ASX RELEASE

Infigen Energy

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FY19 INTERIM RESULTS

Infigen Energy (ASX: IFN) today released its interim results for the 2019 financial year (FY19).

SUMMARY OF PERFORMANCE

Production generated from owned assets	903 GWh, increased 48 GWh on pcp	Primarily due to the Bodangora WF commencing operations
Production sold from owned assets	872 GWh, increased 56 GWh on pcp	See above
Net Revenue	$119.2 million, increased $1.0 million on pcp	Higher production, offset by lower electricity and Large-scale Generation Certificate (LGC) prices Infigen's average LGC price down 8% on pcp (cf 17% market decline)
Underlying EBITDA	$88.2 million, increased $0.2 million on pcp	Stable Underlying EBITDA
Net profit after tax (NPAT)	$21.1 million, decreased $5.7 million on pcp	Reflects a non-cash impairment of Development Assets of $9.8m (pre-tax). NPAT pre-impairment was $30.9m
Operating cash flow	$27.2 million, decreased $22.0 million on pcp	Due to increase in LGC inventories held to meet contracts settling January/February 2019. Since 31 December 2018, $73.0m of cash has been received which was referable to LGCs held against contracted sales at 31 December 2018
Net debt	$554.4 million, increased $23.1 million since 30 June 2018	Funding for the Bodangora WF development, offset by scheduled repayments for Corporate and Bodangora WF debt facilities.

Infigen's Managing Director, Ross Rolfe, said, *"During the first half of FY19 we have enjoyed continued success in executing our strategy, designed to improve the quality of our earnings, by making them more certain in quantum and sustainable over time. Success is observable in our H1 FY19 results.*

"Bodangora WF is almost fully operational and we entered into our first two Capital Lite transactions, to increase generation available for sale. This increase was accompanied by a continued increase in the proportion of electricity being sold to Commercial and Industrial (C&I) Customers - building upon foundations that we have laid over the last 2 years.

Our growth is occurring within a dynamic energy market which is in a state of transition - as aging generation exits the system and consumers more broadly are seeking clean and reliable energy supplies at competitive prices.

Access to competitively priced firming capacity and increased generation will enable us to continue to grow contracted sales to C&I Customers. In addition, investments in customer service capabilities will allow Infigen to target a broader range of customers and expand contracted sales".

H1 FY19 BUSINESS HIGHLIGHTS

Continued successful execution of the Multi-Channel Route to Market Sales Strategy delivered the following business highlights:

- Production from owned assets up 6% to 903 GWh of energy:
  - Driven by Bodangora WF (located in NSW), expected to contribute ~360 GWh p.a. once fully operational
- entry into the Victorian market underpinned by the two aforementioned Capital Lite transactions:
  - 5-year power purchase agreement ("PPA") as electricity offtaker in respect of the 31 MW Kiata WF
  - sale of the 58 MW Cherry Tree WF development project and purchase of its electricity and LGCs (or equivalent) output once operational
- increase in contracted revenues, delivering stable and reliable revenue outcomes:
  - 24% - PPAs
  - 41% - C&I / Wholesale Customers
  - 35% - Net Pool Sales
  - LGCs (contracted 93% for FY19)
- operating costs down 5% on pcp, reflecting transition to long term operations and maintenance contract with Vestas in FY18
- investment in additional firming capacity:
  - 25 MW SA Battery will allow an additional 18 MW of firm energy to be sold – expected to be fully operational by Q4 FY19
  - focused on access to physical firming to allow an increase in contracted sales in a risk managed manner

STRATEGY UPDATE

The long-term profitable growth of the business necessitates:

1. continuing to increase our capacity to deliver firm supplies of electricity to our customer base while managing the risks associated with intermittent fuel generation
2. increasing our sales at sustainable profit margins
3. further diversifying our customer base; and
4. further enhancing our capability to service our growing customer base

In H1 FY19 we have achieved success in each of these priorities with the growth in generation available for sale (both on balance sheet and through our Capital Lite strategy), increasing our C&I sales, increasing the number of customers we serve, and investing in people and systems to allow us to continue to attract and retain customers.

Infigen is focused on the access to physical firming to allow it to increase its contracted sales in a risk managed manner and this will support further contracted sales and growing the generation available for sale.

Infigen's capital management strategy seeks to balance the various calls on capital, calls for growth, returns to security holders and deleveraging.

OUTLOOK

Infigen believes that energy market fundamentals continue to evolve to its potential advantage, and that while policy and sentiment are regularly debated, the reality is that Australia is transitioning to a lower emissions electricity future and substantial amounts of new generation is required.

Infigen is positive about both FY19 and the future. The energy market is dynamic, and Infigen is responding to it with a strategy for the future that is capable of adapting to emerging market dynamics and conditions. In the short – medium term, Infigen's contracted position supports the continued delivery of reliable revenue outcomes.

Electricity spot markets continue to be volatile, but fundamentals remain strong.

As Infigen's transition to an energy markets company continues, revenue will be further influenced by increased production volumes (driven by the additional contribution from Bodangora WF), and sales of a greater proportion of electricity on a contracted basis. Infigen is actively considering additional physical firming opportunities to support an expansion of contracted volumes, which will provide greater stability and less volatility to earnings.

The expected FY19 portfolio-wide average bundled price range for production sold from Infigen's owned assets is confirmed at $125-130/MWh.

Infigen continues to pursue a capital allocation strategy to achieve its strategic objectives. These objectives include preserving sufficient liquidity in the business to meet its business needs, accessing new sources of energy to supply to our growing customer base, obtaining firming capacity to manage the risks in supplying energy from intermittent generation, reducing debt and returning capital to our investors when that can be achieved on a sustainable basis.

Infigen remains engaged with all stakeholders and looks forward to the resolution of the energy policy debate in due course.

ENDS

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About Infigen Energy

Infigen is a leading Australian Securities Exchange (ASX) listed energy market participant delivering energy solutions to Australian businesses and large retailers.

Infigen supplies Australian business customers clean energy from a combination of its own renewable energy generation assets, energy sourced under power purchase agreements and firming solutions from the broader energy market and the 25 MW / 52 MWh Battery currently under construction.

Infigen's wind generation assets are located in New South Wales, South Australia and Western Australia and it has power purchase agreements in Victoria. Infigen's energy retailing licences are held in the National Electricity Market (NEM) regions of Queensland, New South Wales (including the Australian Capital Territory), Victoria and South Australia.

Infigen is Australia's largest listed wind power generator by installed capacity of 557 MW, with a further 113 MW in New South Wales expected to commence commercial operations in late February 2019. It is also a proud and active supporter of the communities in which it operates.

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