

**NOT FOR PUBLICATION  
OUTSIDE AUSTRALIA**



# ASX Release

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12 November 2010

## **RESIGNATION AND APPOINTMENT OF NEW CHAIRMAN**

Infigen Energy (ASX: IFN) advises that the Chairman, Graham Kelly, has resigned as Chairman and Director of Infigen Energy Limited, Infigen Energy RE Limited and Infigen Energy (Bermuda) Limited (the "IFN Boards").

Each of the IFN Boards has elected Mr Mike Hutchinson as Chairman with immediate effect.

In recent weeks IFN's largest investor, The Children's Investment Master Fund ("TCI"), which holds approximately 22% of the issued securities in IFN, has indicated to IFN that it wishes to appoint a nominee director to the IFN Boards. The IFN Boards are willing to accommodate this request provided that certain governance arrangements are established to ensure that IFN continues to be managed in the best interests of all securityholders. These requirements have been communicated to TCI and discussions regarding TCI's potential appointment of a nominee director to the IFN Boards are continuing.

Furthermore, Mr Tony Battle, the Chairman of the Board Nomination and Remuneration Committee, has provided notice of his resignation as Chairman of that Committee. Mr Battle has also given notice that, while he will retire by rotation as contemplated in the Notice of Meeting for the forthcoming AGM, he no longer intends to stand for re-election at the AGM. Accordingly, IFN advises that item 3 included in the AGM Notice of Meeting, the proposed re-election of Mr Battle as a Director, is withdrawn from the meeting.

Mr Kelly and Mr Battle have provided statements with their resignation notices and these statements are attached to this announcement.

Following receipt of Mr Kelly's resignation and notice that Mr Battle would not be seeking re-election as a Director at the forthcoming AGM, the IFN Boards have noted their reasons as attached, and accepted their personal decisions with regret.

**ENDS**

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### About Infigen Energy

Infigen Energy is Australia's leading specialist renewable energy business. We have interests in 36 wind farms across Australia, the United States and Germany. With a total installed capacity in excess of 1,700MW (on an equity interest basis), we currently generate over 4,200GWh of renewable energy per year, sufficient to power over half a million households.

As a fully integrated renewable energy business, we own and operate energy generation assets and directly manage the sale of the electricity that we produce in Australia to an expanding range of customers in the Australian wholesale market. With a track record of successfully developing new greenfield opportunities, we seek continually to expand our Australian production capacity by selectively progressing our deep pipeline of prospective wind and solar projects.

Regulatory frameworks in Australia and around the world are enforcing a progressive increase in the use of energy from renewable sources. Infigen is well positioned to participate in this mandated growth in demand over coming years.

Infigen Energy trades on the Australian Securities Exchange under the code IFN.

For further information please visit our website: [www.infigenenergy.com](http://www.infigenenergy.com)

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### **STATEMENTS BY GRAHAM KELLY AND TONY BATTLE**

Mr Kelly said that in recent weeks IFN's largest security holder, The Children's Investment Master Fund ("TCI"), a London based hedge fund which has accumulated an interest in IFN of approximately 22% over the past 2-3 years, has indicated to him that it wished to appoint a nominee director to the IFN Boards. Mr Kelly had informed TCI that he was not prepared to serve either as Chairman or as a Director with a nominee of TCI on the IFN Boards. TCI had stated to him that it is prepared to requisition an Extraordinary General Meeting to force its way onto the Boards, including by the removal of Mr Kelly, if Mr Kelly and the Boards were not prepared to accede to its views.

TCI has also indicated that it may vote against the re-election of Mr Tony Battle as a Director at the forthcoming AGM without providing any substantive or justifiable reason for doing so and with little apparent understanding of Mr Battle's enormous contribution as a Director.

Mr Kelly said that he does not believe that it is in the interests of security holders as a whole for TCI to take these steps.

Nor does he wish to serve as Chairman of potentially divided Boards. TCI has also made it plain that it wishes IFN to re-commence the security buy-back program even though the Group needs capital to pursue its program of renewable energy development in Australia. Mr Kelly said he believes that IFN has a bright, though challenging, future as Australia's leading specialist renewable energy business. He said he regrets that IFN's effective control is now likely to be assumed by a foreign hedge fund, and like minded interests, with little concern for the longer term viability of the business, nor its continuation as a major contributor to Australia's clean energy needs.

Mr Battle, who had been Lead Independent Director in the period leading up to Mr Kelly's recruitment as Chairman, said that he did not wish to submit himself to an anticipated negative vote by TCI at the forthcoming AGM for which TCI had given him no reason.

Mr Battle, who has been a Director since the IPO of the Group, said it is disappointing that a hedge fund appears to be seeking to impose its own short term interests contrary to IFN's longer term prospects as Australia's leading renewable energy business.

Mr Battle said that a major factor in his decision to leave the IFN Boards was his support for the outgoing Chairman who led IFN through the difficult separation from Babcock & Brown's management and was at the forefront of its transformation from a managed fund to an independent business. Mr Battle said that, as Chairman of the Board's Nomination and Remuneration Committee, he believed TCI had been reluctant to commit to what he regarded as proper processes for Board review, selection and appointment.

Mr Kelly and Mr Battle added that they believe it is important that Australian listed entities are not treated as Private Equity Investments. Though the views of major investors are always important, it is the interests of the listed entity, and of security holders, as a whole that should guide the Directors, as well as contemporary corporate governance standards, including as to the identification, selection and appointment of Directors.