balance at 30 June 2016
M George	7,594,406	2,229,460	1,813,674	353,218	7,656,974
C Baveystock	2,253,310	688,879	549,248	103,134	2,289,807
B Hopwood	2,096,567	889,102	483,760	82,238	2,419,671
S Wright	1,378,534	697,365	393,061	47,860	1,634,978

¹ Represents forfeitures due to vesting conditions not met

5. KMP EMPLOYMENT CONTRACTS

The base salaries (excluding superannuation guarantee payments) for KMP as at 30 June 2016 are as follows:

M George	\$616,692
C Baveystock	\$342,693
B Hopwood	\$342,693
S Wright	\$342,693

Employment contracts relating to the KMP contain the following conditions:

Duration of contract	<ul style="list-style-type: none"> Open-ended
Notice period to terminate the contract	<ul style="list-style-type: none"> The employment of M George is able to be terminated by either party on 6 months' written notice. For B Hopwood, C Baveystock and S Wright their employment is able to be terminated by either party on 3 months' written notice. Infigen may elect to pay an amount in lieu of completing the notice period, calculated on the base salary as at the termination date.
Termination payments provided under the contract	<ul style="list-style-type: none"> Upon termination, any accrued but untaken annual and long-service (but not sickness or personal) leave entitlements, in accordance with applicable legislation, are payable. In the event of redundancy, a severance payment is payable equivalent to 4 weeks base salary for each year of service (or part thereof), up to a maximum of 36 weeks.

6. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Non-Executive Director Fees are determined by the Infigen Boards within the aggregate amount approved by securityholders. The approved aggregate fee pool for IEL and IEBL is \$1,000,000.

The fee paid to Directors varies with individual Board and committee responsibilities. Director fees were not adjusted during the year and no change is proposed for FY17. Based on market data received from the Board appointed independent remuneration advisor, Guerdon Associates, Committee fees will be increased in FY17.

Non-Executive Directors receive a cash fee for service inclusive of statutory superannuation. Non-Executive Directors do not receive any performance-based remuneration or retirement benefits other than statutory superannuation contributions.

6.1 Board/Committee Fees

Aggregate annual fees payable to Non-Executive Directors during the year ended 30 June 2016 are set out below.

Board / Committee	Role	FY16 Fee (pa)
Infigen Boards	Chairman	\$250,000
	Non-Executive Director	\$125,000
Infigen Audit, Risk & Compliance Committees	Chairman	\$21,000
	Member	\$10,500
IEL Nomination & Remuneration Committee	Chairman ¹	\$12,000
	Member	\$7,500

¹ The present Committee Chairman is also the Chairman of the Board and does not receive this fee.

Aggregate annual fees payable to Non-Executive Directors in FY17 are set out below.

Board / Committee	Role	FY17 Fee (pa)
Infigen Boards	Chairman	\$250,000
	Non-Executive Director	\$125,000
Infigen Audit, Risk & Compliance Committees	Chairman	\$24,000
	Member	\$12,000
IEL Nomination & Remuneration Committee	Chairman ¹	\$20,000
	Member	\$10,000

¹ The present Committee Chairman is also the Chairman of the Board and does not receive this fee.

6.2 Remuneration of Non-Executive Directors for the Year Ended 30 June 2016

The nature and amount of each element of fee payments to each Non-Executive Director of Infigen for the years ended 30 June 2015 and 30 June 2016 are set out in the table below.

Non-Executive Directors	Year	Fees		Super-annuation	Total
		IERL (\$)	IEL & IEBL (\$)	(\$)	
M Hutchinson ¹	FY16	101,505	129,188	19,307	250,000
	FY15	101,735	129,482	18,783	250,000
P Green ²	FY16	-	-	-	-
	FY15	-	-	-	-
F Harris ³	FY16	19,162	27,565	4,439	51,166
	FY15	57,319	82,864	13,317	153,500
R Rolfe ^{4,5}	FY16	58,453	84,355	13,567	156,375
	FY15	53,177	77,417	12,406	143,000
S Wiggins ^{5,6}	FY16	12,749	16,763	2,804	32,316
	FY15	-	-	-	-
Total Remuneration	FY16	191,870	257,871	40,117	489,857
	FY15	212,231	289,763	44,506	546,500

¹ M Hutchinson was acting Chair of the Audit, Risk and Compliance Committee for the period 1 July 2015 until 30 September 2015. Mr Hutchinson did not receive any additional fees during this period.

² P Green was appointed as a Non-Executive Director of Infigen Energy Limited, Infigen Energy (Bermuda) Limited and Infigen Energy RE Limited on 18 November 2010. Mr Green is a partner of TCI Advisor Services LLP, an advisor to a substantial shareholder of Infigen. Throughout FY16 Mr Green elected to receive no Director fees.

³ F Harris was granted a leave of absence as a Director on the Boards of Infigen Energy Limited, Infigen Energy (Bermuda) Limited and Infigen Energy RE Limited from 1 July 2015 to 29 February 2016.

⁴ R Rolfe was acting Chair of the Audit, Risk and Compliance Committee for the period 1 October 2015 until 29 February 2016. Mr Rolfe received the Chairman fees of this Committee for this period.

⁵ In addition to the existing Board and Committee Fees the director is receiving a Special Committee Fee which is a temporary monthly project related fee.

⁶ S Wiggins was appointed as a Non-Executive Director of Infigen Energy Limited, Infigen Energy (Bermuda) Limited and Infigen Energy RE Limited on 18 April 2016.

7. GUIDELINE FOR MINIMUM SECURITYHOLDINGS FOR NON-EXECUTIVE DIRECTORS

In February 2014 the Board established a guideline where Non-Executive Directors who receive payment of Director Fees from Infigen are encouraged to acquire Infigen securities equivalent to the after-tax value of one year's Director base fee. The acquisition of the relevant amount of Infigen securities should be completed within 3 years from the adoption of the guideline for existing Non-Executive Directors, or 3 years following appointment for subsequently elected Non-Executive Directors. The acquisition of Infigen securities under this guideline is subject to Infigen's Securities Trading Policy and sufficient trading windows being open during the relevant period.

Two non-executive directors acquired Infigen securities in FY16 as shown in Table 9: IFN Security Holdings of KMP

TABLE 9: IFN Security Holdings of KMP

IFN security holdings of KMP, including held by their personally related parties, over the period 1 July 2015 to 30 June 2016.

	Balance at 30 June 2015	Acquired during FY16	Sold during FY16	Balance at 30 June 2016
M Hutchinson	192,500	40,000	-	232,500
P Green	-	-	-	-
F Harris	100,000	-	-	100,000
R Rolfe AO	-	57,500	-	57,500
S Wiggins	-	-	-	-
M George	2,629,827	1,813,674	(650,000)	3,793,501
C Baveystock	412,782	549,248	(512,030)	450,000
B Hopwood	364,331	483,760	(798,591)	49,500
S Wright	-	393,061	(393,061)	-

8. REMUNERATION ADVISER

The Nomination & Remuneration Committee engaged the services of Guerdon Associates throughout FY16 to:

- provide market data in relation to Executive KMP remuneration against ASX listed industry peers within utilities, infrastructure and generation;
- provide market data in relation to Non-Executive Director remuneration against ASX listed industry peers within utilities, infrastructure and generation; and
- provide market data in relation accelerated vesting of LTI.

The consultant provided no other services to the company during this period.

No advice was provided that falls within the definition of a remuneration recommendation of the Corporations Act 2001, Chapter 1, Part 1.2, Division1, s.9B (1)(a) and (b).

To ensure the Nomination & Remuneration Committee is provided with advice and, as required, remuneration recommendations, free from undue influence by members of the Executive KMP to whom the recommendations may relate, the engagement of Guerdon Associates is based on an agreed set of protocols to be followed by Guerdon Associates, members of the Committee and members of Executive KMP.

The Board was satisfied that the advice received was free from the undue influence of the Executive KMP to whom the advice related because:

- Guerdon Associates was appointed by independent directors;
- Guerdon Associates did not provide services to management;
- Reports with recommendations were only received by Non-Executive Directors; and
- The agreed protocols were followed.

Pursuant to section 298(2) of the Corporations Act 2001, this report is made in accordance with resolutions of the Directors of Infigen Energy Limited and the Directors of Infigen Energy RE Limited, the responsible entity of the Infigen Energy Trust.

On behalf of the Directors of Infigen Energy Limited and Infigen Energy RE Limited:



Mike Hutchinson
Chairman



Miles George
Managing Director

Sydney, 29 August 2016



Auditor's Independence Declaration

As lead auditor for the audit of Infigen Energy Group and Infigen Energy Trust Group for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Infigen Energy Group and Infigen Energy Trust Group and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'Mupcroft', is written over the printed name.

Marc Upcroft
Partner
PricewaterhouseCoopers

Sydney
29 August 2016

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Registered office and principle place of business:
 56 Pitt Street
 Sydney NSW 2000

The financial statements were authorised for issue by the directors on 29 August 2016. The directors have the power to amend and reissue the financial statements.

All press releases, financial reports and other information are available on our website www.infigenenergy.com

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	Infigen Energy Group		Infigen Energy Trust Group	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Revenue from continuing operations	2	173,229	133,807	-	-
Other income	3	790	9,181	29,326	7
Operating expenses		(37,401)	(34,743)	-	-
Corporate costs		(13,997)	(13,541)	(20)	(21)
Development costs		(1,667)	(1,976)	-	-
Responsible entity expenses		-	-	(678)	(675)
Depreciation and amortisation expense	4	(51,950)	(54,497)	-	-
Impairment of financial assets	4	-	-	-	(205,300)
Interest expense	4	(51,963)	(53,163)	-	-
Other finance costs	4	(6,417)	(3,251)	-	-
Share of net profit / (loss) of associates and joint ventures		25	(66)	-	-
Net profit / (loss) before income tax benefit		10,649	(18,249)	28,628	(205,989)
Income tax expense	5	(3,616)	(183)	-	-
Profit / (loss) from continuing operations		7,033	(18,432)	28,628	(205,989)
Loss from discontinued operations	24	(2,547)	(285,171)	-	-
Net profit / (loss) for the year		4,486	(303,603)	28,628	(205,989)
Other comprehensive income / (loss)					
<i>Items that may be reclassified to profit or loss</i>					
Exchange differences on translation of foreign operations	20(a)	6,774	39,093	-	-
Changes in the fair value of cash flow hedges, net of tax	20(b)	7,617	32,062	-	-
Other comprehensive income for the year, net of tax		14,391	71,155	-	-
Total comprehensive income / (loss) for the year, net of tax		18,877	(232,448)	28,628	(205,989)
Net profit / (loss) for the year is attributable to stapled security holders as:					
Equity holders of the parent		5,565	(303,018)	-	-
Equity holders of the other stapled entities (non-controlling interests)		(1,079)	(585)	28,628	(205,989)
		4,486	(303,603)	28,628	(205,989)
Total comprehensive income / (loss) for the year is attributable to stapled security holders as:					
Equity holders of the parent		19,956	(231,863)	-	-
Equity holders of the other stapled entities (non-controlling interests)		(1,079)	(585)	28,628	(205,989)
		18,877	(232,448)	28,628	(205,989)
Earnings per security of the parent based on income / (loss) from continuing operations attributable to the equity holders of the parent					
Basic (cents per security/unit)	6	1.1	(2.3)	3.7	(26.8)
Diluted (cents per security/unit)	6	1.0	(2.3)	3.7	(26.8)
Earnings per security of the parent based on income / (loss) from discontinued operations attributable to the equity holders of the parent					
Basic (cents per security/unit)	6	(0.3)	(37.2)	-	-
Diluted (cents per security/unit)	6	(0.3)	(37.2)	-	-

The above consolidated statements of comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Infigen Energy Group		Infigen Energy Trust Group		
	Note	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current assets					
Cash and cash equivalents	14	147,602	45,182	405	399
Trade and other receivables	7	20,369	72,556	-	-
Inventory	8	20,620	12,695	-	-
Derivative financial instruments	16	355	566	-	-
Assets of disposal group classified as held for sale	24	-	1,286,840	-	-
Total current assets		188,946	1,417,839	405	399
Non-current assets					
Receivables	7	3,769	4,163	568,446	538,000
Derivative financial instruments	16	132	53	-	-
Investment in associates	23	1,258	452	-	-
Property, plant and equipment	9	783,819	830,167	-	-
Deferred tax assets	5	51,937	49,301	-	-
Intangible assets	10	122,671	126,823	-	-
Total non-current assets		963,586	1,010,959	568,446	538,000
Total assets		1,152,532	2,428,798	568,851	538,399
Current liabilities					
Trade and other payables	12	17,356	28,981	4,858	4,179
Borrowings	15	73,601	46,259	-	-
Derivative financial instruments	16	25,681	30,698	-	-
Provisions	13	2,900	1,588	-	-
Liabilities of disposal group classified as held for sale	24	-	965,279	-	-
Borrowings and swaps associated with sale of discontinued operations	15,16	-	277,588	-	-
Total current liabilities		119,538	1,350,393	4,858	4,179
Non-current liabilities					
Borrowings	15	668,889	740,624	-	-
Derivative financial instruments	16	75,119	68,648	-	-
Provisions	13	8,421	8,229	-	-
Total non-current liabilities		752,429	817,501	-	-
Total liabilities		871,967	2,167,894	4,858	4,179
Net assets		280,565	260,904	563,993	534,220
Equity holders of the parent					
Contributed equity	19	2,305	2,305	755,748	754,603
Reserves	20	(106,451)	(120,481)	-	-
Retained earnings	21	(353,125)	(358,690)	(191,755)	(220,383)
		(457,271)	(476,866)	563,993	534,220
Equity holders of the other stapled entities (non-controlling interests)					
Contributed equity	19	762,009	760,864	-	-
Retained earnings	21	(24,173)	(23,094)	-	-
		737,836	737,770	-	-
Total equity		280,565	260,904	563,993	534,220

The above consolidated statements of financial position should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Infigen Energy Group						Infigen Energy Trust Group			
	Note	Contributed equity \$'000	Reserves \$'000	Retained earnings \$'000	Total equity of the parent \$'000	Non-controlling interests \$'000	Total equity \$'000	Contributed equity \$'000	Retained earnings \$'000	Total equity \$'000
Total equity at 1 July 2014		2,305	(192,221)	(55,672)	(245,588)	737,646	492,058	753,894	(14,394)	739,500
Net loss for the year		-	-	(303,018)	(303,018)	(585)	(303,603)	-	(205,989)	(205,989)
Changes in the fair value of cash flow hedges, net of tax	20(b)	-	32,062	-	32,062	-	32,062	-	-	-
Exchange differences on translation of foreign operations and movement in fair value	20(a)	-	39,093	-	39,093	-	39,093	-	-	-
Total comprehensive income / (loss) for the year		-	71,155	(303,018)	(231,863)	(585)	(232,448)	-	(205,989)	(205,989)
Transactions with owners in their capacity as owners:										
Recognition of share-based payments	20(d)	-	585	-	585	709	1,294	709	-	709
Total equity at 30 June 2015		2,305	(120,481)	(358,690)	(476,866)	737,770	260,904	754,603	(220,383)	534,220
Total equity at 1 July 2015		2,305	(120,481)	(358,690)	(476,866)	737,770	260,904	754,603	(220,383)	534,220
Net profit for the year		-	-	5,565	5,565	(1,079)	4,486	-	28,628	28,628
Changes in the fair value of cash flow hedges, net of tax	20(b)	-	7,617	-	7,617	-	7,617	-	-	-
Exchange differences on translation of foreign operations and movement in fair value	20(a)	-	6,774	-	6,774	-	6,774	-	-	-
Total comprehensive income / (loss) for the year		-	14,391	5,565	19,956	(1,079)	18,877	-	28,628	28,628
Transactions with owners in their capacity as owners:										
Recognition of share-based payments	20(d)	-	(361)	-	(361)	1,145	784	1,145	-	1,145
Total equity at 30 June 2016		2,305	(106,451)	(353,125)	(457,271)	737,836	280,565	755,748	(191,755)	563,993

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Infigen Energy Group		Infigen Energy Trust Group		
	Note	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Cash flows from operating activities					
Profit / (loss) for the year		4,486	(303,603)	28,628	(205,989)
<i>Adjustments for:</i>					
Loss for the year from discontinued operations	24	2,547	285,171	-	-
(Gain) / loss on revaluation for fair value through profit or loss financial assets – financial instruments		-	(2,642)	-	-
Depreciation and amortisation of non-current assets		51,950	54,497	-	-
Impairment of financial assets		-	-	-	205,300
Unwind of discount on related party loan receivables		-	-	(29,321)	-
Unrealised foreign exchange loss / (gain)		5,396	(4,382)	-	-
Amortisation of share based payments expense	32	536	720	-	-
Amortisation of borrowing costs capitalised		1,523	1,807	-	-
Share of (profits) / losses from associates		(25)	64	-	-
Accretion of decommissioning & restoration provisions		119	117	-	-
Income tax expense		3,616	-	-	-
(Increase) / Decrease in deferred tax assets		(2,636)	1,619	-	-
Changes in operating assets and liabilities, net of effects on disposal of controlled entities:					
(Increase) / decrease in assets:					
Current receivables and other current assets		(10,425)	1,575	-	-
Increase / (decrease) in liabilities:					
Current payables		(376)	(1,967)	678	668
Non-current payables		192	217	-	-
Net cash flow from operating activities (continuing operations)		56,903	33,193	(15)	(21)
Net cash flow from operating activities (discontinued operations)		-	46,318	-	-
Cash flows from investing activities					
Payments for property, plant and equipment		(1,987)	(1,048)	-	-
Payments for intangible assets		(1,693)	(52)	-	-
Payments for investments in associates and joint ventures		(781)	-	-	-
Proceeds transferred from discontinued operations from the sale of the US business		102,030	-	-	-
Contribution for US developments and investments		-	(10,481)	-	-
Net cash flow from investing activities (continuing operations)		97,569	(11,581)	-	-
Net cash flow from investing activities (discontinued operations)		300,532	(4,688)	-	-
Cash flows from financing activities					
Proceeds transferred from discontinued operations used to repay borrowings and interest		-	20,218	-	-
Proceeds from issue of equity securities		-	-	1,146	709
Repayment of borrowings	15	(56,462)	(66,049)	-	-
Repayment from / (loans to) related parties		-	-	(1,125)	(681)
Net cash flow from financing activities (continuing operations)		(56,462)	(45,831)	21	28
Net cash flow from financing activities (discontinued operations)		(300,532)	(46,149)	-	-
Net increase / (decrease) in cash and cash equivalents		98,010	(28,738)	6	7
Cash and cash equivalents at the beginning of the financial year		45,182	80,699	399	392
Effects of exchange rate changes on the balance of cash held in foreign currencies		4,410	2,458	-	-
Cash and cash equivalents at the end of the financial year		147,602	54,419	405	399
Included in cash and cash equivalents per the balance sheet	14	147,602	45,182	405	399
Included in assets of disposal group classified as held for sale		-	9,237	-	-

The above consolidated cash flow statements should be read in conjunction with the accompanying notes



ABOUT THIS REPORT

As permitted by ASIC Class Order 05/642, this consolidated general purpose financial report for the year ended 30 June 2016 consists of consolidated financial statements and accompanying notes of both:

- Infigen Energy Group (the Group), being Infigen Energy Limited (IEL), Infigen Energy Trust (IET), Infigen Energy (Bermuda) Limited (IEBL) and the controlled entities of IEL and IET; and
- Infigen Energy Trust Group (the Trust), being Infigen Energy Trust (IET) and its controlled entities.

The Group and the Trust are for-profit entities for the purpose of preparing the financial statements. The Group and the Trust are incorporated and domiciled in Australia.

This financial report is a general purpose financial report that:

- treats Infigen Energy Limited as the 'parent' of the stapled entity for the purposes of preparing consolidated financial statements, with the other stapled entities being presented as non-controlling interests in accordance with the relief available to stapled entities in ASIC Class Order 13/1050 as amended by Class Order 13/1644 which enables stapled entities to present consolidated or combined financial statements.
- has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- has been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss, and as modified by reductions in carrying value of assets from impairment expenses;
- has been prepared on the basis of the legislative and regulatory regime that exists as at 30 June 2016 and at the date of this report. Changes to the regulatory regime would be likely to impact the carrying values of assets and future renewable energy project development.
- is presented in Australian Dollars with all values rounded off to the nearest thousand dollars, unless otherwise stated, in accordance with the *Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*;
- adopts all new and amended Accounting Standards and Interpretations issued by AASB that are relevant to operations of the Group and/or the Trust and effective for the reporting periods beginning on or after 1 July 2015.

Stapled security

The shares of IEL and IEBL and the units of IET are combined and issued as stapled securities in Infigen Energy Group. The shares of IEL and IEBL and the units of IET cannot be traded separately and can only be traded as stapled securities.

Trust information

IET was established in Australia on 16 June 2003. On 26 September 2005, IET became a Registered Scheme and Infigen Energy RE Limited (IERL) became the Responsible Entity of IET. The relationship of the Responsible Entity with the Scheme is governed by the terms and conditions specified in the Constitution of IET.

Critical accounting estimates and judgments

The Group or the Trust makes estimates and assumptions concerning the future that are regularly evaluated based on historical experience and other factors. This includes expectations of future events that may have a financial effect on the Group and the Trust and that are believed to be reasonable under the circumstances. The resulting accounting

About this report (continued)

estimates will, by definition, seldom equal the related actual results. Estimates and judgments that are material to the financial report are found in the following notes:

Note 5	Income taxes and deferred taxes
Note 7	Trade and other receivables – IET loan
Note 9	Property, plant and equipment
Note 10	Intangible assets
Note 11	Valuation of non-financial assets
Note 13	Provisions
Note 17	Fair value hierarchy

Basis of consolidation

For the purpose of UIG 1013 *Pre-date of Transition Stapling Arrangements* and AASB Interpretation 1002 *Post-date of Transition Stapling Arrangements*, IEL was identified as the parent entity of the Group in relation to the pre-date of transition stapling with IET and the post-date of transition stapling with IEBL. In accordance with UIG 1013, the results and equity of IEL and of IET have been combined in the financial statements of the Group. However, since IEL had entered into both pre and post-date of transition stapling arrangements, the results and equity of IET and IEBL are both treated and disclosed as non-controlling interests in the financial statements of the Group under the principles established in AASB Interpretation 1002.

The consolidated financial statements comprise the financial statements of all controlled entities (subsidiaries) of the Group and the Trust at year ended 30 June 2016. A list of the subsidiaries at year end is contained in Note 25.

The financial statements of all subsidiaries are prepared for the same reporting period as the parent company and apply consistent accounting policies to all the years presented, unless otherwise stated.

In preparing the consolidated financial statements, all intercompany transactions, balances, income and expenses and profits and losses resulting from intra-group transactions have been eliminated. Unrealised gains and/or losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Subsidiaries are fully consolidated from the date on which control is transferred to the Group or the Trust. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group or the Trust.

The Group applies a policy of treating transactions with non-controlling interests as transactions with a shareholder external to the Group. Purchases from non-controlling interests result in an acquisition reserve being the difference between any consideration paid and the relevant share acquired of the carrying value of identifiable net assets of the subsidiary. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheets respectively.

Foreign currency

Functional and presentation currency

Items included in the financial statements of each of the Group's or the Trust's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Group's and the Trust's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when they are deferred in equity as qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

About this report (continued)

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

The results and financial position of all Group or Trust entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities including balances of cash held in foreign currency, and of borrowings and other financial instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences is recognised in the income statement, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

Other accounting policies

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

A number of new or amended standards became applicable for the current reporting period, however, the Group or the Trust did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. Details of new standards and amended accounting standards are outlined in Note 35.



PERFORMANCE FOR THE YEAR

1. Segment information

a) Segment information provided to the Board of Directors

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The Group has determined the operating segments based on the reports reviewed by the Board of Directors of IEL that are used to make strategic decisions.

The Board of Directors considers the business primarily from a geographic perspective and has identified one reportable segment. The reporting segment consists of the renewable energy businesses held in Australia.

The Board of Directors assesses the performance of the operating segments based on a measure of EBITDA (Segment EBITDA).

This measurement basis (Segment EBITDA) excludes the effects of equity-settled share-based payments which are included in corporate costs and unrealised gains/losses on financial instruments.

Interest income and expenditure are allocated to Australia as this type of activity is driven by the corporate treasury function of the continuing operations, which manages the cash position of the Group.

The Board of Directors reviews segment revenues on a proportional basis, reflective of the economic ownership held by the Group.



Notes to the consolidated financial statements
For the year ended 30 June 2016

1. Segment information (continued)

The segment information provided to the Board of Directors for the operating segments together with a reconciliation of segment EBITDA to operating profit/(loss) before income tax for the year ended 30 June 2016 is below. Segment EBITDA excludes discontinued operations.

INFIGEN ENERGY GROUP	Statutory basis \$'000	Australia \$'000	US \$'000	Unallocated \$'000
Year ended 30 June 2016				
Segment revenue	173,229	173,229	-	-
Operating costs	(37,401)	(37,401)	-	-
Segment EBITDA from continuing operations	135,828	135,828	-	-
Corporate costs	(13,997)	-	-	(13,997)
Development costs	(1,667)	(1,667)	-	-
Share of net profit of associates	25	25	-	-
Other income and costs	7	7	-	-
EBITDA	120,196	134,193	-	(13,997)
Depreciation & amortisation	(51,950)	(51,950)	-	-
EBIT	68,246	82,243	-	(13,997)
Net finance costs	(57,597)	(57,597)	-	-
Profit before income tax	10,649	24,646	-	(13,997)
Tax expense	(3,616)	(3,616)	-	-
Loss from discontinued operations	(2,547)	-	(2,547)	-
Net profit after tax	4,486	21,030	(2,547)	(13,997)
Year ended 30 June 2015				
Segment revenue	133,807	133,807	-	-
Operating costs	(34,743)	(34,743)	-	-
Segment EBITDA from continuing operations	99,064	99,064	-	-
Corporate costs	(13,541)	-	-	(13,541)
Development costs	(1,976)	(1,976)	-	-
Share of losses of associates	(66)	(66)	-	-
Other income and costs	12	12	-	-
EBITDA	83,493	97,034	-	(13,541)
Depreciation & amortisation	(54,497)	(54,497)	-	-
EBIT	28,996	42,537	-	(13,541)
Net finance costs	(47,245)	(47,245)	-	-
Loss before income tax	(18,249)	(4,708)	-	(13,541)
Tax expense	(183)	(183)	-	-
Loss from discontinued operations	(285,171)	-	(285,171)	-
Net loss after tax	(303,603)	(4,891)	(285,171)	(13,541)

1. Segment information (continued)

A summary of assets and liabilities by operating segment is provided as follows:

INFIGEN ENERGY GROUP	Statutory basis \$'000	Add: Share of assets and liabilities of associates & JVs \$'000	Total Economic interest basis \$'000	Australia \$'000	US \$'000
As at 30 June 2016					
Assets of continuing operations	1,152,532	-	1,152,532	1,152,532	-
Total segment assets	1,152,532	-	1,152,532	1,152,532	-
Total assets of continuing operation includes:					
Investment in associates & joint ventures	1,258	(1,258)	-	-	-
Additions to non-current assets (other than financial assets and deferred tax)	3,680	-	3,680	3,680	-
Liabilities of continuing operations	871,967	-	871,967	871,967	-
Total segment liabilities	871,967	-	871,967	871,967	-
As at 30 June 2015					
Assets of continuing operations	1,141,958	-	1,141,958	1,141,958	-
Assets of disposal group classified as held for sale	1,286,840	-	1,286,840	-	1,286,840
Total segment assets	2,428,798	-	2,428,798	1,141,958	1,286,840
Total assets of continuing operation includes:					
Investment in associates & joint ventures	452	(452)	-	-	-
Additions to non-current assets (other than financial assets and deferred tax)	1,100	-	1,100	1,100	-
Liabilities of continuing operations	925,027	-	925,027	925,027	-
Liabilities of disposal group classified as held for sale	965,279	-	965,279	-	965,279
Borrowings and swaps associated with sale of discontinued operations	277,588	-	277,588	-	277,588
Total segment liabilities	2,167,894	-	2,167,894	925,027	1,242,867



Notes to the consolidated financial statements
For the year ended 30 June 2016

2. Revenue

From continuing operations

Sale of energy and environmental products
Lease of plant and equipment
Compensated revenue

Infigen Energy Group	
2016	2015
\$'000	\$'000
100,916	69,443
71,574	63,014
739	1,350
173,229	133,807

Recognition and measurement

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised if it meets the criteria outlined below.

Sale of energy and environmental products

Sale of energy and environmental products are revenues from the:

- sale of electricity generated from the Group's wind farms; and
- generation of Large-scale Generation Certificates (LGCs). These are recognised at fair value when they are generated and in the same period as the costs are incurred.

The Group or the Trust recognises revenue when the amount of revenue can be reliably measured, when the significant risks and rewards of ownership of the products have passed to the buyer and the Group attains the right to be compensated.

The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group or the Trust bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenues are recognised on an accruals basis net of the amount of associated GST unless the GST incurred is not recoverable from the taxation authority.

Lease of plant and equipment (contracted revenue)

In accordance with UIG 4 *Determining whether an Asset Contains a Lease*, revenue that is generated under certain power purchase agreements, where the Group sells substantially all of the related electricity to one customer, is classified as lease income.

3. Other income

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
From continuing operations:				
Other income				
Interest income	783	827	5	7
Unwind of discount on related party loan receivables	-	-	29,321	-
Foreign exchange gains	-	5,369	-	-
Fair value gains on financial instruments ¹	-	2,974	-	-
Other income	7	11	-	-
	790	9,181	29,326	7

¹ From 1 July 2015, the Group has early adopted and applied AASB 9 *Financial Instruments* resulting in the changes in the fair value of financial instruments being recognised in the hedge reserve. Refer to Note 35 for details.

4. Expenses

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
From continuing operations:				
Depreciation and amortisation expense				
Depreciation of property, plant and equipment	46,524	46,535	-	-
Amortisation of intangible assets	5,426	7,962	-	-
	51,950	54,497	-	-
Interest expense				
Interest expense on borrowings	25,413	27,490	-	-
Interest expense on derivative financial instruments	26,550	25,673	-	-
	51,963	53,163	-	-
Other finance costs				
Bank fees and loan amortisation costs	2,251	2,802	-	-
Foreign exchange losses	4,002	-	-	-
Other fair value losses on financial instruments	45	332	-	-
Recognition and unwinding of discount on decommissioning	119	117	-	-
	6,417	3,251	-	-
Impairment expense				
Impairment of financial assets ²	-	-	-	205,300
	-	-	-	205,300

² Relates to the loan receivable due from members of the Group. Refer to Note 7 for further information.

Recognition and measurement

Interest expense

Interest expense is recognised in the period it occurs in connection with the borrowing of funds or derivative financial instruments.



Notes to the consolidated financial statements
For the year ended 30 June 2016

5. Income taxes and deferred taxes

Income tax expense

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Current tax	3,504	(1,840)
Deferred tax	112	2,023
Income tax expense from continuing operations	3,616	183
Aggregate income tax benefit is attributable to:		
Expense from continuing operations	3,616	183
Expense from discontinued operations	3,349	9,893
Aggregate income tax expense	6,965	10,076
Deferred income tax expense included in income tax benefit comprises:		
Decrease in deferred tax assets	4,738	2,242
Increase / (decrease) in deferred tax liabilities	(4,626)	(219)
	112	2,023

a) Reconciliation of prima facie income tax expense / (benefit):

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Profit/(Loss) from continuing operations before income tax	10,649	(18,249)
Total loss before income tax	10,649	(18,249)
Income tax expense / (benefit) calculated at 30% (2015: 30%)	3,195	(5,475)
<i>Increase / (decrease) in tax expense due to:</i>		
Tax losses not recognised as an asset	127	6,728
Unrealised foreign exchange movement	91	(300)
Sundry items	203	(770)
Income tax expense	3,616	183

b) Amounts recognised directly in equity

The following deferred amounts were not recognised in net profit or loss but charged directly to equity during the period:

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Deferred tax asset	6,252	467
Deferred tax liabilities	-	-
Net deferred tax	6,252	467



Notes to the consolidated financial statements
For the year ended 30 June 2016

5. Income taxes and deferred taxes (continued)

c) Tax losses

Unused tax losses for which no deferred tax asset has been recognised
Potential tax benefit at 30%

Infigen Energy Group	
2016	2015
\$'000	\$'000
237,703	259,268
71,311	77,780

d) Current tax liabilities

Income tax payable attributable to:
Discontinued operations

Infigen Energy Group	
2016	2015
\$'000	\$'000
6,925	9,893
6,925	9,893

e) Deferred tax

	Infigen Energy Group				
	Opening balance \$'000	Charged to Income \$'000	Charged to Equity \$'000	Acquisitions / disposals \$'000	Closing balance \$'000
Year ended 30 June 2016					
Gross deferred tax assets					
Unused revenue tax losses	87,314	(3,504)	-	-	83,810
Effect of hedge movements	25,005	(1,232)	6,252	-	30,025
Unrealised foreign exchange losses	3,987	(3,506)	-	-	481
	116,306	(8,242)	6,252	-	114,316
Gross deferred tax liabilities					
Depreciation	(59,131)	(782)	-	-	(59,913)
Unrealised foreign exchange gains	(4,066)	4,066	-	-	-
Other	(3,808)	1,342	-	-	(2,466)
	(67,005)	4,626	-	-	(62,379)
Total deferred tax assets	49,301	(3,616)	6,252	-	51,937
Year ended 30 June 2015					
Gross deferred tax assets					
Unused revenue tax losses	87,773	(459)	-	-	87,314
Effect of hedge movements	24,892	(354)	467	-	25,005
Unrealised foreign exchange losses	5,012	(1,025)	-	-	3,987
	117,677	(1,838)	467	-	116,306
Gross deferred tax liabilities					
Depreciation	(57,781)	(1,350)	-	-	(59,131)
Unrealised foreign exchange gains	(4,086)	20	-	-	(4,066)
Other	(5,357)	1,549	-	-	(3,808)
	(67,224)	219	-	-	(67,005)
Total deferred tax assets	50,453	(1,619)	467	-	49,301



Notes to the consolidated financial statements
For the year ended 30 June 2016

5. Income taxes and deferred taxes (continued)

Deferred tax assets to be recovered within 12 months
Deferred tax assets to be recovered after more than 12 months
Total deferred tax assets

Infigen Energy Group		
	2016	2015
	\$'000	\$'000
	-	-
	51,937	49,301
	51,937	49,301

Recognition and measurement

The Group is subject to income taxes in Australia and jurisdictions where it has foreign operations.

Under current legislation, IET is not subject to income tax as unit holders are presently entitled to the income of IET.

Tax consolidation

IEL and its wholly-owned Australian resident entities have formed an Australian tax consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax consolidated group is IEL. Entities within the tax consolidated group have entered into a tax funding arrangement and a tax sharing agreement with IEL. The members of the tax consolidated group are identified in Note 25. IEL and its controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts.

Current tax

Current tax expense is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax expense is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences, carried forward unused tax assets and unused tax losses, to the extent it is probable that future taxable amounts will be available to utilise them.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised for taxable temporary differences at reporting date between accounting carrying amounts and tax bases of assets and liabilities except for the following:

- Where they arise from the initial recognition of assets and liabilities (other than as a result of a business combination) and at the time of the transaction, affects neither taxable profit or loss nor accounting profit;
- Where they relate to investments in subsidiaries, associates and joint ventures:
 - Deferred tax liabilities are not recognised if the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

5. Income taxes and deferred taxes (continued)

- Deferred tax assets are not recognised if it is not probable that the temporary differences will not reverse in the foreseeable future and there will be insufficient taxable profits against which to realise the benefit.

A deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity.

Offsetting deferred tax balances

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group or the individual entity intends to settle its current tax assets and liabilities on a net basis.

Key estimate: deferred tax assets

The Group currently has significant tax losses in Australia and in relation to its foreign operations. Tax losses in the Australian business have been recognised as a deferred tax asset on the basis that it is expected the business will generate sufficient taxable earnings to fully utilise those losses.

The Group is required to make significant judgements and assessments in relation to the future recoverability of tax losses that have been recognised as deferred tax assets. The assessment of future taxable income to support utilisation of tax losses in the Australian business is based on the long-term forecasts used for assessing asset impairment (refer to Note 11 for key assumptions) and consideration of many future events and outcomes that are uncertain.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to utilise them. Currently, only Australian tax losses have been brought to account as deferred tax assets.

6. Earnings per share / unit

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 Cents per security	2015 Cents per security	2016 Cents per unit	2015 Cents per unit
a) Basic earnings per share:				
<i>Parent entity share</i>				
From continuing operations	1.1	(2.3)	-	-
From discontinued operations ¹	(0.3)	(37.2)	-	-
Total basic earnings per share attributable to the parent entity shareholders	0.8	(39.5)	-	-
<i>Stapled security</i>				
From continuing operations	0.9	(2.4)	3.7	(26.8)
From discontinued operations ¹	(0.3)	(37.2)	-	-
Total basic earnings per security attributable to the stapled security holders	0.6	(39.6)	3.7	(26.8)
b) Diluted earnings per share:				
<i>Parent entity share</i>				
From continuing operations	1.0	(2.3)	-	-
From discontinued operations ¹	(0.3)	(37.2)	-	-
Total diluted earnings per share attributable to the parent entity shareholders	0.7	(39.5)	-	-
<i>Stapled security</i>				
From continuing operations	0.9	(2.4)	3.7	(26.8)
From discontinued operations ¹	(0.3)	(37.2)	-	-
Total diluted earnings per security attributable to the stapled security holders	0.6	(39.6)	3.7	(26.8)

¹ The number of performance rights/units outstanding have not been included in the calculation of diluted EPS for discontinued operations as they are anti-dilutive. Refer to Note 32 for the number of performance rights/units outstanding.

6. Earnings per share / unit (continued)

c) Reconciliation of earnings used in calculating earnings per share / unit

The earnings and weighted average number of shares / units used in the calculation of basic and diluted earnings per share / unit are as follows:

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Earnings attributable to the parent entity shareholders				
From continuing operations	8,112	(17,847)	-	-
From discontinued operations	(2,547)	(285,171)	-	-
Total earnings attributable to the parent entity shareholders	5,565	(303,018)	-	-
Earnings attributable to the stapled security holders				
From continuing operations	7,033	(18,432)	28,628	(205,989)
From discontinued operations	(2,547)	(285,171)	-	-
Total earnings attributable to the stapled security holders	4,486	(303,603)	28,628	(205,989)

d) Weighted average number of securities used as the denominator

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 No.'000	2015 No.'000	2016 No.'000	2015 No.'000
Weighted average number of shares / units for the purposes of basic earnings per share / unit	771,643	767,428	771,643	767,428
Weighted average number of shares / units for the purposes of diluted earnings per share / unit	776,225	767,428	776,225	767,428

Calculation of earnings per share

Basic earnings per share / unit is calculated by dividing the profit attributable to equity holders of the Group or the Trust, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares / units outstanding during the financial year, adjusted for bonus elements in ordinary shares / units issued during the year.

Diluted earnings per share / unit adjusts the figures used in the determination of basic earnings per share / unit to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares / units and the weighted average number of shares / units that would have been outstanding assuming the conversion of all dilutive potential ordinary shares / units.

The number of performance rights/units outstanding has not been included in the calculation of diluted EPS for discontinued operations as they are anti-dilutive. Refer to Note 32 for the number of performance rights/units outstanding.



OPERATING ASSETS AND LIABILITIES

7. Trade and other receivables

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current				
Trade receivables	15,740	15,483	-	-
Prepayments	4,377	1,313	-	-
Other receivables	252	55,760	-	-
	20,369	72,556	-	-
Non-current				
Amounts due from related parties (Note 31)	1,019	842	568,446	538,000
Prepayments	2,750	3,321	-	-
	3,769	4,163	568,446	538,000

a) Past due but not impaired

There were no trade receivables in the Group that were past due but not impaired as at 30 June 2016 and 30 June 2015.

There were no other classes within trade and other receivables of the Group that contained impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Group or the Trust does not hold any collateral in relation to these receivables.

b) Impairment of trade and other receivables

There were no impaired trade receivables for the Group as at 30 June 2016 or 30 June 2015.

For the year ended 30 June 2016, the Trust recognised \$29.3 million for the unwinding of the discount on the loan receivable from related parties recognised in 30 June 2015. As part of the long-term funding arrangements within the stapled structure, IET has loans due from other Group entities totaling \$744.4 million. The sale of the US wind business had the effect of extending the expected time to full repayment of these loans. While IET is expected to receive the full \$744.4 million contractual face value of the loans, the term of the loan has increased and this has reduced the net present value. The forecast undiscounted cash flows of the assets of the continuing operations still support the carrying value of these loans as they exceed \$744.4 million.

c) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group or the Trust. As at 30 June 2015, a \$55.4 million (US\$42.6 million) receivable was recognised from the sale of the US solar development pipeline assets.

d) Foreign exchange and interest rate risk

Information about the Group's and the Trust's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in Note 18.

e) Fair value and credit risk

Due to the nature of the receivables, it is assessed that their carrying amount approximates their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to Note 18 for more information on the risk management policy of the Group or the Trust and the credit quality of the Group's or the Trust's trade receivables.



7. Trade and other receivables (continued)

f) Prepayment

Current and non-current prepayments include \$4,377,000 (2015: \$1,313,000) and \$2,750,000 (2015: \$3,321,000) of prepaid operational expenses.

Recognition and measurement

Loans and trade receivables

Trade receivables, loans and other receivables are recorded at amortised cost less impairment. Trade receivables are generally due for settlement within 30 days.

Receivables are stated exclusive of the amount of GST receivable unless the GST incurred is not recoverable from the taxation authority. The net amount of GST recoverable from the taxation authority is included with other receivables.

8. Inventory

Infigen Energy Group		
	2016 \$'000	2015 \$'000
Environmental certificates	20,620	12,695
	20,620	12,695

Recognition and measurement

Environmental certificates or Large-scale Generation Certificates (LGCs)

LGCs held in inventory are valued at the lower of cost and net realisable value. Upon sale, the difference between the sale price and the book value of inventory is recorded as a component of revenue.



Notes to the consolidated financial statements
For the year ended 30 June 2016

9. Property, plant and equipment

	Infigen Energy Group	
	Plant & Equipment \$'000	Total \$'000
At 30 June 2014		
Cost	2,564,312	2,564,312
Accumulated depreciation	(668,903)	(668,903)
Net book value	1,895,409	1,895,409
Year ended 30 June 2015		
Opening net book value	1,895,409	1,895,409
Additions	5,736	5,736
Depreciation expense	(113,364)	(113,364)
Assets of disposal group classified as held for sale	(1,188,668)	(1,188,668)
Net foreign currency exchange differences	231,054	231,054
Closing net book value	830,167	830,167
At 30 June 2015		
Cost	1,159,258	1,159,258
Accumulated depreciation	(329,091)	(329,091)
Net book value	830,167	830,167
Year ended 30 June 2016		
Opening net book value	830,167	830,167
Additions	1,987	1,987
Depreciation expense	(46,524)	(46,524)
Transfers to intangible assets	(1,811)	(1,811)
Closing net book value	783,819	783,819
At 30 June 2016		
Cost	1,159,434	1,159,434
Accumulated depreciation	(375,615)	(375,615)
Net book value	783,819	783,819

9. Property, plant and equipment (continued)

Recognition and measurement

Property, plant and equipment

The value of property, plant and equipment such as wind turbines and associated plant is measured as the cost of the asset less accumulated depreciation and impairment. The cost of the asset includes expenditure that is directly attributable to the acquisition of the item and may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Subsequent costs, including replacement parts are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is recognised as a separate asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Decommissioning

The Group's policy is to provide for the future costs relating to the decommissioning of wind turbines and associated plant if the amounts are expected to result in an outflow of economic benefits. The cost of decommissioning wind turbines and associated plant is reviewed at the end of each annual reporting period.

Derecognition

An item of property, plant and equipment is derecognised when it is replaced, sold or otherwise disposed of. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from the disposal with the carrying amount of property, plant and equipment and are included in the income statement. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Depreciation

Depreciation on property, plant and equipment is calculated on a straight line basis over their estimated useful lives outlined below to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Key estimate: useful lives of assets

Wind turbines and associated plant	25 years ¹
Solar panels and associated plant	30 years
Fixtures and fittings	10-20 years
Computer equipment	3-5 years

¹ It is possible that these assets will have total useful economic lives in excess of 25 years in which case additional revenues will be received without a matching depreciation charge.

10. Intangible assets

	Infigen Energy Group			
	Goodwill \$'000	Development assets \$'000	Project-related agreements and licences \$'000	Total \$'000
At 30 June 2014				
Cost	15,136	33,070	336,168	384,374
Accumulated amortisation and impairment	-	-	(127,250)	(127,250)
Net book value	15,136	33,070	208,918	257,124
Year ended 30 June 2015				
Opening net book value	15,136	33,070	208,918	257,124
Additions	-	2,589	52	2,641
Transfers	-	-	-	-
Amortisation expense	-	-	(13,824)	(13,824)
Impairment expense	-	(1,898)	-	(1,898)
Assets of disposal group classified as held for sale	-	(3,509)	(141,281)	(144,790)
Net foreign currency exchange differences	-	-	27,570	27,570
Closing net book value	15,136	30,252	81,435	126,823
At 30 June 2015				
Cost	15,136	32,150	112,500	159,786
Accumulated amortisation and impairment	-	(1,898)	(31,065)	(32,963)
Net book value	15,136	30,252	81,435	126,823
Year ended 30 June 2016				
Opening net book value	15,136	30,252	81,435	126,823
Additions	-	1,693	-	1,693
Transfers	-	(2,831)	2,831	-
Transfers from property, plant and equipment	-	-	1,811	1,811
Amortisation expense	-	-	(5,426)	(5,426)
Write-down of development assets from share sale	-	(2,230)	-	(2,230)
Closing net book value	15,136	26,884	80,651	122,671
At 30 June 2016				
Cost	15,136	26,884	117,434	159,454
Accumulated amortisation and impairment	-	-	(36,783)	(36,783)
Net book value	15,136	26,884	80,651	122,671

10 Intangible assets (continued)

Recognition and measurement

Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liabilities acquired at the date of acquisition. Goodwill acquired in business combinations is not amortised but tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Any impairment is recognised immediately in the income statement and is not subsequently reversed. Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill is allocated to the Australian cash-generating unit (CGU) for the purpose of impairment testing.

Project-related agreements and licences

Project-related agreements and licences include the following items:

- licences, permits and approvals to develop and operate a wind farm, including governmental authorisations; land rights and environmental consents;
- interconnection rights; and
- power purchase agreements.

Project-related agreements and licences are carried at cost less accumulated amortisation and impairment expenses. Amortisation is calculated using the straight-line method to allocate the cost of licences over their estimated useful lives, which are based on the useful life of the related wind farm.

Development assets

Development assets represent development costs incurred prior to commencement of construction for wind and solar farms. Development assets are not amortised, but are transferred to plant and equipment and depreciated from the time the asset is held ready for use on a commercial basis.

Key estimate: useful economic lives of intangible assets

The Group amortises project-related agreements and licences over 25 years which is the estimated minimum useful economic life of these assets, based on current evaluations. It is possible that some of these assets will have total useful economic lives in excess of 25 years in which case additional revenues will be received without a matching amortisation charge.

11. Valuation of non-financial assets

Testing for impairment of intangible assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the carrying values are impaired.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any). Where the asset does not generate cash flows that are independent from other assets, the Group has estimated the recoverable amount of the CGU to which the asset belongs.

The Group determines the recoverable amount of the CGU based on value-in-use calculations. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. Such impairment loss is recognised in the income statement immediately.

Key estimate: recoverable amounts of the development assets

The Group holds renewable energy development assets in Australia. The recoverable amount of the development assets is dependent upon internal valuations, which consider how advanced the development projects are, and the current, or expected future, market demand for these assets.

Impairment tests for cash-generating units containing goodwill

For the purposes of impairment testing, goodwill is allocated to the Australian segment which represents the lowest level within the Group at which goodwill is monitored for internal management purposes.

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Australia	15,136	15,136
Total goodwill	15,136	15,136

Valuation of non-financial assets (continued)

Key assumptions for value-in-use calculations

The Group determines the recoverable amount of the CGU based on value-in-use calculations. The calculations use cash flow projections covering the total life of the wind farms, which is greater than or equal to 25 years.

The Group makes assumptions around expected wind resource, availability, prices, operating expenses and discount rates in calculating the value-in-use of its CGU. Variations in the estimates and assumptions may have a significant risk of causing a material variation to the calculated recoverable amount of assets and liabilities.

The Group uses production estimates to reflect the expected performance of the assets throughout the forecast period. The forecast period reflects the useful life of the assets held by the CGU. Production estimates are based on independent technical consultants' assessments.

Pricing assumptions are based on the contractual terms of power purchase agreements and LGC supply agreements where applicable, and third party assessments of merchant electricity and environmental certificate prices over the forecast period. The Australian CGU has utilised a third party assessment of merchant electricity and LGC forward pricing that excludes any component for carbon pricing or an equivalent scheme but is founded on the Renewable Energy Target (RET) as currently legislated.

In performing value-in-use calculations for Australia, the Group has applied post-tax discount rates to discount the forecast future attributable post-tax cash flows. The equivalent pre-tax discount rates are disclosed below.

	Pre-tax discount rates	
	2016	2015
Australia	10.6%	11.7%

The discount rates used reflect specific risks of the country in which the Group has operations. For some wind farms with power purchase agreements, future revenue growth forecasts are based on the contractual escalation provisions. For wind farms subject to market prices, future revenue forecasts are based on long term third party independent consultant projections.

Sensitivity to changes in assumptions

The recoverable amount of the CGU is greater than the carrying value as at 30 June 2016. Variations to the key assumptions used to determine the recoverable amount would result in a change in the assessed recoverable amount. If the variation in assumptions had a negative impact on recoverable amount it could indicate a requirement for an additional impairment expense.

The estimation of the recoverable amount of the Australian CGU was tested for sensitivity using reasonably possible changes in key assumptions. These changes include increases and decreases in the discount rates of up to 1% with all other assumptions remaining constant.

Separate sensitivity tests are also conducted to measure the impact of varying future cash flows for increases and decreases of up to 10% in market prices, 5% in production, and 10% in operating costs, respectively.

None of these tests resulted in the carrying amount of the Australian CGU exceeding its recoverable amount.



12. Trade and other payables

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Current				
Trade payables and accruals	5,780	8,225	-	-
Goods and services and other taxes payable	9,977	7,652	-	-
Amount due to related parties ¹	-	-	4,858	4,179
Other	1,599	13,104	-	-
	17,356	28,981	4,858	4,179

¹ Refer to Note 31 for further information relating to loans to related parties. IET does not have the unconditional right to defer settlement, however, based on past experience, the relevant amount due is not expected to be settled within 12 months.

Recognition and measurement

Trade payables are recognised when the Group or the Trust becomes obliged to make future payments resulting from the purchase of goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade payables are stated exclusive of the amount of GST payable unless the GST incurred is not recoverable from the taxation authority which in this case would be recognised as part of the cost of acquisition of the asset. The net amount of GST payable to the taxation authority is included in goods and services and other taxes payable.

Other payables include accruals for wages and salaries (including non-monetary benefit), annual leave and sick leave expected to be settled within 12 months of the reporting date in which employees render the related service. They are measured at the amounts expected to be paid when the liabilities are settled. The entire obligation for annual leave is presented as current because the Group does not have an unconditional right to defer payment.

13. Provisions

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Current		
Employee benefits	2,900	1,588
	2,900	1,588
Non-current		
Employee benefits	665	592
Decommission and restoration	7,756	7,637
	8,421	8,229
	11,321	9,817

Provisions (continued)

A reconciliation of the carrying amounts of provisions is set out below:

	Infigen Energy Group		
	Decommissioning and restoration \$'000	Employee benefits \$'000	Total \$'000
Year ended 30 June 2015			
Carrying amount at start of the year	18,591	3,391	21,982
Provision reversed during the year	-	(1,211)	(1,211)
Recognition and unwinding of discount	264	-	264
Effect of movements in foreign exchange rates	2,519	-	2,519
Provision of disposal group classified as held for sale	(13,737)	-	(13,737)
Carrying amount at the end of the year	7,637	2,180	9,817
Year ended 30 June 2016			
Carrying amount at start of the year	7,637	2,180	9,817
Additional provisions recognised during the year	-	1,385	1,385
Recognition and unwinding of discount	119	-	119
Carrying amount at the end of the year	7,756	3,565	11,321

Recognition and measurement

Provisions are recognised when:

- the Group or the Trust has a present legal or constructive obligation as a result of past events; and
- it is probable an outflow of resources will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

Provisions are not recognised for future operating losses.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is probable that recovery will be received and the amount of the receivable can be measured reliably.

Key estimate: discounting

Provisions are measured at the present value of the expenditure required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

Decommissioning and restoration

The decommission and restoration provision represents estimates of future expenditure relating to dismantling and removing of wind turbines and associated plant, and restoration of wind farm sites.

Provisions (continued)

Employee benefits

Provision for employee benefits represents provision for short term incentives, long service leave and termination benefits. For long service leave it covers all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least 12 months after the balance date, regardless of when the actual settlement is expected to occur.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value.

Short term incentive plans

The Group recognises a liability and an expense for short term incentives and takes into consideration the performance of the Group for the corresponding period. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



CAPITAL MANAGEMENT

14. Cash and cash equivalents

Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	Infigen Energy Group		Infigen Energy Trust Group	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	147,602	45,182	405	399

Recognition and measurement

Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in value, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Restricted cash balances

As at 30 June 2016, \$10.6 million (2015: \$10.2 million) of cash was held by the Group in accordance with the minimum cash requirements for Australian Financial Services Licence (AFSL) compliance and the Woodlawn project finance facility debt service reserve account.

15. Borrowings

	Infigen Energy Group	
	2016	2015
	\$'000	\$'000
Current		
<u>Secured</u>		
Global Facility	69,506	35,452
Project Finance Debt – Woodlawn	4,095	10,807
	73,601	46,259
Non-current		
<u>Secured</u>		
Global Facility	638,148	712,529
Project Finance Debt – Woodlawn	35,803	34,595
Capitalised loan costs	(5,062)	(6,500)
	668,889	740,624
Total borrowings	742,490	786,883



Notes to the consolidated financial statements
For the year ended 30 June 2016

Borrowings (continued)

Current

Borrowings associated with sale of discontinued operations¹

Global Facility

Total group borrowings

Infigen Energy Group	
2016	2015
\$'000	\$'000
-	245,278
-	245,278
742,490	1,032,161

¹ Relates to amounts that were expected to be repaid upon the sale of discontinued operations. Refer to Note 24 for details of discontinued operations.

a) Reconciliation of borrowings

Opening balance

Debt repayments – Global Facility

Debt repayments – Woodlawn

Net loan costs expensed / (capitalised)

Borrowings of discontinued operations (Union Bank)

Net foreign currency exchange differences

Total group borrowings

Borrowings associated with sale of discontinued operations

Total borrowings

Infigen Energy Group	
2016	2015
\$'000	\$'000
786,883	1,075,045
(50,958)	(61,459)
(5,504)	(4,590)
1,438	4,213
-	(57,274)
10,631	76,226
742,490	1,032,161
-	(245,278)
742,490	786,883

b) Borrowings by currency

The total value of funds that have been drawn down by currency, converted to Australian dollars (AUD) at the year-end exchange rate, is presented in the following table:

As at 30 June 2016

Australian dollars (AUD) – Global Facility

Australian dollars (AUD) – Woodlawn

Euro (EUR) – Global Facility

US dollars (USD) – Global Facility

Gross borrowings

Less capitalised loan costs

Total borrowings

Infigen Energy Group	
Total Borrowings (Local Curr)	Total Borrowings (AUD)
\$'000	\$'000
531,027	531,027
39,898	39,898
14,009	20,834
116,175	155,793
	747,552
	(5,062)
	742,490



Notes to the consolidated financial statements
For the year ended 30 June 2016

Borrowings (continued)

	Infigen Energy Group	
	Total Borrowings (Local Curr) \$'000	Total Borrowings (AUD) '000
As at 30 June 2015		
Australian dollars (AUD) – Global Facility	531,027	531,027
Australian dollars (AUD) – Woodlawn	45,402	45,402
Euro (EUR) – Global Facility	21,171	30,834
US dollars (USD) – Global Facility	142,940	186,120
Gross borrowings		793,383
Less capitalised loan costs		(6,500)
Total borrowings		786,883
As at 30 June 2015		
Borrowings associated with sale of discontinued operations		
Euro (EUR) – Global Facility	43,127	62,812
US dollars (USD) – Global Facility	140,133	182,466
Total borrowings associated with sale of discontinued operations		245,278

Recognition and measurement

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities held, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group or the Trust has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs

Borrowing costs incurred for the construction of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

Borrowings (continued)

Global Facility

The Group's corporate debt facility (the Global Facility) is a multi-currency facility that matures in 2022. The Global Facility is a syndicated facility among a group of Australian and international lenders.

The Global Facility delineates between those Infigen group entities that comprise the Global Facility borrower group (Borrower Group) and those Infigen group entities that are not within the Borrower Group. The latter are generally referred to as "Excluded Companies".

In broad terms, the Borrower Group comprises IEL and substantially all of its subsidiaries, with the exception that none of the following fall within the Borrower Group:

- IET;
- IEBL; and
- Infigen Energy Holdings Pty Limited and its subsidiaries, which primarily include Woodlawn Wind Pty Limited (which owns Woodlawn Wind Farm) and the Group's Australian development pipeline project entities.

Excluded Companies

Excluded Companies:

- are not entitled to borrow under the Global Facility;
- must deal with companies within the Global Facility Borrower Group on arm's length terms; and
- are not subject to, or the subject of, the representations, covenants or events of default applicable to the Borrower Group.

Amounts outstanding under the Global Facility

Amounts outstanding under the Global Facility are in Euro, United States dollars and Australian dollars. The base currency of the Global Facility is the Euro.

Principal repayments under the Global Facility

Subsequent to 30 June 2010 and for the remaining term of the Global Facility (expiring December 2022), all surplus cash flows of the Borrower Group, after taking account of working capital requirements, are required to be used to make repayments under the Global Facility on a semi-annual basis (Cash Sweep). The net disposal proceeds of any disposals by Borrower Group entities must also be applied to debt repayments under the Global Facility.

During the year ended 30 June 2016 repayments of \$260,726,749 and \$50,957,674 were made. This represented net proceeds from the sale of the disposal group including US\$6.74m that was released from escrow and surplus operating cash flow of the Borrower Group. The remaining balance of the US\$10 million in escrowed funds was utilised to settle the relevant operating issues and to pay associated legal expenses.

Borrowings (continued)

Interest payments

The Group pays interest each six months based on the EURIBOR (Euro drawings), BBSY (Australian dollar) or LIBOR (United States dollar) rate, plus a margin. It is the Group's policy and a requirement of the Global Facility to use financial instruments to fix the interest rate for a portion of the borrowings (refer Note 18).

Financial covenant

During the period of the Cash Sweep, the only financial covenant that applies under the Global Facility is a leverage ratio covenant. The leverage ratio is determined by taking the quotient of Net Debt and EBITDA of entities that are within the Borrower Group. EBITDA represents the consolidated earnings of the Borrower Group entities before finance charges, unrealised gains or losses on financial instruments and material items of an unusual or non-recurring nature.

This covenant is based on the results of each twelve month period ending 30 June and 31 December and is as follows:

- Through to June 2016: not more than 8.5 times;
- July 2016 to June 2019: not more than 6.0 times;
- July 2019 to expiry of the facility (December 2022): not more than 3.0 times.

Review events

A review event would occur if the shares of IEL were removed from the official list of the Australian Securities Exchange or were unstapled from units of IET and shares of IEBL. Such an event would require assessment of the effect on the Global Facility and, if necessary, agreement of an action plan.

Security

The Global Facility has no asset level security, however, each borrower under the Global Facility is a guarantor of the facilities. In addition, lenders have first ranking security over the issued share capital of, or other ownership interest in:

- the borrowers (other than Infigen Energy Limited); and
- the direct subsidiaries of the borrowers, which are holding entities of each operating wind farm in Infigen's portfolio (other than Woodlawn Wind Farm).

Global Facility lenders have no security over Excluded Companies.



Borrowings (continued)

Project Finance Facility – WWCS Finance Pty Ltd (Woodlawn Wind Farm)

WWCS Finance Pty Ltd, the immediate parent company of Woodlawn Wind Pty Ltd (which in turn owns Woodlawn Wind Farm), is the borrower under a \$51.7 million syndicated term facility. The syndicate lenders are Westpac Banking Corporation (Tranche A) and Clean Energy Finance Corporation (Tranche B). The Tranche A and Tranche B loans are of equal amounts, with maturity in September 2018 and September 2023 respectively.

Principal repayments

The borrower is required to make debt repayments on a quarterly basis following a set repayment schedule for both Tranche A and Tranche B loans. During the year ended 30 June 2016 net repayments of \$5,504,311 (2015: \$4,590,333) were made.

Interest payments

Interest is payable on a quarterly basis. Tranche A interest is calculated on the BBSY (Australian dollar) rate plus a margin and the Tranche B interest is fixed for 10 years at 3.7575% plus a margin. Interest obligations for the Tranche A loan have been hedged with interest rate caps of 3.9790% (September 2014 to September 2018) and 5.7850% (September 2018 to March 2023).

Security

The lenders under the Project Finance facility hold security over the shares in, and assets and undertaking of, WWCS Finance Pty Ltd and Woodlawn Wind Pty Ltd.

16. Other financial assets and liabilities

Infigen Energy Group		
	2016	2015
	\$'000	\$'000
Current assets		
At fair value: Electricity options	355	-
At fair value: Production hedge	-	566
	355	566
Non-current assets		
At fair value: Electricity options	124	-
At fair value: Interest rate caps	8	53
	132	53
Current liabilities		
At fair value: Electricity options	23	-
At fair value: Interest rate swaps	25,429	30,698
At fair value: Foreign currency swaps	229	-
	25,681	30,698
Non-current liabilities		
At fair value: Electricity options	124	-
At fair value: Interest rate swaps	74,995	68,648
	75,119	68,648
Infigen Energy Group		
	2016	2015
	\$'000	\$'000
Financial liabilities associated with sale of discontinued operations¹		
Current liabilities		
At fair value: Interest rate swaps	-	32,310
	-	32,310

¹ Relates to amounts that were expected to be repaid upon the sale of discontinued operations. Refer to Note 24 for details of discontinued operations.

Recognition and measurement

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including forward foreign exchange contracts, interest rate caps, interest rate swaps, and cross currency swaps. Derivative financial instruments are also used to manage exposure to electricity and environmental commodity price and production risks.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the statement of other comprehensive income as the derivatives are designated and effective as a hedging instrument; in which event the timing of the recognition in the income statement depends on the nature of the hedge relationship. The company's risk management strategies and hedge documentation are aligned with the requirements of AASB 9 and the derivative contracts are thus treated as continuing hedges.

17. Fair value hierarchy

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Derivative financial instruments
- Investment in financial assets

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels prescribed under the accounting standards:

Level 1: the fair value of financial instruments traded in active markets is based on quoted market prices (unadjusted) at end of the reporting period. The Group does not hold level 1 financial instruments.

Level 2: the fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. All significant inputs required to fair value an instrument are observable. This is the case for the Group's derivative financial instruments.

Level 3: one or more of the significant inputs to determine the fair value of financial instruments are not based on observable market data (unobservable inputs).

The following tables present the Group's financial assets and financial liabilities measured and recognised at fair value.

As at 30 June 2016

Recurring fair value measurements

Assets

Derivative financial instruments

Interest rate caps – Woodlawn

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Interest rate caps – Woodlawn	-	8	-	8
Derivative margins	-	80	-	80
Electricity options	-	399	-	399
Total assets	-	487	-	487

Derivative margins

Electricity options

Total assets

Liabilities

Derivative financial instruments

Interest rate swaps – Global Facility

Interest rate swaps – Global Facility	-	100,800	-	100,800
Total liabilities	-	100,800	-	100,800

Total liabilities

17. Fair value hierarchy (continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2015				
Recurring fair value measurements				
Assets				
Derivative financial instruments				
Interest rate cap – Woodlawn	-	53	-	53
Production hedge	-	-	566	566
Total assets	-	53	566	619
Liabilities				
Derivative financial instruments				
Interest rate swaps – Global Facility	-	99,346	-	99,346
Total liabilities	-	99,346	-	99,346

There were no transfers between levels 1 and 2, and between levels 2 and 3 financial instruments for recurring fair value measurements during the year. The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2016.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

a) Valuation techniques used to determine Level 2 fair values

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps calculated as the present value of the estimated future cash flows based on observable yield curves; and
- Using Black-Scholes valuation models in conjunction with quoted market prices or dealer quotes for similar instruments.

Where such information is not available, the Group considers information from a variety of sources including:

- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalisation rate derived from an analysis of market evidence.

17. Fair value hierarchy (continued)

b) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in Level 3 items. It is not possible to determine the fair value of these financial instruments using quoted prices or observable market data.

Production hedge	2016 \$'000	2015 \$'000
Opening balance at 1 July	566	-
Acquisitions		755
Amortisation	(566)	(189)
Closing balance at 30 June	-	566

Key estimate: fair value

The fair value of the financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group or the Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date. These instruments are classified in the level 2 fair value hierarchy (refer to Note 17 (a)).

The carrying amounts of trade receivables and payables are assessed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group or the Trust for similar financial instruments.

18. Financial risk management

The Group and the Trust are exposed to the following key financial risks.

Risk	Exposure arising from	Risk monitoring	Management
1) Market risk – interest rate risk	Long-term non-hedged borrowings at floating interest rates	Cash flow forecasting Sensitivity analysis	Interest rate derivatives
2) Market risk – Electricity and environmental certificate price risk	Trading of electricity and environmental certificates	Sensitivity analysis	Power purchase agreements and contracted environmental certificate agreements Electricity derivatives (ASX futures, options)
3) Foreign exchange risk	Investments and borrowings denominated in USD and EUR	Sensitivity analysis	Foreign exchange derivatives Foreign currency prepayments of foreign denominated debts USD and EUR denominated cash holdings
4) Credit risk and counterparty risk	Cash and cash equivalents; deposits with banks; derivative financial instruments; trade receivables; forward contracts	Credit ratings Ageing analysis	Letters of credit; diversification of the customer portfolio which comprises contracted and non-contracted electricity; liquid funds held with large financial institutions with high credit ratings, credit monitoring
5) Liquidity risk	Long-term borrowings and other liabilities	Monitoring actual and forecast cash flows Matching maturity profiles of financial assets and liabilities	Maintaining adequate reserves, banking and borrowing facilities
6) Capital risk	Invested capital	Debt covenant ratio forecasting and sensitivity analysis	Dividend and distribution policy

18. Financial risk management (continued)

The Group's and the Trust's risk management is carried out by a central treasury function (corporate treasury). The Group's or the Trust's corporate treasury:

- operates under the treasury policies approved by the Board which provide a framework for managing and mitigating the overall financial risks of the Group or the Trust;
- identifies, evaluates and hedges certain financial risks in close co-operation with the Group's or the Trust's operating units; and
- focuses on the unpredictability of financial markets and seeks to manage potential adverse effects on the financial performance of the Group or the Trust.

The Group's or the Trust's treasury policy specifically does not authorise any form of speculative trading. Derivatives are exclusively used for risk management or hedging purposes, not as trading or other speculative instruments.

There have been no changes to the type or class of financial risks the Group is exposed to since the prior year.

1) Market risk – interest rate risk

Nature of interest rate risk

The Group's income and operating cash flows are exposed to the risk of changes in market interest rates primarily relating to the Group's unhedged debt obligations that have floating interest rates.

Interest rate risk management

To manage interest rate exposure, the Group fixes a portion of the floating rate borrowings by entering into interest rate swaps in which the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts, and interest rate caps in which the Group protects itself from rates increasing above a cap whilst still benefitting from lower interest rates under a cap. In undertaking this strategy the Group is willing to forgo a percentage of the potential economic benefit that would arise in a falling interest rate environment, in order to partially protect against downside risks of increasing interest rates and to secure a greater level of predictability for cash flows.

The effect on the Group's net result is largely due to the Group's exposure to interest rates on its non-hedged variable rate borrowings. The effect on hedge reserve is due to the effective portion of the change in fair value of derivatives that are designated as cash flow hedges.

A high percentage of the face value of debt in each of the relevant currencies is hedged using interest rate derivatives. The table below shows a breakdown of the Group's notional principal amounts.

The Trust has a small amount of cash balances. Interest earnings on these cash balances are affected when interest rates move.

Exposure

As at reporting date, the Group had the following financial assets and liabilities, with exposure to interest rate risk. There was no ineffectiveness to be recorded from the cash flow hedges.

18. Financial risk management (continued)

- *Outstanding pay fixed / receive floating interest rate hedging*

	Average contracted fixed interest rate		Notional principal amount		Fair value	
	2016 %	2015 %	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Fixed swap – AUD – Global Facility	6.82	6.82	394,912	411,886	(67,353)	(83,733)
Fixed swap/cap – AUD – Woodlawn	3.98	3.98	14,804	16,496	8	53
Fixed swap – US dollar – Global Facility	5.36	5.33	138,814	173,846	(30,541)	(15,613)
			548,530	602,228	(97,886)	(99,293)

- *Bank debt*

Global Facility debt is denominated in AUD, USD and EUR and the floating rate debt is re-priced every 6 months.

- AUD debt is priced using the 6 month BBSY rate plus the defined facility margin.
- EUR debt is priced using the 6 month EURIBOR rate plus the defined facility margin.
- USD debt is priced using the 6 month LIBOR rate plus the defined facility margin.

50% of the Woodlawn Project Finance debt is re-priced quarterly using the 3 month BBSY (AUD) rate plus the defined facility margin, and 50% is fixed for ten years at 3.7575% plus the defined facility margin.

The current debt rates detailed in the tables below are not inclusive of the facility margins.

Floating rate debt

	Average floating interest rate		Debt principal amount	
	2016 %	2015 %	2016 \$'000	2015 \$'000
AUD debt – Global Facility	2.53	2.31	136,115	119,141
AUD debt – Woodlawn	2.37	2.20	4,659	6,205
EUR debt – Global Facility	(0.04)	0.05	20,834	30,834
USD debt – Global Facility	0.83	0.45	16,980	12,274
			178,588	168,454

18. Financial risk management (continued)

Fixed rate debt

	Average fixed interest rate		Debt principal amount		% of debt hedged	
	2016 %	2015 %	2016 \$'000	2015 \$'000	2016 %	2015 %
AUD debt – Global Facility	6.82	6.82	394,912	411,886	74	78
AUD debt – Woodlawn	3.85	3.10	35,239	39,197	88	86
USD debt – Global Facility	5.36	5.33	138,814	173,846	89	93
			568,965	624,929		
Total debt	6.28	6.17	747,552	793,383	76	79

The current average interest rate (floating rate debt and fixed rate debt), pre-margin across all facilities is 6.29% (2015: 6.17%). The current average margin across all facilities is 126 basis points (2015: 127 basis points).

Sensitivity

The Group's sensitivity of net result before tax and equity to interest rate movement has been determined based on the exposure to interest rates at the reporting date. A sensitivity of 100 basis points has been selected across the 3 currencies to which the Group is exposed to floating rate debt: AUD, EUR and USD. The 100 basis points sensitivity is determined to be reasonable as it is assessed to be flat across the yield curve.

The Trust's sensitivity of net loss before tax and equity to interest rate movement has been determined based on the exposure to interest rates at the reporting date. A sensitivity of 100 basis points has been selected. The 100 basis points sensitivity is determined to be reasonable as it is assessed to be flat across the yield curve.

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		2016 AUD \$'000	AUD +100 bps	AUD -100 bps	EUR +100 bps	EUR -100 bps	USD +100 bps	USD -100 bps
Effect on income statement								
Cash	AUD	21,880	219	(219)	-	-	-	-
	USD	107,250	-	-	1,073	(1,073)	-	-
	EUR	18,472	-	-	-	-	185	(185)
		147,602						
Borrowings	AUD	531,027	(1,361)	1,361	-	-	-	-
	EUR	20,834	-	-	(208)	(9)	-	-
	USD	155,793	-	-	-	-	(170)	142
Woodlawn	AUD	39,898	(47)	47	-	-	-	-
		747,552						
Capitalised loan cost	AUD	3,032	30	(30)	-	-	-	-
	USD	2,030	-	-	-	-	20	(20)
		5,062						

18. Financial risk management (continued)

		2016	AUD	AUD	EUR	EUR	USD	USD
		AUD \$'000	+100 bps	-100 bps	+100 bps	-100 bps	+100 bps	-100 bps
Derivatives –	AUD	67,353	674	(674)	-	-	-	-
interest rate swaps	USD	30,541	-	-	-	-	305	(305)
		97,894						
Derivatives – interest								
rate caps	AUD	8	-	-	-	-	-	-
Total income statement			(485)	485	865	(1,082)	340	(368)
Effect on hedge reserve								
Derivatives –	AUD	394,912	3,949	(3,949)	-	-	-	-
interest rate swaps	USD	138,814	-	-	-	-	1,388	(1,388)
Total hedge reserve			3,949	(3,949)	-	-	1,388	(1,388)
Total effect on equity			3,464	(3,464)	865	(1,082)	1,728	(1,756)

		2015	AUD	AUD	EUR	EUR	USD	USD
		AUD \$'000	+100 bps	-100 bps	+100 bps	-100 bps	+100 bps	-100 bps
Effect on income statement								
Cash	AUD	16,648	166	(166)	-	-	-	-
	EUR	19,619	-	-	196	(10)	-	-
	USD	8,915	-	-	-	-	89	(40)
		45,182	-	-	-	-	-	-
Borrowings	AUD	531,027	(1,191)	1,191	-	-	-	-
	EUR	30,834	-	-	(308)	15	-	-
	USD	186,120	-	-	-	-	(123)	55
Woodlawn	AUD	45,402	(62)	62	-	-	-	-
Capitalised loan								
cost	AUD	4,036	-	-	-	-	-	-
	USD	2,464	-	-	-	-	-	-
		799,883	-	-	-	-	-	-
Derivatives –								
interest rate swaps	AUD	83,733	1,491	(1,491)	-	-	-	-
	USD	15,613	-	-	-	-	-	-
Derivatives –								
interest rate caps	AUD	53	111	(46)	-	-	-	-
Total income statement			515	(450)	(112)	5	(34)	15



18. Financial risk management (continued)

		2015	AUD	AUD	EUR	EUR	USD	USD
		AUD \$'000	+100 bps	-100 bps	+100 bps	-100 bps	+100 bps	-100 bps
Effect on hedge reserve								
Derivatives –								
interest rate swaps	AUD	411,886	15,168	(16,137)	-	-	-	-
	USD	173,846	-	-	-	-	9,006	(9,656)
Total hedge reserve			15,168	(16,137)	-	-	9,006	(9,656)
Total effect on equity			15,683	(16,587)	(112)	5	8,972	(9,641)

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		AUD	AUD	AUD
		\$'000	+100 bps	-100 bps
2016				
Impact on income statement				
Cash		405	4	(4)
2015				
Impact on income statement				
Cash		399	4	(4)

2) Market risk – Electricity and environmental certificates price risk

Nature of price risk

The Group's electricity and environmental certificates are exposed to the risk of changes in the market prices arising from the sale of electricity and environmental certificates to utility companies, an industrial customer and to wholesale markets in the regions it operates and sells in Australia. A decrease in the electricity or environmental certificate price reduces revenue earned.

Price risk management

To mitigate the financial risks of electricity and environmental certificate prices falling, the Group has entered into power purchase agreements and green product purchase agreements to partially contract the sale price of the electricity and environmental certificates it produces.

In undertaking this strategy of contracting a percentage of its electricity and environmental certificate sales, the Group is willing to forgo a percentage of the potential economic benefit that would arise in an increasing electricity and environmental certificate price environment, to protect against downside risks of decreasing electricity and environmental certificate prices; thereby securing a greater level of predictability of cash flows.

Sensitivity

The following table details the Group's pre-tax sensitivity to a 10% change in the electricity and environmental certificate price, with all other variables held constant as at the reporting date, for its exposure to the electricity and environmental certificates markets.



18. Financial risk management (continued)

A sensitivity of 10% has been selected given the current level of electricity and environmental certificate prices and the volatility observed on an historic basis and market expectations for future movement.

Consolidated	Electricity and LGC	Electricity and LGC
	Price +10%	Price -10%
AUD \$'000		
2016		
Income statement	8,550	(8,550)
2015		
Income statement	4,799	(4,799)

3) Foreign exchange risk

Nature of foreign exchange risk

The Group is exposed to the following foreign exchange risk.

USD debt foreign exchange risk

A decline in value of the AUD versus the USD would increase the AUD equivalent value of the Group's USD debt. The Group has residual USD debt of USD116 million (FY15: USD143 million) that is not offset by earnings from any operational USD assets, although in the short term the Group maintains a USD cash balance of 79.9 million.

EUR debt foreign exchange risk

A decline in value of the AUD versus the EUR would increase the AUD equivalent value of the Group's EUR debt. The Group has residual Euro debt of EUR14 million (FY15: EUR21 million) that is not offset by earnings from any operational EUR assets, although in the short term the Group maintains a EUR cash balance of 12.4 million.

18. Financial risk management (continued)

Foreign exchange risk management and exposure

The table below splits out the P&L and equity movements of the EUR and USD exposure:

	EUR exposure	USD exposure ¹	Foreign exchange gain / loss movement	Gain taken to P&L	Gain equity – hedge accounted
	EUR€'000	USD\$'000	AUD\$'000	AUD\$'000	AUD\$'000
2016					
Global Facility Debt	(14,009)	(116,175)	(4,955)	(4,955)	-
Cash	12,420	79,976	3,497	3,497	-
	(1,589)	(36,199)	(1,458)	(1,458)	-
2015					
Global Facility Debt	(64,298)	-	(542)	(542)	-
Cash from discontinued operations	43,127	-	-	-	-
Cash	13,471	-	114	114	-
	(7,700)	-	(428)	(428)	-

The Group has a multi-currency corporate debt facility and where practicable aims to ensure the majority of its debt and expenses are denominated in the same currency as the associated revenue and investments. The Group's balance sheet exposure to foreign currency risk at the reporting date is shown below. This represents the EUR and USD assets and liabilities the Group holds translated to the AUD functional currency.

Foreign currency (AUD'000)	2016		2015	
	EUR	USD	EUR	USD
Cash	18,472	107,250	19,491	8,829
Short term intercompany loans	-	-	46,011	62,270
Interest rate swap	-	40,231	-	-
Net investment in foreign operations	-	-	9,860	403,344
Trade payables	-	-	-	(443)
Borrowings	(20,834)	(155,793)	(30,835)	-
Total exposure (foreign currency AUD'000)	(2,362)	(8,312)	44,527	474,000

Sensitivity

The following table details the Group's pre-tax sensitivity to a 10 percent change in the AUD against the USD and the EUR, with all other variables held constant, as at the reporting date, for its unhedged foreign exchange exposure.

¹ In FY15 Infigen US debt exposure was mitigated by its US operations. The sale of the US business in FY16 has resulted in USD exposure.

A sensitivity of 10 percent has been selected as this is determined to be a reasonable measure for assessing the effect of exchange rate movements.

18. Financial risk management (continued)

Consolidated AUD'000	AUD/EUR	AUD/EUR	AUD/USD	AUD/USD
	+ 10 %	- 10%	+ 10%	- 10%
2016				
Income statement	(236)	236	(4,854)	4,854
Foreign currency translation reserve	-	-	-	-
2015				
Income statement	(3,467)	3,467	(7,065)	7,065
Foreign currency translation reserve	(986)	986	(40,334)	40,334

4) Credit risk and counterparty risk

Nature of credit risk

The Group's risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Trust arises from cash and cash equivalents, derivative financial instruments and deposits with banks, as well as credit exposures to customers.

Credit risk management

The Group's exposure is regularly monitored and the aggregate value of transactions is spread among creditworthy counterparties. The Group's credit risk on liquid funds and derivative financial instruments is limited because the counterparties are:

- banks with high credit ratings assigned by international credit-rating agencies at above investment grade, or
- utilities with appropriately enforced and sized trading limits having regard to international credit ratings and performance security.

Exposure

The Trust has credit risk exposure to other members of the Group.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties due to contracts being settled on a monthly and quarterly basis.

The carrying amount of financial assets, recorded in the financial statements, represents the Group's maximum exposure to credit risk.

The Trust's carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents its maximum exposure to credit risk.

18. Financial risk management (continued)

Infigen Energy Group

Consolidated	Within credit terms	Past due but not impaired	Impaired	Description
	\$'000	\$'000	\$'000	
2016				
Bank deposits	147,602	-	-	Credit rating investment grade Small number of Australian off take
Trade receivables	15,740	-	-	counterparties
Other current receivables	252	-	-	Sale settlement period
Amounts due from related parties (associates)	1,019	-	-	Loan to associated entities
2015				
Bank deposits	43,710	1,472 ¹	-	Credit rating investment grade Small number of Australian off take
Trade receivables	15,483	-	-	counterparties
Other current receivables	55,760	-	-	Sale settlement period
Amounts due from related parties (associates)	842	-	-	Loan to associated entities

Infigen Energy Trust Group

Consolidated	Within credit terms	Past due but not impaired	Impaired	Description
	\$'000	\$'000	\$'000	
2016				
Bank deposits	405	-	-	Credit rating investment grade
Loans to related parties	-	-	568,446 ²	Amount receivable at the discount rate after the unwinding of discount
	405	-	568,446	
2015				
Bank deposits	399	-	-	Credit rating investment grade
Loans to related parties	-	-	743,300	Due from Group members (other than IET)
Impairment	-	-	(205,300)	Impairment arising from discontinued operations
	399	-	538,000	Amount receivable at the discount rate

¹ Cash held in escrow in relation to German wind asset sale.

² Refer to Note 31 for the contractual amount due from Group members other than IET

18. Financial risk management (continued)

5) Liquidity risk

Nature of liquidity risk

The Group's risk that its assets cannot be traded quickly enough in the market to prevent a loss or make a profit stems primarily from long-term borrowings and derivative contracts.

Liquidity risk management

The Group and the Trust manage liquidity risks by maintaining adequate reserves and banking facilities by regularly monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Exposure

The tables below set out the Group's and the Trust's financial assets and financial liabilities at balance sheet date and places them into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

The tables include the Group's forecast contractual repayments under the Global Facility and the Woodlawn Project Finance facility. From 1 July 2010 the Global Facility terms provide that net cash flows from the entities included in the Global Facility borrower group be applied to repay amounts outstanding under the Global Facility. WWCS Finance Pty Ltd, an Excluded Company for the purposes of the Global Facility, is the borrower under the Woodlawn Project Finance facility.

For interest rate swaps and interest rate caps, the cash flows have been estimated using forward interest rates applicable at the reporting date.

Infigen Energy Group

	Up to 12 months	1 to 5 years	After 5 years	Total contractual cash flows
	\$'000	\$'000	\$'000	\$'000
2016				
Global Facility debt and interest	87,928	231,922	406,792	726,642
Woodlawn facility debt and interest	6,514	28,365	15,259	50,138
Interest rate swaps payable – Global Facility	16,006	57,471	30,417	103,894
Interest rate cap receivable	-	6	2	8
Trade and other payables (Note 12)	17,356	-	-	17,356

18. Financial risk management (continued)

	Up to 12 months	1 to 5 years	After 5 years	Total contractual cash flows
	\$'000	\$'000	\$'000	\$'000
2015				
Global Facility debt and interest	53,093	288,106	528,317	869,516
Woodlawn facility debt and interest	13,317	31,664	9,407	54,388
Interest rate swaps payable – Global Facility	31,160	61,875	11,997	105,032
Interest rate cap receivable	-	(31)	(28)	(59)
Trade and other payables (Note 12)	28,981	-	-	28,981
Liabilities associated with sale of discontinued operations				
Global Facility debt and interest	246,199	-	-	246,199
Interest rate swaps payable – Global Facility	32,310	-	-	32,310

Infigen Energy Trust Group

Consolidated	Up to 12 months	1 to 5 years	Over 5 years	Total contractual cash flows
	\$'000	\$'000	\$'000	\$'000
2016				
Amounts due to related parties	4,858	-	-	4,858
2015				
Amounts due to related parties	4,179	-	-	4,179

6) Capital risk

Nature of capital risk

The Group's and the Trust's risk that it may lose all or part of capital invested stems from the Group's ability to meet debt repayments and other financial obligations. The capital structure of the Group consists of debt finance facilities as listed in Note 15, and equity, comprising issued capital, reserves and retained earnings as listed in Notes 19, 20 and 21 respectively.

Capital risk management

The Group's and Trust's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can generate value for security holders and unitholders and benefits for other stakeholders and to maintain an appropriate capital structure to minimize the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Trust may adjust the amount of distributions or dividends paid to security holders / unitholders, return capital to security holders, buy back existing securities, issue new securities or sell assets to reduce debt, subject to any restrictions in the Group's debt facilities.

Through the year to 30 June 2016, the Group has had to maintain the following ratios in regards to compliance with its various facilities:

Global Facility – Leverage ratio, Net Debt / EBITDA¹; WWCS Finance Pty Ltd, Woodlawn project finance facility – Debt service coverage ratio (DSCR)

The Group has maintained its various banking financial covenant ratios during FY16 & FY15.

¹ Refer to Note 15(i) – Borrowings.

EQUITY

19. Contributed equity

	Infigen Energy Group				Infigen Energy Trust Group			
	2016 No.	2016 \$'000	2015 No.	2015 \$'000	2016 No.	2016 \$'000	2015 No.	2015 \$'000
Fully paid stapled securities/units								
Opening balance	767,888	763,169	764,993	762,460	767,888	754,603	764,993	753,894
Issue of securities	4,581	1,145	2,895	709	4,581	1,145	2,895	709
Closing balance	772,469	764,314	767,888	763,169	772,469	755,748	767,888	754,603
Attributable to:								
Equity holders of the parent			2,305	2,305				
Equity holders of the other stapled securities (non-controlling interests)			762,009	760,864				
			764,314	763,169				

Stapled securities are classified as equity. Holders of stapled securities are entitled to receive dividends from IEL and IEBL, distributions from IET and are entitled to one vote per stapled security at securityholder meetings. The holder is also entitled to participate in the proceeds on winding up of the stapled entities in proportion to the number of and amounts paid on the securities held.

20. Reserves

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Foreign currency translation	-	(6,774)
Hedging	(62,622)	(70,239)
Acquisition	(47,675)	(47,675)
Share-based payment	3,846	4,207
	(106,451)	(120,481)
Attributable to:		
Equity holders of the parent	(106,451)	(120,481)
Equity holders of the other stapled securities (non-controlling interests)	-	-
	(106,451)	(120,481)



20. Reserves (continued)

a) Foreign currency translation reserve

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Balance at beginning of financial year	(6,774)	(45,867)
Movements increasing / (decreasing) recognised:		
Translation of foreign operations	6,774	39,093
Balance at end of financial year	-	(6,774)

Exchange differences arising on translation of foreign currency of foreign controlled entities are taken to the foreign currency translation reserve. The reserve is recognised in profit and loss when the net investment is disposed of.

b) Hedging reserve

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Balance at beginning of financial year	(70,239)	(102,301)
Movement increasing / (decreasing) recognised:		
Interest rate swaps	1,451	31,593
Foreign exchange contracts	(86)	-
Deferred tax arising on hedges	6,252	469
Balance at end of financial year	(62,622)	(70,239)

The hedging reserve is used to record movements on a hedging instrument in a cash flow hedge that are recognised directly in equity. The gain or loss from re-measuring the hedging instruments at fair value is deferred in equity in the hedging reserve, to the extent that the hedge is effective, and reclassified into profit and loss when the hedged interest expense is recognised. The ineffective portion is recognised in the income statement immediately.

c) Acquisition reserve

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Balance at the beginning and end of the financial year	(47,675)	(47,675)

The acquisition reserve relates to the acquisition of non-controlling interests in entities over which the Group already exerted control. Therefore, the acquisition of these non-controlling interests did not result in a change of control but was an acquisition of the interests held by minority shareholders.

These transactions are treated as transactions between owners of the Group. The difference between the purchase consideration and the amount by which the non-controlling interest is adjusted, has been recognised in the acquisition reserve.



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20. Reserves (continued)

d) Share-based payment reserve

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Balance at beginning of financial year	4,207	3,622
Share-based payments expense	536	720
Issue of shares / bonus provision transfer	(897)	(135)
Balance at end of financial year	3,846	4,207

The share-based payments reserve is used to recognise the fair value of performance rights/units issued to employees but not vested. Refer Note 32 for further detail.

21. Retained earnings

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Balance at beginning of financial year	(381,784)	(78,181)	(220,383)	(14,394)
Net profit / (loss) attributable to stapled security holders	4,486	(303,603)	28,628	(205,989)
Balance at end of financial year	(377,298)	(381,784)	(191,755)	(220,383)
Attributable to:				
Equity holders of the parent	(353,125)	(358,690)	(191,755)	(220,383)
Equity holders of the other stapled securities (non-controlling interests)	(24,173)	(23,094)	-	-
	(377,298)	(381,784)	(191,755)	(220,383)

22. Distributions

Infigen Energy Group

Ordinary shares

Final and interim distributions in respect of the years ended 30 June 2015 and 30 June 2016 were nil cents per stapled security.

Franking credits

The parent entity has franking credits of \$6,228,093 as at 30 June 2016 (2015: \$6,228,093).

Infigen Energy Trust Group

Distributions in respect of the years ended 30 June 2015 and 30 June 2016 were nil.



GROUP STRUCTURE

23. Investment in associates and joint ventures

a) Movements in carrying amounts

Carrying amount at the beginning of the year	452	96,292
Additions	781	-
Share of profits / (losses) after income tax	25	12,726
Distributions received	-	(9,129)
Effects of exchange rate changes	-	20,794
Investment in associates and joint ventures of discontinued operations	-	(120,231)
Carrying amount at the end of the year	1,258	452

Infigen Energy Group	
2016	2015
\$'000	\$'000
452	96,292
781	-
25	12,726
-	(9,129)
-	20,794
-	(120,231)
1,258	452

	Place of business / country of incorporation	Ownership interest ¹ %		Nature of relationship	Measurement method
		30 June 2016	30 June 2015		
30 June 2016					
Australian associate and joint venture entities	Australia	32%-50%	32%-50%	Associates and joint ventures	Equity method

¹ Share capital consists solely of ordinary shares, which are held directly by the Group

The Australian associate and joint venture entities hold interests in renewable energy development projects.

From 22 December 2015, the Group holds 50% of the shares in Bodangora Wind Farm Pty Ltd and Forsayth Wind Farm Pty Ltd.

All associates and joint ventures are private entities and therefore no quoted security prices are available.

b) Contingent liabilities in respect of associates and joint ventures

There are no contingent liabilities in respect of associates and joint ventures as at 30 June 2016 (30 June 2015: nil).

23. Investment in associates and joint ventures (continued)

Recognition and measurement

The Group's investment in associates and joint ventures is accounted for in the consolidated financial statements using the equity method. Under this method, the investment in associates and joint ventures is carried in the consolidated balance sheet at cost.

c) Summarised financial information of associates and joint ventures

The Group's share of the results of its associates and joint ventures are as follows:

	Group's share of:		
	Net assets \$'000	Revenues \$'000	Share of profit \$'000
Year ended 30 June 2016			
Australian associate and joint venture entities	1,258	-	25
	1,258	-	25
Year ended 30 June 2015			
Australian associate and joint venture entities	452	-	(66)
	452	-	(66)



24. Discontinued operations

On 26 June 2015, the Group announced that it had agreed to sell Infigen Energy US Development LLC (the holding company for the Group's US solar development assets) to a third party. Completion of that sale transaction to a wholly owned subsidiary of SunPower Corporation occurred on 27 July 2015.

On 15 July 2015, the Group announced that it had agreed to sell Infigen Energy US LLC and Infigen Energy US JE LLC (the holding companies for the Group's US wind business) to a portfolio company affiliated with ArLight Capital Partners, LLC. That transaction was completed on 28 October 2015.

The US solar development assets were reported as discontinued operations (disposal) and the US wind business was reported as discontinued operations (disposal group classified as held for sale) in the financial statements for the year ended 30 June 2015. Financial information relating to the discontinued operations from 1 July 2015 to the date of disposal is set out below.

a) Financial performance

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Revenue	-	132,504
Income from institutional equity partnerships	-	61,804
Other gains	802	48,539
Finance costs	-	(54,591)
Other expenses	-	(154,381)
Impairment loss recognised on the re-measurement to fair value less cost to sell	-	(284,456)
Finance costs relating to institutional equity partnerships	-	(24,697)
Profit / (loss) before income tax from discontinued operations	802	(275,278)
Income tax expense	(3,349)	(9,893)
Loss from discontinued operations	(2,547)	(285,171)
<i>Other comprehensive income – movements through equity</i>		
Exchange differences on translation of foreign operations	6,774	39,093
Changes in fair value of cash flow hedges, net of tax	-	33,046
Other comprehensive income / (loss) for the year net of tax arising from discontinued operations	6,774	72,139
Total comprehensive income / (loss) for the year net of tax arising from discontinued operations	4,227	(213,032)



Notes to the consolidated financial statements
For the year ended 30 June 2016

24. Discontinued operations (continued)

Assets and liabilities of disposal group held for sale:

	2016 \$'000	2015 \$'000
Assets		
Cash and cash equivalents	-	9,237
Investment in financial assets	-	95,478
Property, plant and equipment & Investment in associates and joint ventures	-	1,158,856
Other assets	-	23,269
Total assets of disposal group classified as held for sale	-	1,286,840
Liabilities		
Borrowings	-	57,274
Institutional equity partnerships classified as liabilities	-	870,354
Other liabilities	-	37,651
Total liabilities of disposal group classified as held for sale	-	965,279

25. Subsidiaries

Subsidiaries are all those entities over which the Group or the Trust has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group or the Trust controls another entity. Following completion of the sale of the US business on 28 October 2015, the US subsidiaries that have been classified as discontinued operations are no longer part of the Group.

Name of entity	Country of incorporation	Ownership interest	
		2016	2015
Parent entity			
* Infigen Energy Limited	Australia		
Other stapled entities			
Infigen Energy (Bermuda) Limited	Bermuda		
Infigen Energy Trust	Australia		
Subsidiaries of the parent and other stapled entities			
BBWP Holdings (Bermuda) Limited	Bermuda	100%	100%
* Bogan River Solar Farm Pty Ltd	Australia	100%	-
* Capital East Solar Pty Limited	Australia	100%	100%
* Capital Solar Farm Pty Limited	Australia	100%	100%
* Capital Wind Farm (BB) Trust	Australia	100%	100%
* Capital Wind Farm 2 Pty Limited	Australia	100%	100%
** Capital Wind Farm Holdings Pty Limited	Australia	100%	100%
* Cherry Tree Wind Farm Pty Ltd	Australia	100%	100%
* CREP Land Holdings Pty Limited	Australia	100%	100%
* CS CWF Trust	Australia	100%	100%
* Flyers Creek Wind Farm Pty Ltd	Australia	100%	100%
Infigen Energy (Malta) Limited	Malta	100%	100%
* Infigen Energy (US) Pty Limited	Australia	100%	100%
* Infigen Energy (US) 2 Pty Limited	Australia	100%	100%
* Infigen Energy Custodian Services Pty Limited	Australia	100%	100%
* Infigen Energy Development Holdings Pty Limited	Australia	100%	100%
* Infigen Energy Development Pty Ltd	Australia	100%	100%
* Infigen Energy Europe Pty Limited	Australia	100%	100%
* Infigen Energy Europe 2 Pty Limited	Australia	100%	100%
* Infigen Energy Europe 3 Pty Limited	Australia	100%	100%
* Infigen Energy Europe 4 Pty Limited	Australia	100%	100%
* Infigen Energy Europe 5 Pty Limited	Australia	100%	100%
* Infigen Energy Finance (Australia) Pty Limited	Australia	100%	100%
* Infigen Energy Finance (Germany) Pty Limited	Australia	100%	100%
Infigen Energy Finance (Lux) SARL	Luxembourg	100%	100%
* Infigen Energy Germany Holdings Pty Limited	Australia	100%	100%
* Infigen Energy Germany Holdings 2 Pty Limited	Australia	100%	100%
* Infigen Energy Germany Holdings 3 Pty Limited	Australia	100%	100%
* Infigen Energy Holdings Pty Limited	Australia	100%	100%
Infigen Energy Holdings SARL	Luxembourg	100%	100%
* Infigen Energy Investments Pty Limited	Australia	100%	100%

Notes to the consolidated financial statements
For the year ended 30 June 2016

Name of entity	Country of incorporation	Ownership interest	
		2016	2015
* Infigen Energy Markets Pty Limited	Australia	100%	100%
* Infigen Energy Niederrhein Pty Limited	Australia	100%	100%
* Infigen Energy RE Limited	Australia	100%	100%
* Infigen Energy Services Holdings Pty Limited	Australia	100%	100%
* Infigen Energy Services Pty Limited	Australia	100%	100%
* Infigen Energy T Services Pty Limited	Australia	100%	100%
Infigen Energy US Corporation	USA	100%	100%
Infigen Energy US Holdings LLC	USA	100%	100%
~ Infigen Energy US Development Corporation	USA	100%	-
* Infigen Energy US Holdings Pty Limited	Australia	100%	100%
Infigen Energy US Partnership	USA	100%	100%
*# Lake Bonney Holdings Pty Limited	Australia	100%	100%
* Lake Bonney 2 Holdings Pty Limited	Australia	100%	100%
* Lake Bonney Wind Power Pty Limited	Australia	100%	100%
* Lake Bonney Wind Power 2 Pty Limited	Australia	100%	100%
* Lake Bonney Wind Power 3 Pty Limited	Australia	100%	100%
* Manildra Solar Farm Pty Limited	Australia	100%	100%
* NPP LB2 LLC	USA	100%	100%
* NPP Projects I LLC	USA	100%	100%
* NPP Projects V LLC	USA	100%	100%
* NPP Walkaway Pty Limited	Australia	100%	100%
* NPP Walkaway Trust	Australia	100%	100%
* Renewable Energy Constructions Pty Limited	Australia	100%	100%
*# Renewable Power Ventures Pty Ltd	Australia	100%	100%
* RPV Investment Trust	Australia	100%	100%
* Walkaway (BB) Pty Limited	Australia	100%	100%
* Walkaway (CS) Pty Limited	Australia	100%	100%
*# Walkaway Wind Power Pty Limited	Australia	100%	100%
* Woakwine Wind Farm Pty Ltd	Australia	100%	100%
* Woodlawn Wind Pty Ltd	Australia	100%	100%
* WWCS Finance Pty Limited	Australia	100%	100%
* WWCS Holdings Pty Limited	Australia	100%	100%
*# WWP Holdings Pty Limited	Australia	100%	100%
Subsidiaries of the Trust			
CS Walkaway Trust	Australia	100%	100%
Walkaway (BB) Trust	Australia	100%	100%

* Denotes a member of the IEL tax consolidated group

Entered into a class order 98/1418 and related deed of cross guarantee with Infigen Energy Limited removing the requirement for the preparation of separate financial statements where preparation of a separate financial statement is required (refer Note 26)

~ Incorporated on 8 June 2015

26. Deed of cross guarantee

Set out below is a consolidated statement of comprehensive income and balance sheet, comprising Infigen Energy Limited and its controlled entities which are parties to the Deed of Cross Guarantee (refer Note 25), after eliminating all transactions between parties to the Deed.

The Deed of Cross Guarantee was executed on 18 June 2012.

a) Consolidated statements of comprehensive income

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Revenue from continuing operations	71,896	75,888
Operating expenses	(15,091)	(13,659)
Depreciation and amortisation expense	(23,127)	(21,320)
Impairment expense	-	(254,300)
Interest expense	(19,970)	(21,932)
Other finance costs	(4,845)	(17,801)
Net profit / (loss) before income tax	8,863	(253,124)
Income tax expense	(10,435)	(5,804)
Net profit / (loss) after income tax	(1,572)	(258,928)
Loss from discontinued operations	-	-
Net profit / (loss) for the year	(1,572)	(258,928)
<i>Other comprehensive income – movements through equity</i>		
Changes in the fair value of cash flow hedges, net of tax	-	-
Total comprehensive income / (loss) for the year, net of tax	(1,572)	(258,928)

26. Deed of cross guarantee (continued)

b) Consolidated balance sheets

	Infigen Energy Group	
	2016 \$'000	2015 \$'000
Current assets		
Cash and cash equivalents	9	9
Trade and other receivables	16,489	15,900
Inventory	9,794	1,703
Total current assets	26,292	17,612
Non-current assets		
Receivables	923,076	648,232
Shares in controlled entities	30,318	28,559
Property, plant and equipment	353,779	374,274
Deferred tax assets	48,544	53,746
Intangible assets	57,382	59,614
Total non-current assets	1,413,099	1,164,425
Total assets	1,439,391	1,182,037
Current liabilities		
Trade and other payables	1,052	7,866
Total current liabilities	1,052	7,866
Non-current liabilities		
Payables	1,666,880	1,402,960
Provisions	3,938	3,878
Total non-current liabilities	1,670,818	1,406,838
Total liabilities	1,671,870	1,414,704
Net assets	(232,479)	(232,667)
Equity		
Contributed equity	2,305	2,305
Reserves	(21,245)	(23,005)
Retained earnings	(213,539)	(211,967)
Total equity	(232,479)	(232,667)

27. Parent disclosures

a) Summary financial information

	Infigen Energy Limited	
	2016 \$'000	2015 \$'000
Assets and liabilities		
Current assets	-	675
Non-current assets	670,524	610,410
Total assets	670,524	611,085
Current liabilities	-	395
Non-current liabilities	945,403	880,239
Total liabilities	945,403	880,634
Shareholders' equity		
Issued capital	2,305	2,305
Retained earnings	(277,184)	(271,854)
	(274,879)	(269,549)
Loss for the year	(5,330)	(268,518)
Total comprehensive loss	(5,330)	(268,518)

Due to the stapled structure of IEL, IET and IEBL, the summary financial information of the parent entity shows a net liability as at 30 June 2016. When combined with the other stapled entities, the parent has positive net current assets and net total assets. Non-current liabilities of IEL are principally \$594,975,000 of long-term funding provided by IET.

b) Deed of Cross Guarantee

IEL has entered into a Deed of Cross Guarantee with the effect that the company guarantees debts in respect of certain of its subsidiaries. Further details of the Deed of Cross Guarantee and the subsidiaries subject to the deed, are disclosed in Notes 25 and 26.

Parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements.



UNRECOGNISED ITEMS

28. Commitments

a) Capital expenditure commitments

Capital expenditure commitments

Infigen Energy Group		
	2016	2015
	\$'000	\$'000
	574	1,324

Capital expenditure commitments include commitment arrangements relating to spare parts, IT projects and solar energy projects.

b) Other expenditure commitments

Repairs and maintenance

Infigen Energy Group		
	2016	2015
	\$'000	\$'000
	23,457	40,422

Other expenditure commitments relate to contractual obligations for future repairs and maintenance of the wind plant and equipment which have not been recognised as a liability.

c) Operating lease commitments

The Group leases land for its wind farms under non-cancellable operating leases expiring between 20 to 55 years. The leases have varying terms, escalation clauses and renewal rights.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Not later than 1 year
Later than 1 year and not later than 5 years
Later than 5 years

Infigen Energy Group		
	2016	2015
	\$'000	\$'000
	5,869	5,821
	20,572	21,064
	48,257	51,855
	74,698	78,740

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight line basis.



29. Contingent liabilities

Infigen Energy Group

Letters of credit

Infigen Energy Group	
2016	2015
\$'000	\$'000
1,964	1,964

Letters of credit generally relate to wind farm construction, operations and decommissioning and represent the maximum exposure. No liability was recognised by the parent entity of the Group in relation to these letters of credit, as their combined fair value is immaterial.

Deed of Cross Guarantee

Under the terms of ASIC Class Order 98/1418, certain wholly-owned controlled entities are granted relief from the requirement to prepare audited financial reports. Infigen Energy Limited has entered into an approved deed of indemnity for the cross-guarantee of liabilities with those controlled entities listed in Note 25.

Infigen Energy Trust Group

There are no contingent liabilities for the Trust as at 30 June 2016 (2015: nil).

Key estimate

The Group or the Trust has made estimates and assumptions in relation to its contingent liabilities. By their nature, the exact value of these contingent liabilities is uncertain and the Group has made estimates of their value based on the facts and circumstances known at the reporting date.

30. Events occurring after the reporting period

Since the end of the financial year, in the opinion of the directors of IEL and IERL as Responsible Entity of IET, there have not been any transactions or events of a material or unusual nature likely to affect significantly the operations or affairs of IEL and IET in future financial periods.

OTHERS

31. Related party transactions

Infigen Energy Group

At the year end the Group was owed an amount of \$1,019,156 (2015: \$842,452) from an associate, RPV Developments Pty Ltd.

Infigen Energy Trust Group

For the year ended 30 June 2016, the Trust recognised \$29.3 million (2015: nil) for the unwinding of the discount of the loan receivable from related parties recognised on 30 June 2015. As part of the long-term funding arrangements within the stapled structure, IET has loans due from other Group entities totaling \$744.4 million. The sale of the US wind business had the effect of extending the expected time to full repayment of these loans. While IET is expected to receive the full \$744.4 million contractual face value of the loans, the term of the loan has increased and this has reduced the net present value. The forecast undiscounted cash flows of the assets of the continuing operations still support the carrying value of these loans as they exceed \$744.4 million.

Under the Trust's constitution, the Responsible Entity ("RE") is entitled to a management fee of 2% per annum of the value of the gross assets of the Trust. The RE, Infigen Energy RE Limited, is a wholly owned subsidiary of IEL. The RE had previously exercised its right under the constitution to waive the fee referred to above such that it is paid a fixed fee that is increased by CPI annually. During the year ended 30 June 2016, the Trust incurred fees of \$678,326 (2015: \$668,301) from the RE.

The Trust owed the following amounts to other members of the Infigen Energy Group:

	2016 \$'000	2015 \$'000
Infigen Energy RE Limited	4,857	4,179

The Infigen Energy Trust Group was owed the following amounts by other members of the Infigen Energy Group:

	2016 \$'000	2015 \$'000
Infigen Energy Limited	594,975	593,850
Infigen Energy (Bermuda) Limited	691	691
Capital Wind Farm Holdings Pty Limited	12,960	12,960
Infigen Energy Holdings Pty Limited	105,790	105,790
Infigen Energy (US) 2 Pty Limited	30,009	30,009
Total receivables from related parties	744,425	743,300

Receivables from related parties are disclosed in Note 7. Payables to related parties are disclosed in Note 12.

Substantial shareholders

Mr P Green, a non-executive director of the Group, is a partner of TCI Advisor Services LLP ("TCI"), an advisor to an entity which has a substantial shareholding of Infigen stapled securities. Mr P Green has advised the Group that he does not have a relevant interest in those Infigen stapled securities.

32. Share-based payments

The Group provides share-based compensation benefits to certain executives of the Group via the Infigen Energy Equity Plan ("Equity Plan").

Recognition and measurement

The fair value of performance rights/units granted under the Equity Plan is measured at grant date and is recognised as an employee benefit expense over the period during which the executives become unconditionally entitled to the performance rights/units, with a corresponding increase in equity.

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	Infigen Energy Group	
	2016	2015
	\$'000	\$'000
LTI Performance rights expense in the current year	571	657
Deferred STI expense in the current year (deferred in performance rights)	365	350
Write-back prior years long-term share-based incentive expense allocation	(400)	(287)
	536	720

Additional information on award schemes

Long Term Incentive (LTI) - Employee equity plan

LTI Equity Plan arrangements

Senior Managers have received long-term incentive grants under the Equity Plan for FY14, FY15 and FY16.

Performance conditions of LTI awards granted under the Equity Plan

- In each of FY14, FY15 and FY16, plan participants received 100% performance rights or units in two tranches of equal value (**Tranche 1** and **Tranche 2**).

The measures used to determine performance and the subsequent vesting of performance rights/units are Total Shareholder Return (TSR) and an operational performance (EBITDA) test. The vesting of Tranche 1 of the performance rights/units is subject to the TSR condition, while the vesting of Tranche 2 of the performance rights/units is subject to the Operational Performance condition. The Operational Performance condition is determined by an earnings before interest, taxes, depreciation and amortisation (EBITDA) test. The FY13 Tranche 1 portion is currently being re-tested as per the scheme rules in the FY16 period.

32. Share-based payments (continued)

		Performance rights	Performance units	Period
2014	Tranche 1	TSR condition	TSR condition	1 July 2013 - 30 June 2016
	Tranche 2	Operational Performance condition	Operational Performance condition	1 July 2013 - 30 June 2016
2015	Tranche 1	TSR condition	TSR condition	1 July 2014 - 30 June 2017
	Tranche 2	Operational Performance condition	Operational Performance condition	1 July 2014 - 30 June 2017
2016	Tranche 1	TSR condition	TSR condition	1 July 2015 - 30 June 2018
	Tranche 2	Operational Performance condition	Operational Performance condition	1 July 2015 - 30 June 2018

TSR condition (applicable to Tranche 1 performance rights or units): TSR measures the growth in the price of securities plus cash distributions notionally reinvested in securities. In order for the Tranche 1 performance rights to vest, the TSR of Infigen will be compared to companies in the S&P/ASX 200 (excluding financial services and the materials/resources sectors). For the purpose of calculating the TSR measurement, the security prices of each company in the S&P/ASX 200 (as modified above) and of Infigen will be averaged over the 30 trading days preceding the start and end date of the performance period.

The percentage of the Tranche 1 performance rights that vest under the LTI plans are as follows:

Infigen Energy's TSR performance compared to the relevant peer group	FY14, 15 & 16 Grant Percentage of Tranche 1 Performance Rights that vest
0 to 49th percentile	Nil
50th percentile	25% of the Tranche 1 Performance Rights will vest
51st to 75th percentile	27% - 75% (i.e. for every percentile increase between 51% and 75% an additional 2% of the Tranche 1 Performance Rights will vest)
76th to 95th percentile	76.25% - 100% (i.e. for every percentile increase between 76% and 95% an additional 1.25% of the Tranche 1 Performance Rights will vest)
96th to 100th percentile	100%

Operational Performance condition (applicable to Tranche 2 performance rights/units): the vesting of the Tranche 2 performance rights or units is subject to an Operational Performance condition.

The Operational Performance condition will test the multiple of EBITDA to Capital Base, with the annual target being a specified percentage increase in the multiple over the year. The Capital Base will be measured as equity (net assets) plus net debt. Both the EBITDA and Capital Base are measured on a proportionately consolidated basis to reflect Infigen's economic interest in all investments.

The percentage of the Tranche 2 performance rights that vest under the LTI plans are as follows:

Infigen Energy's EBITDA performance	FY14, 15 & 16 Grant Percentage of Tranche 2 Performance Rights that vest
0% < 90% of the cumulative target	Nil
90% ≤ 110% of the cumulative target	5% to 100% (i.e. for every 1% increase between 90 and 110% of target an additional 5% of the Tranche 2 Performance Rights will vest).

32. Share-based payments (continued)

Set out below are summaries of performance rights that have been granted and are on issue under the Equity Plan:

Deemed grant date	Balance at start of the year Number	Granted during the year Number	Vested during the year Number	Cash Settled during the year Number	Lapsed during the year Number	Balance at end of the year Number
FY13 LTI Grant ¹	5,610,531	-	(2,805,265)	-	-	2,805,266
FY14 LTI Grant	3,675,889	-	-	-	-	3,675,889
FY14 Deferred STI Grant	4,458,304	-	(4,458,304)	-	-	-
FY15 LTI Grant	3,846,154	-	-	-	-	3,846,154
FY15 Deferred STI Grant	-	1,810,857	-	-	-	1,810,857
FY16 LTI Grant	-	3,159,814	-	-	-	3,159,814
Total	17,590,878	4,970,671	(7,263,569)	-	-	15,297,980

¹ The FY13 plan is currently in retest for the Tranche 1 TSR condition.

- *Fair value of performance rights granted under the LTI plan*

		Grant date	Fair value of performance rights per share (\$)
2014	Tranche 1	2-Dec-13	0.098
	Tranche 2	2-Dec-13	0.275
2015	Tranche 1	21-Nov-14	0.098
	Tranche 2	21-Nov-14	0.275
2016	Tranche 1	13-Nov-15	0.128
	Tranche 2	13-Nov-15	0.358

The fair values of performance rights/units at grant date are determined using market prices and a model that takes into account the exercise price, the term of the performance right/unit and the security price at grant date.

The model inputs for performance rights/units granted include:

- Performance rights/units are granted for no consideration and vest in accordance with the TSR condition and the Operational Performance condition outlined above for Tranche 1 and Tranche 2, respectively. Performance rights/units have a nil exercise price and vest automatically as stapled securities for rights and as cash for units.
- *Grant dates:* 2 December 2013 (FY14 plan); 21 November 2014 (FY15 plan); 13 November 2015 (FY16 plan);
- *Security price at grant date:* \$0.22 (FY13 plan), \$0.275 (FY14 plan), \$0.275 (FY15 plan), \$0.36 (FY16 plan).

Where performance rights/units are issued to employees of subsidiaries within the Group, the expense in relation to these performance rights/units is recognised by the relevant entity with the corresponding increase in stapled securities.

32. Share-based payments (continued)

Deferred short term incentive granted as performance rights (Deferred STI)

- From FY13 Senior Management have received 50% of their short term incentive allocation as performance rights, deferred for twelve months.
- The Deferred STI has a forfeiture condition relating to continued employment.
- The Deferred STI is recognised as a Share Based Payment expense over the two financial periods.
- 4,458,304 securities were issued to satisfy the FY14 Deferred STI obligation that vested on 15 September 2015.
- The grant dates for the FY15 Deferred STI were 7 October and 13 November 2015 and 14 April 2016.
- The number of units issued under the FY15 Deferred STI was 1,810,857.
- The weighted average security price at the grant dates for the FY15 Deferred STI was \$0.41.

33. Key management personnel disclosures

Key management personnel remuneration

Detailed remuneration disclosures are provided in the Remuneration Report of this annual report designated as audited and forming part of the Directors' Report.

Key Management Personnel (KMP) are not remunerated by the Trust. Payments made by the Trust to the responsible entity do not include any amounts attributable to the remuneration of KMPs. Non-Executive directors of IERL are remunerated by IERL. Other KMP of the Group are remunerated by the Group.

The aggregate remuneration of KMP of the Group and the Trust is set out below:

	2016 \$	2015 \$
Short-term employee benefits ¹	3,109,964	2,965,255
Post-employment benefits (superannuation)	127,250	129,237
Other long-term benefits and equity-based incentive expense allocation ²	1,170,941	1,215,193
Write-back prior year's long-term share-based incentive expense allocation	(400,000)	(287,000)
Total	4,008,155	4,022,685

¹ Includes short-term incentives accrued in respect of the current period.

² Share-based incentive expense allocations are subject to performance rights and units vesting in the future. FY16 equity settled incentive expense is adjusted for FY15 deferred STI granted in the period.

a) Loans to key personnel and their personally related entities

No loans have been made by the Group or the Trust to KMP or their personally related parties during the years ended 30 June 2016 and 30 June 2015. There are no other transactions with KMP.



34. Remuneration of auditors

During the year the following fees were paid or are payable for services provided by the auditor of the Group and the Trust for their related practices and non-related audit firms:

	Infigen Energy Group		Infigen Energy Trust Group	
	2016 \$	2015 \$	2016 \$	2015 \$
Audit services by:				
PriceWaterhouseCoopers				
<i>Australia</i>				
Audit and review of the financial statements	201,000	617,000	20,000	20,500
Audit and review of subsidiaries' financial statements	158,000	73,000	-	-
<i>United States – discontinued operations</i>				
Audit and review of the financial statements	-	146,500	-	-
Audit and review of subsidiaries' financial statements	-	488,000	-	-
	359,000	1,324,500	20,000	20,500
Other services by:				
PriceWaterhouseCoopers				
<i>Australia and Europe</i>				
Taxation compliance and advisory services	61,065	143,950	-	-
Other assurance services	75,228	189,000	-	-
<i>United States – discontinued operations</i>				
Accounting advisory services	-	68,000	-	-
	136,293	400,950	-	-
Total remuneration of auditors	495,293	1,725,450	20,000	20,500

35. New and amended accounting standards

a) New and amended standards adopted by the Group or the Trust

Commencing 1 July 2015, the Group and the Trust have early adopted and applied AASB 9 *Financial Instruments*. AASB 9 replaces the provisions of AASB 139 that relate to the recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. AASB 9 also significantly amends other standards dealing with financial instruments such as AASB 7 *Financial Instruments: Disclosures*.

Reclassification of financial instruments on adoption of AASB 9

Infigen Energy Group

On the date of initial application, 1 July 2015, the interest rate swaps of the Group that were previously non-hedge accounted are now hedge accounted under AASB 9.

In accordance with the transitional provisions in AASB 9, comparative figures have not been restated as this amendment is applied prospectively.

Infigen Energy Trust Group

Changes arising out of the early adoption of AASB 9 relating to the changes in the classification and measurement of financial assets and liabilities have had no material effect on the financial reporting of the Infigen Energy Trust Group.

b) New standards and interpretations not yet adopted by the Group or the Trust

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Group or the Trust. The Group's or the Trust's assessment of the impact of these new standards and interpretations is set out below.

- (i) AASB 15 *Revenue from Contracts with Customers* replaces AASB 118 *Contracts for Goods and Services* and AASB 111 *Construction Contracts*. The standard is mandatory for financial years commencing on or after 1 January 2018. Under this new standard, the principle that revenue is recognised when control of a good or service transfers to a customer replaces the notion of risks and rewards. The standard permits a modified retrospective approach which allows entities to recognise transitional adjustments in retained earnings on the date of initial application without restating the comparative period. The new rules are likely to affect the Group's or the Trust's revenue as a result of changes to measurement and timing of revenue recognition. The Group will make more detailed assessments of the effect over the next twelve months. The expected date of adoption by the Group and the Trust is 1 July 2018.
- (ii) IFRS 16 *Leases* is mandatory for adoption for financial years commencing on or after 1 January 2019. Released on 13 January 2016, this new standard introduces fundamental changes to accounting for leases such as:
 - all leases – except short-term and low-value leases, will be recognised on the balance sheet as a lease liability and a corresponding “right of use” asset;
 - the right to use the leased item (the asset) and the financial liability to pay rentals are recognised;
 - measurement of the lease are defined more broadly under this standard compared to the previous standard;
 - the income statement is affected by higher expense in the earlier years of a lease and lower in later years, similar to a principal and interest loan. Additionally, operating expense will be replaced with interest and depreciation;

New and amended accounting standards (continued)

- more disclosures required, both qualitative and quantitative, to assist investors/analysts to better understand an entity's rights and obligations under lease arrangements.

The new rules are likely to affect the Group's key metrics such as the EBITDA (and therefore affecting the debt covenant), and also lease negotiations (to minimise lease liabilities, shorter leases may be preferred by the lessor). A more detailed assessment of the effects will need to be made prior to the Group's and the Trust's mandatory adoption date of 1 July 2019.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.



Directors' declaration
For the year ended 30 June 2016

DIRECTORS' DECLARATION

In the opinion of the Directors of Infigen Energy Limited ('IEL') and the Directors of the Responsible Entity of Infigen Energy Trust ('IET'), Infigen Energy RE Limited ('IERL') (collectively referred to as 'the Directors'):

- a) the financial statements and notes of Infigen Energy Group and the Infigen Energy Trust Group set out on pages 25 to 97 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of Infigen Energy Group's and Infigen Energy Trust Group's financial position as at 30 June 2016 and of their performance for the financial year ended on that date;
- b) there are reasonable grounds to believe that both Infigen Energy Group and Infigen Energy Trust Group will be able to pay their debts as and when they become due and payable; and
- c) the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and the Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors of IEL and IERL:

A handwritten signature in blue ink, appearing to read "M Hutchinson".

M Hutchinson
Chairman

A handwritten signature in blue ink, appearing to read "M George".

M George
Managing Director

Sydney, 29 August 2016



Independent auditor's report to the stapled security holders of Infigen Energy Group and unit holders of Infigen Energy Trust Group

Report on the financial report

We have audited the accompanying financial report which comprises:

- the consolidated statement of financial position as at 30 June 2016, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for Infigen Energy Group, being the consolidated stapled entity ("Infigen Energy Group"). The Infigen Energy Group comprises Infigen Energy Limited and the entities it controlled at year's end or from time to time during the financial year.
- the consolidated statement of financial position as at 30 June 2016, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for Infigen Energy Trust Group. The Infigen Energy Trust Group, comprises Infigen Energy Trust and the entities it controlled at year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Infigen Energy Limited and the directors of Infigen Energy RE Limited, the responsible entity of Infigen Energy Trust, (collectively referred to as "the directors") are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. The directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the consolidated entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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Liability limited by a scheme approved under Professional Standards Legislation.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion, the financial report of Infigen Energy Group and Infigen Energy Trust Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of Infigen Energy Group and Infigen Energy Trust Group's financial position as at 30 June 2016 and performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- (c) the financial report and notes also comply with International Financial Reporting Standards.

Report on the Remuneration Report

We have audited the remuneration report included in pages 9 to 22 of the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of Infigen Energy Group for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.


PricewaterhouseCoopers


Marc Upcroft
Partner

Sydney
29 August 2016



Management Discussion and Analysis of Financial and Operational Performance for the year ended 30 June 2016

29 August 2016

All figures in this report relate to businesses of the Infigen Energy Group (“Infigen” or “the Group”), being Infigen Energy Limited (“IEL”), Infigen Energy Trust (“IET”) and Infigen Energy (Bermuda) Limited (“IEBL”) and the subsidiary entities of IEL and IET, for the year ended 30 June 2016 compared with the year ended 30 June 2015 (“prior year” or “prior corresponding period”) except where otherwise stated.

All references to \$ are a reference to Australian dollars unless specifically marked otherwise. Individual items and totals are rounded to the nearest appropriate number or decimal. Some totals may not add down the column due to rounding of individual components. Period on period changes on a percentage basis are presented as favourable (positive) or unfavourable (negative). Period on period changes to items measured on a percentage basis are presented as percentage point changes (“ppts”). Period on period changes that are not comparable are marked not meaningful (“n.m.”).

No representation, warranty or other assurance is made or given by, or on behalf of, Infigen that any projection, forecast, forward-looking statement, assumption or estimate contained in this presentation should or will be achieved.

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OVERVIEW

Infigen Energy (Infigen) is a developer, owner and operator of renewable energy generation assets in Australia. Infigen has an operating capacity of 557 megawatts (MW) comprising six wind farms, the 89 MW Alinta wind farm in Western Australia (WA), the three Lake Bonney wind farms in South Australia (SA) with capacities of 81 MW, 159 MW and 39 MW respectively, and the 141 MW Capital and 48 MW Woodlawn wind farms in New South Wales (NSW). Infigen holds a 100% equity interest in each wind farm. Infigen also owns and operates the 0.1 MW Capital East energy storage and solar photovoltaic (PV) demonstration facility adjacent to its Capital wind farm.

Infigen sells the contracted generation output from its operations through 'run of plant' power purchase agreements (PPAs), Large-scale Generation Certificate (LGC) sales agreements, and retail supply agreements. Merchant output is sold via forward sales and on wholesale electricity/LGC markets. Each wind farm is entitled to create one LGC for each megawatt hour (MWh) that is exported to the grid after applying its marginal loss factor.

Of Infigen's six operational wind farms, approximately 45-50%¹ of the production from these wind farms (electricity and LGCs) is currently contracted under medium and long-term agreements. Further details of the offtake agreements for Infigen's wind farms are included in Appendix B.

Infigen's development pipeline comprises equity interests of approximately 1,100 MW of large-scale wind and solar PV projects in Australia.

FY16 Highlights

- **Safety:** achieved a rolling 12-month lost time injury frequency rate (LTIFR) of zero, with no lost time injuries (LTIs) since November 2013, and eight years without an LTI at the Alinta and Lake Bonney wind farms
- **Sale of US businesses:** completed the sale of the US solar development assets and the US wind business resulting in approximately \$100 million increase in cash available for growth
- **Net profit after tax:** \$4.5 million, a \$308.1 million improvement compared to the pcp which included a \$285.2 million loss from discontinued US operations
- **Net profit after tax (continuing operations):** \$7.0 million, a \$25.4 million improvement compared to the pcp, primarily due to higher electricity and LGC prices
- **EBITDA:** \$120.2 million, up 44% or \$36.7 million on the pcp
- **Net operating cash flow (continuing operations):** \$56.9 million, up 71% or \$23.7 million on the pcp
- **Reduced borrowings:** \$51.0 million of Global Facility borrowings repaid from operating cash flow and \$5.5 million of Woodlawn facility borrowings repaid, with a net debt balance of \$594.9 million at 30 June 2016
- **Organisational restructure:** completed after the sale of the US businesses, to reduce corporate costs from FY17 and position the Australian business for growth
- **Growth and development:** positioned development pipeline to respond to supportive market conditions

¹ Merchant LGC exposure varies based on the Sydney Desalination Plant's operating regime.

Key Financial Outcomes

Summary of the key financial outcomes and metrics

The prior corresponding period (pcp) comparisons are reported on a continuing operations basis.

Year ended 30 June (\$M unless otherwise indicated)	2016	2015	Change %
Revenue	173.2	133.8	29
EBITDA	120.2	83.5	44
Depreciation and amortisation	(52.0)	(54.5)	5
EBIT	68.2	29.0	135
Net financing costs	(57.6)	(47.2)	(22)
Profit / (loss) before income tax	10.6	(18.2)	158
Tax expense	(3.6)	(0.2)	(1,700)
Loss from discontinued operations	(2.5)	(285.2)	99
Net profit / (loss)	4.5	(303.6)	101
EBITDA margin	69.4%	62.4%	7.0 pts
Net operating cash flow per security (cps)	7.4	4.3	72
Earnings per security (cps) ²	1.0	(2.3)	143

Position at 30 June (\$M unless otherwise indicated)	2016	2015	Change %
Debt	742	787	6
Cash	148	45	229
Net debt	595	742	20
Securityholders' equity	281	261	8
Book gearing	68.0%	74.0%	6.0 pts
EBITDA / (net debt + equity)	13.7%	8.3%	5.4 pts
Net assets per security (\$)	0.36	0.34	6
Net tangible assets per security (\$)	0.20	0.17	18

² Calculated using weighted average issued securities and net profit/(loss) from continuing operations.

REVIEW OF FINANCIAL AND OPERATIONAL PERFORMANCE

Year ended 30 June (\$M unless otherwise indicated)	2016	2015	Change %
Operating capacity (MW)	557	557	-
Production ³ (GWh)	1,469	1,459	1
Capacity factor during year	30.1%	29.9%	0.2 ppts
Turbine availability	97.7%	97.2%	0.5 ppts
Site availability	97.2%	96.5%	0.7 ppts
Total recordable injury frequency rate (TRIFR)	4.8	9.7	51
Lost time injury frequency rate (LTIFR)	-	-	-
Scope 1 and 2 greenhouse gas emissions ⁴ (tCO ₂ e)	3,249	3,324	(2)
Total energy consumption (TJ)	18.4	18.6	(1)
<hr/>			
Revenue	173.2	133.8	29
Operating costs	(37.4)	(34.7)	(8)
Operating EBITDA	135.8	99.1	37
Corporate costs	(14.0)	(13.6)	(3)
Development costs and other costs and income	(1.7)	(2.0)	15
EBITDA	120.2	83.5	44
Depreciation and amortisation	(52.0)	(54.5)	5
EBIT	68.2	29.0	135
Net borrowing costs	(53.6)	(55.3)	3
Net FX and revaluation of derivatives	(4.0)	8.0	(150)
Profit / (loss) before income tax	10.6	(18.2)	158
Tax expense	(3.6)	(0.2)	(1,700)
Loss from discontinued operations	(2.5)	(285.2)	99
Net profit / (loss)	4.5	(303.6)	101
<hr/>			
Operating EBITDA margin	78.4%	74.1%	4.3 ppts
Average price ⁵ (\$/MWh)	117.9	91.7	29
Operating costs (\$/MWh)	25.5	23.8	7
Emissions intensity (tCO ₂ e/MWh)	-	-	-

³ Includes compensated production of 7.7 GWh in FY16 and 14.1 GWh in FY15.

⁴ FY16 emissions remain subject to review by the Clean Energy Regulator.

⁵ FY16 average price includes the net payout from the production hedge that matured on 31 March 2016.

Production

Year ended 30 June (GWh)	2016	2015	Change %
Alinta wind farm	300	323	(7)
Capital wind farm	360	320	13
Lake Bonney 1, 2 & 3 wind farms	654	677	(3)
Woodlawn wind farm	147	125	19
Compensated production	8	14	(42)
Total production	1,469	1,459	1

Production increased 1% or 10 GWh to 1,469 GWh due to better wind conditions in NSW (+46 GWh), reduced turbine availability losses at Capital and Woodlawn wind farms (+13 GWh), reduced network losses at the Alinta wind farm (+8 GWh), improved network availability at Lake Bonney wind farms (+7 GWh), and improved site availability (+2 GWh). This was partially offset by lower wind conditions in SA and WA (-60 GWh), and lower compensated production (-6 GWh).

Prices

The weighted average portfolio bundled (electricity and LGCs) price was \$117.9/MWh, 29% higher than \$91.7/MWh in the pcp reflecting higher LGC and electricity prices, and the net payout from a 12 month production hedge that matured on 31 March 2016.

Electricity

TWA wholesale electricity (\$/MWh)	FY16	FY15	10 year average
South Australia	61.67	39.29	52.67
New South Wales	51.60	35.17	44.40
Western Australia ⁶	49.13	42.68	54.15

Time weighted average (TWA) spot electricity prices in SA and NSW were 57% and 47% higher respectively than the pcp due to greater electricity demand, retirement of generators, planned generator outages, and to a lesser extent, higher average daily maximum temperatures.

Infigen's DWA wholesale electricity (\$/MWh)	FY16	FY15	Change %
South Australia (Lake Bonney 1, 2 & 3)	50.97	30.28	68
New South Wales (Woodlawn)	51.86	34.64	50

Infigen's dispatch weighted average (DWA) electricity prices increased 68% to \$50.97/MWh in SA and 50% to \$51.86/MWh in NSW. Lake Bonney wind farm DWA prices were 17% below the SA TWA prices, whereas Woodlawn wind farm's DWA price was close to the NSW TWA price.

Average spot prices in the National Electricity Market can be significantly influenced by short-term extreme price events. Wholesale electricity spot prices can vary between the market price floor of -\$1,000/MWh and the market price cap of \$14,000/MWh. During the year there were 185 half-hourly settlement intervals above \$300/MWh in SA and 10 in NSW compared to 49 in SA and one in NSW for the pcp. There were 288 negative price events in SA and one in NSW compared to 154 in SA and none in NSW in the pcp.

⁶ Data from the Wholesale Electricity Market of WA dates back to September 2006. Alinta wind farm is contracted and hence will not become exposed to merchant electricity prices until 2026.

Large-scale Generation Certificates (LGCs)

LGC spot prices (\$/LGC)	2016	2015	Change %
Closing price at 30 June	84.20	51.75	63
Average price during the financial year	69.79	38.46	81

The closing LGC market price of \$84.20/LGC at 30 June 2016 was up 63% compared to \$51.75/LGC at 30 June 2015. The 12-month average merchant LGC market price was up 81% to \$69.79/LGC compared to an average of \$38.46/LGC in the pcp.

The increase in LGC spot prices was driven by improved regulatory certainty. In June 2015 legislation was passed to set a revised target (33,000 GWh by 2020) under the Large-scale Renewable Energy Target (LRET) scheme. The Australian Government's climate commitments⁷ made under the Paris Agreement in December 2015 added further confidence that there would be no adverse changes to the LRET scheme. Expectations of a likely shortfall in LGC supply over the medium term also increased demand from the major electricity retailers. Infigen's LGC inventory at 30 June 2016 was approximately 328,000 certificates (255,000 in the pcp). The increase was primarily due to strong production in May and June. The value of inventory at 30 June 2016 was \$20.6 million (\$12.7 million in the pcp) resulting from an increased volume of LGCs being brought to account at higher average LGC spot prices.

Revenue

Revenue increased \$39.4 million or 29% to \$173.2 million due to higher LGC prices (+\$20.9 million), higher electricity prices (+\$14.6 million), hedge revenue (+\$3.1 million), and higher production (+\$1.5 million), partially offset by lower compensated revenue (-\$0.6 million).

Operating, Corporate and Development Costs

Year ended 30 June (\$M)	2016	2015	Change	Change %
Asset management	6.7	6.2	(0.5)	(8)
FCAS fees ⁸	2.0	0.3	(1.7)	(567)
Turbine operations and maintenance	18.9	18.4	(0.5)	(3)
Balance of plant	0.9	0.4	(0.5)	(125)
Other direct costs	7.0	7.4	0.4	5
Total wind farm costs	35.5	32.7	(2.8)	(9)
Energy Markets	1.9	2.0	0.1	5
Operating costs	37.4	34.7	(2.7)	(8)

Operating costs increased \$2.7 million or 8% to \$37.4 million. The key variances include:

- \$0.5 million increase in asset management costs due to personnel and compliance costs (+\$0.5 million), and higher legal and professional fees (+\$0.2 million), partially offset by savings in overhead and travel costs (-\$0.2 million)
- \$1.7 million increase in frequency control ancillary services (FCAS) fees incurred as a result of Heywood interconnector upgrade works in South Australia
- \$0.5 million increase in turbine operations and maintenance (O&M) costs primarily due to a full year step-up in post-warranty costs at the Capital wind farm (+\$1.7 million), partially offset by lower production-linked turbine O&M costs at the Lake Bonney and Alinta wind farms (-\$0.9 million) and other net operating costs (-\$0.3 million)

⁷ Australia committed to implementing an economy-wide target to reduce emissions by 26-28% below 2005 levels by 2030 and to contribute its fair share of the further global action required to limit temperature increases to well below 2 degrees.

⁸ Frequency control ancillary services (FCAS) fees relate to services that maintain key technical characteristics of the power system.

- \$0.5 million increase in balance of plant costs due to lower scheduled maintenance works at Alinta and Lake Bonney wind farms in the pcp (+\$0.3 million) and higher unscheduled balance of plant maintenance costs at Capital wind farm (+\$0.2 million)
- \$0.4 million decrease in other direct costs largely driven by lower insurance premiums obtained in the current year

Infigen is currently finalising a new post-warranty service and maintenance agreement for the Woodlawn wind farm. The contract is expected to come into effect from October 2016.

Operating Earnings Before Interest, Tax, Depreciation and Amortisation (**Operating EBITDA**) was \$135.8 million, up 37% or \$36.7 million. This was primarily due to higher revenue, partially offset by higher wind farm costs.

Corporate costs were \$14.0 million, up 3% or \$0.4 million due to organisational restructure costs, partially offset by lower audit, IT and travel costs.

Development costs were \$1.7 million, down 15% or \$0.3 million.

Profit and Loss

EBITDA was \$120.2 million, up 44% or \$36.7 million reflecting higher operating EBITDA, partially offset by higher corporate costs.

Depreciation and amortisation expense of \$52.0 million was 5% or \$2.5 million lower than the pcp that included a write-down of two development assets.

Earnings Before Interest and Tax (**EBIT**) was \$68.2 million, up 135% or \$39.2 million.

Financing Costs

Year ended 30 June (\$M)	2016	2015	Change %
Interest expense	(52.0)	(53.2)	2
Bank fees and amortisation of loan costs	(2.3)	(2.8)	18
Amortisation of decommissioning costs	(0.1)	(0.1)	-
Total borrowing costs	(54.4)	(56.1)	3
Interest income	0.8	0.8	-
Net borrowing costs	(53.6)	(55.3)	3
Net FX and revaluation of derivatives	(4.0)	8.0	(150)
Net financing costs	(57.6)	(47.2)	(22)

Net borrowing costs were \$53.6 million, down \$1.7 million. Lower average debt balances over the period compared to the pcp resulted in a lower interest expense (-\$1.2 million) and lower bank fees following the sale of the US business.

Net FX and revaluation of derivatives resulted in a \$4.0 million expense driven by FX losses due to the depreciation of the AUD, and fair value gains on financial instruments in the pcp.

Profit from continuing operations before tax was \$10.6 million, a \$28.8 million favourable variance to the pcp due to a favourable operating result, partially offset by higher FX and revaluation of derivative expenses.

Income tax expense of \$3.6 million was \$3.4 million higher than the \$0.2 million tax expense in the pcp due to higher EBITDA.

Loss from discontinued operations was \$2.5 million, a \$282.7 million favourable variance due to a US\$221.2 million or \$284.5 million impairment of the US business in the pcp.

Infigen reported a **net profit after tax** of \$4.5 million, a favourable variance of \$308.1 million compared to the pcp.

CASH FLOW

Cash Movement

Cash at 30 June 2016 was \$147.6 million, 227% or \$102.4 million higher than \$45.2 million at 30 June 2015. The cash balance at 30 June 2016 comprised \$10.7 million held by entities within the Global Facility Borrower Group⁹ (\$11.0 million at 30 June 2015) and \$136.9 million held by entities outside of that group ('Excluded Companies') (\$34.2 million at 30 June 2015).

Cash inflows included \$102.0 million from the sale of part of the US wind business (Class A interests) and sale of the US solar development assets, operating cash flow from continuing operations of \$56.9 million, and a favourable FX effect on cash balances held in USD and EUR of \$4.4 million.

Other cash movements included \$56.5 million for debt repayments (refer to Debt section on page 10) and \$3.7 million capital expenditure on IT, development, and wind farm property, plant and equipment.

Operating Cash Flow

Year ended 30 June (\$M)	2016	2015	Change %
Operating EBITDA	135.8	99.1	37
Corporate and development costs and other income	(15.7)	(15.6)	(1)
Movement in working capital and non-cash items	(11.3)	2.4	(571)
Financing costs	(51.9)	(52.7)	2
Net operating cash flow (continuing operations)	56.9	33.2	71
Net operating cash flow (discontinued operations)	-	46.3	n.m.
Net operating cash flow	56.9	79.5	(28)

Net operating cash flow was down \$22.6 million from \$79.5 million primarily due to cessation of cash flow from discontinued operations (-\$46.3 million) and an unfavourable movement in working capital and non-cash items (-\$13.7 million). This was partially offset by higher operating EBITDA (+\$36.7 million) and lower financing costs (+\$0.8 million).

The movement in working capital and non-cash items was primarily related to the effect of increased LGC prices on higher LGC inventory due to strong production in May and June 2016 and holding LGC inventory for contracts that will settle in early FY17 (-\$7.9 million) (refer to Prices commentary on pages 6-7) and higher operations and maintenance prepayments compared to the pcp (-\$3.1 million).

⁹ Infigen's borrowings include a multi-currency Global Facility secured by Infigen's interests in all of its operational wind farms except Woodlawn wind farm - 'the Borrower Group'.

CAPITAL STRUCTURE

Debt

Total debt¹⁰ (including capitalised loan costs¹¹) at 30 June 2016 was \$742.5 million, including Global Facility borrowings of \$707.7 million and Woodlawn facility borrowings of \$39.9 million. This was \$44.4 million lower than at 30 June 2015. During the year Infigen repaid \$51.0 million of Global Facility borrowings from cash flow from continuing operations and \$5.5 million of Woodlawn facility borrowings. The depreciation of the AUD against the USD resulted in \$10.6 million in unfavourable FX movements, with the balance comprising expensed and capitalised loan costs.

The Global Facility is a multi-currency facility with outstanding USD, EUR and AUD balances. The outstanding foreign currency balances at 30 June 2016 were USD116.2 million and EUR14.0 million.

The outlook for ongoing Global Facility leverage ratio covenant compliance has been strengthened by higher operating cash flow increasing the rate of debt reduction. The Global Facility leverage ratio covenant was satisfied at 30 June 2016 (i.e. less than 8.5 times). Infigen expects to continue to satisfy the Global Facility leverage ratio covenant in conformity with the terms of the facility (i.e. less than 6.0 times from 31 December 2016 until the next step-down from July 2019).

Net Debt

Net debt relating to continuing operations decreased from \$741.7 million at 30 June 2015 to \$594.9 million at 30 June 2016. The net movement of \$146.8 million was due to debt repayments and US sale related cash inflows into the Excluded Companies' cash balance offset by unfavourable net FX movements.

Equity

Total equity increased 8% from \$260.9 million at 30 June 2015 to \$280.6 million at 30 June 2016. The increase of \$19.7 million is attributable to:

- Movement in reserves (+\$14.1 million)
- Net profit for the year (+\$4.5 million)
- Issue of equity securities (+\$1.1 million)

During the year the number of IFN stapled securities on issue increased by 4,581,565 to 772,469,146. The securities were issued to satisfy vested Performance Rights relating to FY13 Long Term Incentive and FY14 Deferred Short Term Incentive entitlements.

Gearing

The following table provides a comparison of Infigen's book gearing at 30 June 2016 and 30 June 2015. The change reflects the movement in net debt and equity described above. A summarised balance sheet is provided in Appendix A.

Position at 30 June (\$M)	2016	2015	Change %
Net debt	595	742	20
Total equity	281	261	8
Book gearing	68%	74%	6.0 ppts

¹⁰ Further information is available in note 15 to the FY16 financial statements.

¹¹ Capitalised loan costs accounted for \$5.1 million as at 30 June 2016.

Distributions

No distributions for the year ended 30 June 2016 have been declared or paid.

GROWTH & DEVELOPMENT

Development project	State	Capacity (MW)	Planning status	Approval date	Connection status
Bodangora wind farm¹²	NSW	90-110	Approved	Aug 2013	Advanced
Bogan River solar farm	NSW	12	Approved	Dec 2010	Intermediate
Capital solar farm	NSW	50	Approved	Dec 2010	Offer received
Capital 2 wind farm	NSW	90-100	Approved	Nov 2011	Offer received
Cherry Tree wind farm	VIC	45-55	Approved	Nov 2013	Advanced
Cloncurry solar farm	QLD	30	N/A	N/A	Early
Flyers Creek wind farm	NSW	100-115	Approved	Mar 2014	Intermediate
Forsyth wind farm¹²	QLD	70-80	Approved	Feb 2014	Advanced
Manildra solar farm¹³	NSW	50	Approved	Mar 2011	Advanced
Walkaway 2 wind farm¹⁴	WA	41	Approved	Dec 2008	Intermediate
Walkaway 2 solar farm¹⁴	WA	45	Approved	July 2016	Intermediate
Walkaway 3 wind farm¹⁴	WA	~310	Approved	Dec 2008	Early
Woakwine wind farm	SA	~450	Approved	Jun 2012	Intermediate
Total (Infigen equity interests)		~1,100			

The contract to merchant price spread is wide and widening, implying large value transfers from developers to offtakers. Attractive merchant opportunities exist for low cost energy projects.

During the year, Infigen was active in tendering to supply renewable energy through multiple formal procurement processes, and engaged in bilateral discussions to supply electricity retailers. Infigen will pursue opportunities with acceptable risk adjusted returns consistent with its disciplined investment appraisal culture.

Planning modifications were obtained for Manildra and Bogan River solar farms, and for Bodangora and Flyers Creek wind farms during the period.

Land agreements were extended at Bodangora, Manildra, and Walkaway 2 & 3 and connection studies were completed for Cherry Tree.

Community engagement activities during the year included a community engagement survey, implementation of Infigen's sponsorship program, and facilitation of community meetings.

¹² Infigen has a 50% equity interest.

¹³ In 2015 Infigen entered into a letter of intent regarding co-development and potential sale of the Manildra solar development project, with the sale conditional upon that project being successful in the ARENA large-scale solar PV competitive round. If the sale proceeds, Infigen will receive a payment determined by reference to the proposed MW capacity of the Manildra project.

¹⁴ Infigen has a 32% equity interest.

APPENDIX A – BALANCE SHEET

As at 30 June (\$M)	2016	2015
Cash	147.6	45.2
Receivables	24.1	76.7
Inventory LGCs	20.6	12.7
PP&E	783.8	830.2
Goodwill and intangible assets	122.7	126.8
Investments in associates	1.3	0.5
Deferred tax assets and other assets	52.4	49.9
Assets of disposal group classified as held for sale	-	1,286.8
Total assets	1,152.5	2,428.8
Payables	17.4	29.0
Provisions	11.3	9.8
Borrowings	742.5	786.9
Derivative liabilities	100.8	99.3
Liabilities of disposal group classified as held for sale	-	965.3
Borrowings and swaps associated with sale of disposal group	-	277.6
Total liabilities	872.0	2,167.9
Net assets	280.5	260.9

Foreign exchange rates as at 30 June	2016	2015	Change %
AUD:USD (average rate)	0.7408	0.8319	(11)
AUD:EUR (average rate)	0.6591	0.6942	(5)
AUD:USD (closing rate)	0.7457	0.7680	(3)
AUD:EUR (closing rate)	0.6724	0.6866	(2)

APPENDIX B – OPERATIONAL ASSETS

Asset	State	Commercial operation date	Nameplate capacity (MW)	FY16 average output ¹⁵	FY16 marginal loss factor ¹⁶	O&M services agreement end date	Power contracted	LGCs contracted	Power/LGC contract end date	Customer
Alinta wind farm	WA	Jul 2006	89.1	38%	0.9384	Post-warranty: Dec 2017	100%	100%	Power: Dec 2026 LGC: Jan 2021	Power: Alinta Energy LGC: Alinta Energy & AGL
Capital wind farm	NSW	Jan 2010	140.7	29%	0.9748	Post-warranty: Dec 2017 ¹⁷	90 - 100%	50 - 100% ¹⁸	Power & LGC: Dec 2030	SDP & merchant
Lake Bonney 1 wind farm	SA	Mar 2005	80.5	26%	0.9352	Post-warranty: Dec 2017	-	-	-	Merchant
Lake Bonney 2 wind farm	SA	Sep 2008	159.0	27%	0.9352	Post-warranty: Dec 2017	-	-	-	Merchant
Lake Bonney 3 wind farm	SA	Jul 2010	39.0	27%	0.9352	Post-warranty: Dec 2017	-	-	-	Merchant
Woodlawn wind farm	NSW	Oct 2011	48.3	35%	0.9748	OEM warranty: Oct 2016	-	100%	LGC: Sep 2020	Power: merchant LGC: Origin Energy
Total			556.7							

¹⁵ Average percentage of nameplate capacity

¹⁶ Australian Energy Market Operator (AEMO) published annual marginal loss factors which are available at <http://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Security-and-reliability/-/media/EC6AF881593F4DB7B10F6286F3AD1004.ashx>

¹⁷ Infigen has option to extend to December 2022

¹⁸ Effectively all output is contracted when Sydney Desalination Plant (SDP) is operating. Approximately 50% of LGCs are sold on a merchant basis when the plant is not operating