



Infigen Energy Notice of Annual General Meetings

11am, Thursday, 18 November 2010
Fort Macquarie Room, InterContinental Sydney Hotel,
117 Macquarie Street, Sydney

NOTICE OF ANNUAL GENERAL MEETINGS

Notice of

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

and

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

and

a meeting of unitholders of Infigen Energy Trust (ARSN 116 244 118) (**Trust**)

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

(together, the Company, the Foreign Company and the Trust, **IFN**).

Notice is given that the 2010 Annual General Meetings of the shareholders of the Company and the Foreign Company will be held concurrently with a meeting of unitholders of the Trust as follows:

Time: 11am (AEDT)

Date: Thursday, 18 November 2010

Place: Fort Macquarie Room, InterContinental Sydney Hotel, 117 Macquarie Street, Sydney

NOTICE OF ANNUAL GENERAL MEETINGS

ITEMS OF BUSINESS

ORDINARY BUSINESS

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

To receive and consider the combined consolidated financial report of IFN and the separate financial report of the Trust, as well as the respective reports of the Directors and Auditor for the year ended 30 June 2010.

There is no vote on this item.

Item 2: Remuneration Report – Company only

To adopt the Remuneration Report for the year ended 30 June 2010. The Remuneration Report is set out in the Directors' Report included within the IFN Annual Report 2010.

This is a non-binding advisory vote.

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

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

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

SPECIAL BUSINESS

Item 4: Participation in the Performance Rights and Options Plan by Mr Miles George – Company, Foreign Company and Trust

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

That approval is given for all purposes under the Corporations Act and the Listing Rules of the Australian Securities Exchange for:

- (a) the issue to Mr Miles George, Managing Director of the Company, under the Performance Rights and Options Plan (PR&O Plan) of up to 807,128 Performance Rights; and*
- (b) the issue or transfer of, and acquisition accordingly by Mr Miles George of, Stapled Securities in respect of those Performance Rights,*

all in accordance with the terms of the PR&O Plan and on the basis described in the Explanatory Memorandum accompanying the Notice of Meeting convening this meeting.

Item 5: Retirement Benefits Framework – Company only

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

That approval is given for all purposes under the Corporations Act for the giving of benefits under the Infigen Energy Group's employment agreements, long term incentive arrangements and superannuation arrangements to a person by any entity in the Infigen Energy Group or their associates or any superannuation fund in connection with that person ceasing to be a director or ceasing to hold a managerial or executive office or position of employment in the Infigen Energy Group as described in the Explanatory Memorandum accompanying the Notice of Meeting convening this meeting.

Item 6: Authorisation of on-market share buy-back – Foreign Company only

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

That, in accordance with bye-law 8.3(a) of the Bye-laws of the Foreign Company, the shareholders of the Foreign Company ratify the buy-back of 42,086,157 ordinary shares of the Foreign Company during the period from 20 May 2010 to 30 June 2010.

Item 7: Re-appointment of Auditor – Foreign Company only

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

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

NOTICE OF ANNUAL GENERAL MEETINGS

VOTING EXCLUSION STATEMENT

VOTING EXCLUSION STATEMENT

Item 4

The Company, the Foreign Company and the Responsible Entity will disregard any votes cast on Item 4 by:

- a director of the Company, the Foreign Company or the Responsible Entity (except one who is ineligible to participate in any employee incentive scheme in relation to the Company, the Foreign Company and the Responsible Entity); and
- an associate of a director of the Company, the Foreign Company or the Responsible Entity (except an associate of a director who is ineligible to participate in any employee incentive scheme in relation to the Company, the Foreign Company and the Responsible Entity).

However, the Company, the Foreign Company and the Responsible Entity need not disregard a vote if:

- it is cast by a person identified above as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Item 5

A vote on Item 5 must not be cast (in any capacity) by or on behalf of any person who may be entitled to receive a benefit in connection with that person's retirement from office, or position of employment, the subject of Item 5, or an associate of that person. However, a person is entitled to cast a vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and
- it is not cast on behalf of the person or an associate of that person.

In any event, the Company, Foreign Company and the Responsible Entity have determined that they will disregard any such votes by current employees of the Infigen Energy Group in determining whether Item 5 is passed.

In accordance with Section 253E of the Corporations Act, the Responsible Entity and its associates are not entitled to vote on any resolution of the Trust if they have an interest in the resolution other than as a member of the Trust.

By order of the Boards of IFN.

Dated: 6 October 2010



David Richardson

Company Secretary
Infigen Energy Group

NOTICE OF ANNUAL GENERAL MEETINGS

VOTING NOTES

VOTING NOTES:

1. In this notice:
 - **Infigen Energy Group** means the Company and each of its body corporates that is a subsidiary of the Company, the Foreign Company and each controlled entity of the Foreign Company, and the Trust and each sub-trust of the Trust.
 - **Securityholders** means the shareholders of the Company and the Foreign Company and the unitholders of the Trust.
 2. On a show of hands, every person present and qualified to vote has one vote and if one proxy has been appointed, that proxy will have one vote on a show of hands. Under the Corporations Act, if a Securityholder appoints more than one proxy, neither proxy may vote on a show of hands, but both proxies will be entitled to vote on a poll.
 3. On a poll:
 - in the case of a resolution of the Company or the Foreign Company, each Securityholder present in person has one vote for each share they hold. Also each person present as a proxy, attorney or duly appointed corporate representative of a Securityholder, has one vote for each share held by the Securityholder that the person represents; and
 - in the case of a resolution of the Trust, each Securityholder present in person has one vote for each one dollar of the value of the units in the Trust held by the Securityholder. Also, each person present as proxy, attorney or duly appointed corporate representative of a Securityholder has one vote for each one dollar of the value of the units in the Trust held by the Securityholder that the person represents.
 4. A Securityholder entitled to attend and vote is entitled to appoint not more than two proxies. If it is desired to appoint two proxies, then an additional proxy form can be obtained from IFN's security registry by telephoning +61 2 8280 7180.
 5. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion or number of the Securityholder's voting rights.
 6. A proxy need not be a Securityholder and may be an individual or body corporate.
 7. Proxy forms (and if the appointment is signed by the appointor's attorney, the original authority under which the appointment was signed or a certified copy of the authority) must be received by IFN's security registry Link Market Services:
 - by mail to Locked Bag A14, Sydney South NSW 1235; or
 - by hand to Level 12, 680 George Street, Sydney NSW 2000; or
 - by fax to +61 2 9287 0309.Alternatively, if a proxy is not appointed under a power of attorney, proxy forms may also be lodged online at IFN's website www.infigenenergy.com in accordance with the instructions provided on the website. You will need your Holder Identification Number (HIN) or Security Reference Number (SRN), and your postcode, as shown on your proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions provided on the website.
- All proxies must be received prior to 11am (AEDT) on Tuesday, 16 November 2010.**
8. The Board of the Company, the Board of the Foreign Company and the Board of the Responsible Entity of the Trust (collectively, the **Boards of IFN**) have determined that, for the purposes of the meetings, shares and units will be taken to be held by the persons who are registered as Securityholders as at 7pm (AEDT) on Tuesday, 16 November 2010. Accordingly, transfers of IFN stapled securities registered after that time will be disregarded in determining entitlement to attend and vote at the meetings.

NOTICE OF ANNUAL GENERAL MEETINGS

EXPLANATORY NOTES

EXPLANATORY NOTES

These explanatory notes are intended to provide shareholders of the Company and the Foreign Company and unitholders of the Trust (**Securityholders**) with information to assess the merits of the resolutions contained in the accompanying Notice of Meetings.

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

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

A reference to the **Infigen Energy Group** means the Company and each of its body corporates that is a subsidiary of the Company, the Foreign Company and each controlled entity of the Foreign Company, and the Trust and each sub-trust of the Trust.

ORDINARY BUSINESS

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

IFN has distributed both the IFN Annual Report 2010 and the Trust Annual Financial Report 2010 (**Annual Reports**) to Securityholders. The financial reports, as well as the Directors' and Auditor's reports, are included within these Annual Reports. The IFN Annual Report 2010 and the Trust Annual Financial Report 2010 are both available at IFN's website, www.infigenenergy.com.

Securityholders are not required to vote on the financial reports and the Directors' and Auditor's reports. However, an opportunity for Securityholders to discuss the financial and other reports will be provided at the meetings.

Item 2: To adopt the Remuneration Report – Company only

Securityholders are asked to consider and adopt the Remuneration Report of the Company by way of a non-binding resolution. The Remuneration Report is set out in the Directors' Report included within the IFN Annual Report 2010 and is also available from IFN's website, www.infigenenergy.com.

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

The Directors of the Company consider that the Remuneration Report discloses that the nature and level of the remuneration paid to Directors, executives and senior managers is fair, reasonable and comparable to other organisations of similar scale. The vote on the Remuneration Report is advisory only, and does not bind the Directors. Notwithstanding that the resolution does not bind the Directors, the Directors will take into account the discussion on this resolution and the outcome of the vote when considering the future remuneration arrangements of Directors, executives and senior managers.

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

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

Anthony (Tony) Battle retires as a Director of the Company and of the Foreign Company and being eligible, offers himself for re-election. Tony was originally appointed to the Board of the Company on 9 September 2005 and the Board of the Foreign Company on 14 September 2005.

Tony held executive management and director positions in the banking and finance industry for more than 30 years. Tony was responsible for negotiating, evaluating and closing large and complex transactions. These included asset based, project finance, corporate, merger and acquisition, infrastructure, privatisation and cross-border financings. The transactions were varied and across many business sectors including power generation and transmission, gas pipelines, toll roads, hospitals, property construction and investment, aircraft, shipping, mining, telecommunications and manufacturing. Tony was a member of various strategic planning, credit and management committees which included representatives of major domestic and international banking organisations. For more than a decade prior to this, Tony led a treasury department of a leading merchant bank.

Tony holds a Bachelor of Commerce degree, is a Fellow of the Australian Institute of Company Directors and an Associate of Chartered Secretaries Australia.

The Directors of the Boards of the Company and Foreign Company (with Tony Battle abstaining and not voting) recommend that Securityholders vote in favour of re-electing Tony Battle as a Director of the Company and Foreign Company.

NOTICE OF ANNUAL GENERAL MEETINGS

EXPLANATORY NOTES

SPECIAL BUSINESS

Item 4: Participation in the Performance Rights and Options Plan by Miles George – Company, Foreign Company and Trust

As part of the Infigen Energy Group remuneration framework, executives and senior management (**senior managers**), including the Managing Director Mr Miles George, are from time to time granted performance rights or options under the Performance Rights and Options Plan (**PR&O Plan**). The PR&O Plan was approved by Securityholders at the General Meeting held on 29 April 2009. The Company proposes to use the PR&O Plan for FY11.

The PR&O Plan is designed to deliver to senior managers an appropriate long-term equity participation interest in the Company, and in doing so, further align the longer term interest of senior managers with those of Securityholders. Any performance rights and options awarded to senior managers under the PR&O Plan are “at risk” and will only vest if the terms and conditions set out under the relevant award and the PR&O Plan are satisfied.

The level of a senior manager’s participation in the PR&O Plan (if any) is determined by the Nomination & Remuneration Committee and Board of the Company on an annual basis in accordance with the Infigen Energy Group’s remuneration framework. Under the Infigen Energy Group’s current remuneration policy the value of the long-term incentive award at the time of grant ranges from 30% to 105% of a senior manager’s base salary. This proportion may change over time to ensure that the Infigen Energy Group’s remuneration framework involves an appropriate at risk component. This will be determined by the Nomination & Remuneration Committee and Board of the Company having regard to advice from remuneration consultants.

The PR&O Plan remains substantially the same as the PR&O Plan approved by Securityholders at the General Meeting held on 29 April 2009.

Performance conditions of proposed awards under the PR&O Plan in respect of FY11

- Participants, including the Managing Director if the Managing Director’s award is approved by Securityholders, will receive their award in the form of performance rights. The Managing Director would participate on the same basis as other senior managers in the FY11 offer under the PR&O Plan. Performance rights will be awarded to the Managing Director in two tranches of equal value (**Tranche 1** and **Tranche 2**).
- The measures used to determine performance and the subsequent vesting of performance rights are Total Shareholder Return (**TSR**) and an operational performance condition involving earnings before interest, taxes, depreciation and amortisation (**EBITDA**). The vesting of Tranche 1 of the performance rights will be subject to the TSR condition, while Tranche 2 of the performance rights will be subject to the Operational Performance condition.
- The performance period for both Tranche 1 (TSR condition) and Tranche 2 (Operational Performance condition) will be a 3 year period from 1 July 2010 to 30 June 2013.
- TSR condition** (applicable to Tranche 1 performance rights) - 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 Stapled Securities will be compared to companies in the S&P/ASX 200 (excluding financial services and the materials/resources sector). 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 IFN 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 will be as follows:

IFN’s TSR performance compared to the relevant peer group	Percentage of Tranche 1 performance rights to vest
0 to 49th percentile	Nil
50th to 74th percentile	50% – 98% (ie. for every percentile increase between 50% and 74% an additional 2% of the TSR grant will vest)
75th to 100th percentile	100%

- Operational Performance condition** (applicable to Tranche 2 performance rights) - the vesting of the Tranche 2 performance rights will be subject to an Operational Performance condition set by the Board of the Company. An EBITDA growth measure is established annually by the Board of the Company. At the completion of the annual measurement periods the EBITDA measure which has been set will provide a cumulative performance hurdle which must be achieved in order for the Operational Performance condition to be satisfied. The EBITDA performance will be measured relative to the Infigen Energy Group’s capital base.
- Any performance rights that do not vest following the measurement of performance against the TSR and Operational Performance conditions described above will be subject to a single retest 4 years after the commencement of the relevant performance period (ie. after 30 June 2014). Any performance rights that do not vest in year 4 will then lapse.

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Level of participation in the PR&O Plan

The level of participation offered to Mr Miles George in respect of FY11 under the PR&O Plan has been determined with reference to market practice and within the framework of the Company's remuneration philosophy.

Mr Miles George will, subject to Securityholder approval, be eligible to receive a long term incentive award under the PR&O Plan that is on the same terms as awards made to other senior managers for FY11.

Under the FY11 award of the PR&O Plan, Mr Miles George is eligible to receive a maximum of 807,128 performance rights, dependant upon the achievement of the TSR and Operational Performance conditions over the measurement period as indicated above. The number of performance rights is determined by the maximum potential entitlement under the Infigen Energy Group's long-term incentive plan. The value of each performance right has been determined using the Black-Scholes formula and at the commencement of the performance period was \$0.7155.

Mr Miles George also received an FY09 award under the PR&O Plan of 1,112,925 performance rights and 5,053,908 options for nil consideration which have not vested and are subject to the three year TSR and Operational Performance conditions. The details of this award were contained in the Notice of General Meeting dated 29 April 2009. Further information is included in the Remuneration Report.

Current remuneration of Mr Miles George

The table below sets out the estimated remuneration of Mr Miles George for FY11 as set by the Nomination & Remuneration Committee. The Committee resolved not to vary the remuneration of Mr Miles George from the level set for FY10. The estimated remuneration is based on information available to the Infigen Energy Group at the time of preparing the Notice of Meetings. The actual remuneration may differ based on achievement of Key Performance Indicators and other performance hurdles included within the short-term and long-term incentive plans, and will be reported in the Infigen Energy Group's subsequent Annual Reports.

Remuneration categories	Current estimated remuneration
Salary per annum	\$550,000
Superannuation	\$15,199
Short-term incentive	0–64% of base salary
Long-term incentive	0–105% of base salary

Requirement for approval

Under Listing Rule 10.14, a director of a listed entity cannot acquire securities under an employee incentive scheme without Securityholder approval. The proposed award under the PR&O Plan in respect of FY11 to the Managing Director, Mr Miles George, is part of the overall remuneration and benefits package offered to Mr Miles George and is subject to Securityholder approval. In accordance with the requirements of the Listing Rules, the following information is provided to Securityholders:

1. At the conclusion of the performance period, each performance right that vests will translate into one Stapled Security. Accordingly, the maximum number of Stapled Securities that may be acquired by Mr Miles George, for which Securityholder approval under Item 4 is sought, is 807,128 Stapled Securities.
2. Mr Miles George will not be required to pay any amount on the grant or vesting of his performance rights.
3. The proposed grant of performance rights to Mr Miles George will be made as soon as practicable after Securityholder approval is obtained, and in any event no later than 12 months after this meeting.
4. No loan will be made by the Infigen Energy Group in connection with the potential grant of performance rights or Stapled Securities to Mr Miles George.
5. Mr Miles George is currently the only director of the Company, Foreign Company or Responsible Entity entitled to receive an award of performance rights and/or options under the PR&O Plan.

Mr Miles George also holds a "managerial or executive office" in the Infigen Energy Group. The approval sought under Item 5 below for the purposes of Part 2D.2.2 of the Corporations Act will apply to any automatic or accelerated vesting of Mr Miles George's unvested entitlements under the PR&O Plan if the Board of the Company exercises its discretion under the Plan to vest such entitlements in connection with Mr Miles George ceasing to hold a "managerial or executive office".

The Directors of the Boards of the Company, the Foreign Company and the Responsible Entity (with Mr Miles George abstaining and not voting) recommend that Securityholders vote in favour of this resolution.

NOTICE OF ANNUAL GENERAL MEETINGS

EXPLANATORY NOTES

Item 5: Retirement Benefits Framework – Company only

The Company is seeking Securityholder approval for the benefits that may be payable to executives and senior management (**senior managers**) of the Infigen Energy Group when they cease to hold an office or position of employment in the Infigen Energy Group.

The following information sets out the retirement benefits that may be payable to senior managers in the event they cease to hold office as a director of any Infigen Energy Group company or cease employment with the Infigen Energy Group, how the retirement benefits will be payable, and the matters, events and circumstances that may affect the calculation of the value of the retirement benefits. An example of the potential retirement benefits payable is provided at the end of this section.

Who this resolution affects

Approval is sought for the retirement entitlements or benefits of persons who either now or in the future hold a “managerial or executive office” (as defined in section 200AA(1) of the Corporations Act) in the Infigen Energy Group which includes a person:

- who is a director of any entity in the Infigen Energy Group; or
- whose remuneration details are included in the Remuneration Report for the Company,

and includes any person who held such an office in the three years prior to ceasing employment with, or ceasing to be a director of, any company in the Infigen Energy Group. As at the date of the Notice of Meetings, 12 employees of the Infigen Energy Group hold a “managerial or executive office” within the meaning of the Corporations Act.

Remuneration framework

This section describes the key features of the Infigen Energy Group’s annual remuneration framework to provide background for the retirement benefits which may be received by senior managers. The remuneration framework for the senior management team consists of:

- a fixed component (base pay and benefits, including superannuation);
- a short-term incentive (**STI**). For the majority of senior managers, participation in the STI will be on the basis of meeting defined key performance indicators which reflect key financial, strategic and operational targets for each financial year; and
- a long-term incentive (**LTI**) by way of participation in the PR&O Plan for nominated senior managers. The Board of the Company believes that participation in the PR&O Plan is an appropriate “at risk” equity based incentive given the responsibilities and commitment of the senior managers. In the Board of the Company’s opinion, participation in the PR&O Plan provides alignment between the potential incentive and reward outcomes for participants, as well as providing an important retention tool and reinforces the goal of creating sustainable value in the interests of Securityholders.

Depending on the seniority of an employee, a combination of the above components is used to form an employee’s total annual remuneration. The proportion of each component is generally as follows:

- fixed component: 40%-70% of total annual remuneration;
- short-term incentive: 15%-30% of total annual remuneration; and
- long-term incentive: 15%-40% of total annual remuneration.

For some senior managers, total annual remuneration is comprised of a fixed component and a short-term incentive component only. However, for those senior managers who the Board of the Company, in its discretion, determine are eligible to participate in the PR&O Plan, the minimum proportion of their total annual remuneration which comprises a long-term incentive is 15%.

The Board of the Company may change the proportion of the components, within the specified range listed above, from time to time to ensure that the Infigen Energy Group’s remuneration framework involves an appropriate at risk component, is aligned with corporate objectives and reflects market standards in accordance with ongoing advice from remuneration consultants.

Further details of the LTI and PR&O Plan are provided above in the explanatory notes to Item 4 (“Participation in the Performance Rights and Options Plan by Miles George”) and below in subsection (iv). Further details of the STI are provided below in subsection (iii).

Further details of the Infigen Energy Group’s remuneration framework are provided in the Remuneration Report.

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Termination benefit approval - Part 2D.2.2 of the Corporations Act

The *Corporations Amendment (Improving Accountability on Termination Payments) Act 2009* introduced significant changes to the Corporations Act with effect from 24 November 2009. Under Part 2D.2.2 of the Corporations Act, the Company, its associates and any prescribed superannuation fund in connection with the Company are prohibited from giving a person who holds a "managerial or executive office" a benefit in connection with their ceasing to hold an office or position of employment in the Infigen Energy Group unless Securityholders approve the giving of the benefit or an exemption applies.

Benefits that require Securityholder approval and benefits that are exempt

"Benefit" is defined broadly in the Corporations Act to include most forms of valuable consideration. Retirement benefits under the Corporations Act include a range of payments or benefits given in connection with a person ceasing to hold an office or position of employment including termination payments or other benefits such as an accelerated or automatic vesting of share-based payments at or due to retirement.

There is an exception to the prohibition on the provision of benefits where the value of the benefits do not exceed one year's average base salary (as calculated in accordance with the Corporations Act). In addition, there are certain benefits which are excluded from the definition of "benefit" under the Corporations Act and will not require Securityholder approval. These include:

- certain types of "deferred bonuses", including a bonus which is attributable to the release of a deferred bonus from a restriction due to death or incapacity;
- genuine superannuation contributions paid by the Company or senior manager on or after 24 November 2009;
- genuine accrued benefits, such as accrued untaken annual leave, payable under an Australian or foreign law; and
- reasonable payments made in accordance with a policy that applies to all employees as a result of a genuine redundancy having regard to a person's length of service.

Reasons why Securityholder approval is being sought

Securityholder approval is sought for certain benefits under the Infigen Energy Group's remuneration framework which will be defined as retirement benefits for the purposes of the termination benefits legislation. Details of the Infigen Energy Group's remuneration framework are disclosed in the Remuneration Report.

In some circumstances where a person ceases to hold an office or position of employment in the Infigen Energy Group, their benefits will be within the payment limits or otherwise exempt from the termination benefits provisions under the Corporations Act. However, it is not possible to determine in advance the monetary value of the potential benefits that would be received by any particular senior manager at some point in the future.

The Securityholder approval sought will cover the following benefits which senior managers may potentially receive under their contracts of employment with companies in the Infigen Energy Group and the policies and incentive plans of the Infigen Energy Group:

- (i) payment in lieu of notice of termination under individual contracts of employment;
- (ii) redundancy benefits under the Company redundancy policy which forms part of individual senior manager contracts of employment;
- (iii) short-term incentive payments (in exceptional circumstances, see below);
- (iv) the automatic or accelerated vesting of performance rights or options issued to senior managers under the Infigen Energy Group's long-term incentive plan;
- (v) benefits received under the Employee Deferred Security Plan;
- (vi) superannuation benefits; and
- (vii) severance and long-term incentive payments – US CEO.

NOTICE OF ANNUAL GENERAL MEETINGS EXPLANATORY NOTES

Details of termination benefits

This section describes the manner in which the amount or value of the potential termination benefits of senior managers of the Infigen Energy Group who hold a managerial or executive office are to be calculated and any matter, event or circumstance that will, or is likely to, affect the calculation of that benefit, as detailed for each benefit below.

(i) Payment in lieu of notice of termination

Notice of termination is a contractual entitlement provided for in each senior manager's employment contract. The period of notice will differ between senior managers depending on their seniority. The notice periods included in relevant senior manager's contracts currently range from 1 month to 6 months and will generally be set as follows:

- Executives (including employees at the level of Chief Executive Officer, Chief Operating Officer and Chief Financial Officer): 6 months;
- Senior managers (including employees at General Manager level and other key management personnel): 3 months (although Mr S Taylor, General Manager, Generation Australia, is currently entitled to 6 months' notice); and
- other employees: 1 month's notice.

The contractual notice periods for current key management personnel are disclosed in the Remuneration Report.

Notice of termination may be given by either the senior manager or the Infigen Energy Group entity which employs the senior manager at any time. During any period of notice, whether the notice has been given by either the Infigen Energy Group entity or the senior manager, the Infigen Energy Group entity has discretion to make a payment in lieu of all or part of the notice period.

The amount of the payment in lieu of notice, if any, will be calculated on the senior manager's base salary (as at the termination date plus any compulsory superannuation contributions required by law) for any part of the notice period the senior manager is not required to continue to be employed by the Infigen Energy Group. The amount of these payments can only be determined once notice is given. Accordingly, the amount of any payment in lieu of notice cannot be ascertained as at the date of the Notice of Meetings as neither the period nor the particular senior manager's base salary at the termination date are currently known. However, in all cases the notice period will not exceed the contractual periods described above.

Key matters, events or circumstances which will, or are likely to affect the calculation of the payment in lieu of notice include:

- the senior manager's base salary at the time of termination which will be set on an annual basis following the senior manager's remuneration review and will be in accordance with the Infigen Energy Group's remuneration policy (current base salary details for certain senior managers for FY10 are disclosed in the Remuneration Report);
- the length of the notice period for which payment is being made;
- who gave the notice of termination and the senior manager's future employment plans - for instance, a senior manager who presents a business risk by working through their notice period will most likely receive payment in lieu of notice; and
- whether the Infigen Energy Group's operational requirements at the time notice is given require the senior manager to work through part or all of their notice period.

(ii) Redundancy

Senior managers are entitled to a redundancy payment (in addition to notice of termination) in accordance with the Infigen Energy Group policy where their role is made redundant and the Infigen Energy Group does not offer, or procure an offer of, comparable alternative employment for the senior manager. A redundancy occurs where a senior manager's position ceases to exist due to operational requirements and is not due to any fault on the part of the individual senior manager.

The redundancy policy provides for a severance payment at four weeks pay per year of service or part thereof in the event of redundancy, calculated on the senior manager's base salary as at the date of redundancy. Severance payments for redundancy are capped at a maximum of 36 weeks pay.

Accordingly, because the amount of the redundancy payment is determined by reference to the senior manager's period of service with the Infigen Energy Group and their base salary at the redundancy date, the amount of any redundancy payment cannot be ascertained as at the date of the Notice of Meetings.

The key matters, events or circumstances which will, or are likely to affect the calculation of the redundancy payment include:

- the length of a senior manager's period of service with the Infigen Energy Group at the date of redundancy; and
- the senior manager's base salary as at the date of redundancy termination which will be set on an annual basis following the senior manager's remuneration review and will be in accordance with the Infigen Energy Group's remuneration policy.

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(iii) Short-term incentive

As part of the remuneration framework of the Infigen Energy Group, senior managers are eligible to be considered for an annual cash based incentive payment. The short-term incentive (**STI**) payment is at the discretion of the Board and is conditional on each senior manager meeting their defined Key Performance Indicators (**KPIs**) reflecting key financial, strategic, operational and personal targets each financial year.

The level of the STI payment achievable by a senior manager is dependant on the senior manager's seniority, role, responsibilities and performance. In accordance with the Infigen Energy Group's current remuneration policy, the maximum STI payments range from 30% to 64% of the senior manager's base salary. Depending on whether KPIs are met, a senior manager may receive all, part or none of their achievable STI payment.

STI payments are normally only payable where a senior manager remains employed for the full financial year. However, the Board retains discretion to award a senior manager a portion or all of their achievable STI payment where their employment ceases prior to the end of the financial year where the Board considers exceptional circumstances may exist. Exceptional circumstances may include where the senior manager retires, their position is made redundant, their employment ceases due to death or disability or where other personal or business circumstances exist where the Board considers that an award of STI to the senior manager is reasonable and warranted in all of the circumstances. The amount of any STI payment which may be made to a senior manager in these circumstances cannot be ascertained as at the date of the Notice of Meetings.

Key matters, events or circumstances which will, or are likely to affect the calculation of the STI payment include:

- the senior manager's seniority level, role, responsibilities and performance;
- the circumstances in which the senior manager leaves the Infigen Energy Group;
- the achievement by the senior manager of their respective KPIs;
- the senior manager's base salary which will be set on an annual basis following the senior manager's remuneration review and will be in accordance with the Infigen Energy Group's remuneration policy;
- the senior manager's target STI for the relevant year which will be set each year by the Board in accordance with the Infigen Energy Group's remuneration policy; and
- the proportion of the year served by the senior manager.

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(iv) Long-term incentive – PR&O Plan

The PR&O Plan was previously approved by Securityholders at the General Meetings held on 29 April 2009. Further details of the PR&O Plan are provided in the Remuneration Report and under Item 4 above.

The potential retirement benefits which may be received by senior managers under the PR&O Plan include the waiver of performance conditions resulting in accelerated vesting of performance rights or options, or the release of disposal restrictions on Stapled Securities, approved by the Board of the Company in accordance with the PR&O Plan Rules.

Under the PR&O Plan, the Board of the Company may, in its absolute discretion, decide to accelerate the vesting of all or a portion of the unvested performance rights or options held by a senior manager in certain circumstances specified in the PR&O Plan. Such specified circumstances relevant to the termination of a senior manager include death and total and permanent disablement.

The Board of the Company may also, in its absolute discretion, decide to accelerate the vesting of all or a portion of the unvested performance rights or options on any other date, for example on the cessation of employment for other reasons (e.g. retirement or the Infigen Energy Group entity which employ the senior manager ceasing to be an entity in the Infigen Energy Group or its business being transferred to a non-Infigen Energy Group entity).

The discretion of the Board of the Company to accelerate the vesting of performance rights or options granted to participants under the PR&O Plan, including in connection with the participant ceasing to hold an office or position of employment in the Infigen Energy Group, also exists under the previous form of the PR&O Plan, which was outlined in the 2009 Notice of General Meetings and was approved by Securityholders at that time for all purposes under the Corporations Act (including the retirement benefit provisions of Part 2D.2.2 of the Corporations Act).

Given the amendments to the retirement benefit provisions of the Corporations Act in 2009, the Board of the Company considers it prudent to confirm the approval of retirement benefits potentially available to participants in the PR&O Plan who hold, or may hold in the future, a managerial or executive office in the Infigen Energy Group.

The value of any such benefit cannot be ascertained as at the date of the Notice of Meetings. The value of the benefit will depend on:

- the number of performance rights or options granted and held by the participant in accordance with the Infigen Energy Group's remuneration policy;
- the number of performance rights or options held by the participant which the Board of the Company determine should vest (which may be a portion or all of the performance rights or options determined at the Board's absolute discretion); and
- the market price of Stapled Securities at the time such performance rights or options are exercised and converted into Stapled Securities.

Key matters, events or circumstances which will, or are likely to affect the calculation of the value of any accelerated or automatic vesting of performance rights or options include:

- the financial performance of the Infigen Energy Group and the business or support area in which the participant works;
- the personal performance of the relevant participant each year;
- the seniority level and geographic location of the participant;
- the number of years of service with the Infigen Energy Group; and
- the circumstances in which the participant leaves the Infigen Energy Group.

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(v) Benefits under the Employee Deferred Security Plan

At the General Meetings held on 29 April 2009 Securityholders approved the Employee Deferred Security Plan (**EDS Plan**) for all purposes under the Corporations Act, including under the retirement benefit provisions of section 200B. Further details of the EDS Plan are provided in the Remuneration Report.

Benefits may include the release of disposal restrictions or waiver of performance conditions on Stapled Securities approved by the Board of the Company in limited circumstances, as set out in the EDS Plan and the terms of the particular senior manager offer.

The release of disposal restrictions or waiver of performance conditions on Stapled Securities may potentially be regarded as a retirement benefit if this occurs in connection with the person ceasing to hold an office or position of employment in the Infigen Energy Group and may therefore be subject to the approval requirements in Part 2D.2.2 of the Corporations Act.

The value of any such benefit cannot be ascertained as at the date of the Notice of Meetings. The value of the benefit will depend on the:

- number of Stapled Securities subject to disposal restrictions or performance conditions at the time the Board may exercise its discretion to release such restrictions or waive performance conditions; and
- point in time, relative to when the restricted Stapled Securities were issued to the senior manager, at which the senior manager's employment with the Infigen Energy Group is terminated.

Due to the changes to the tax treatment of employee share schemes legislated in December 2009, no Stapled Securities subject to disposal restrictions or performance conditions have been awarded to employees of the Infigen Energy Group under the EDS Plan since the establishment of the plan and during the year. Based on advice received by the Board, a decision has been made to withhold both mandatory and voluntary participation in the EDS Plan until such time that the tax treatment of this plan provides a greater alignment of employee and Securityholder interests.

(vi) Superannuation

The Infigen Energy Group makes the compulsory superannuation contributions required by Australian law (currently 9% subject to the maximum contribution base which is indexed annually) on behalf of senior managers into complying funds plus additional contributions by way of salary sacrifice as instructed by any senior manager. Currently, the Infigen Energy Group does not contribute more than the statutory contribution of a senior manager's base salary as an employer superannuation contribution.

There is potential for the payment of superannuation benefits to a person holding a managerial or executive office to be regarded as a retirement benefit payable in connection with the person ceasing to hold an office or position of employment in the Infigen Energy Group, and thus the payment of those superannuation benefits may be subject to the approval requirements in Part 2D.2.2 of the Corporations Act.

The value of a senior manager's superannuation benefit on retirement (at least to the extent these are referable to the Infigen Energy Group) will be equal to the superannuation contributions made by the Infigen Energy Group to the senior manager's nominated superannuation fund plus, in relation to these contributions, any earnings and any capital growth or loss, less taxes and fees. The value of any such benefit cannot be ascertained as at the date of the Notice of Meetings.

Key matters, events or circumstances which will, or are likely to affect the value of superannuation benefits include:

- legal requirements regarding the minimum compulsory superannuation contributions which may increase over time;
- the senior manager's base salary which will be set on an annual basis following the senior manager's remuneration review and will be in accordance with the Infigen Energy Group's remuneration policy;
- any voluntary salary sacrifice contributions made by the senior manager; and
- any earnings and capital growth or loss, less taxes and fees, on the Infigen Energy Group's compulsory superannuation contributions.

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(vii) Severance and long-term incentive payments – US CEO

The Chief Executive Officer of Infigen Energy Group's US operations (**US CEO**) is employed in the United States by the Infigen Energy Group's US employment entity, POP Personnel LLC (**US Co**). Under the terms of the employment contract of the US CEO, he may have his employment terminated "at will" (i.e. without any notice period) but is entitled to a severance payment in the event his employment is terminated by US Co without cause or due to his disability.

Termination without cause means termination other than for a reason which would give rise to summary termination at law (e.g. serious misconduct). Disability is defined as an inability to perform the essential functions of the position (taking into account reasonable accommodations that do not cause an undue burden on US Co) for 90 consecutive days or 120 non-consecutive days in any period of 365 consecutive calendar days.

Upon termination in these circumstances the US CEO will be entitled to be paid severance pay equal to his normal monthly salary for the period commencing on the date of termination and ending on the later of (i) 1 April 2012 or (ii) the two month anniversary of the termination of his employment.

No severance payments are payable to the US CEO if his employment is terminated for any other reason by US Co.

The amount of any severance payment which may be payable upon termination cannot be ascertained as at the date of the Notice of Meetings. The key matters, events or circumstances which will, or are likely to affect the calculation of any severance payment include:

- the circumstances in which the US CEO ceases to be employed; and
- the date on which termination of the US CEO's employment occurs.

The US CEO is also entitled to participate in a deferred cash based long-term incentive plan (**Cash LTI**). Annual participation in the Cash LTI is at the discretion of the Nomination & Remuneration Committee and Board. Awards made to the US CEO under this plan are based on the successful completion and achievement of Company goals and objectives as determined by the Nomination & Remuneration Committee and the Board in its discretion.

The level of cash awards achievable under the Cash LTI by the US CEO is up to 35% of base salary.

Cash awards granted under the Cash LTI are deferred for a three year performance period and will only be released subject to the achievement of certain performance hurdles determined by the Nomination & Remuneration Committee and Board. However, the Nomination & Remuneration Committee and Board retain discretion to release deferred payments prior to the end of the performance period when the US CEO's employment ceases in exceptional circumstances. Exceptional circumstances may include where the US CEO retires, his position is made redundant, his employment ceases due to death or disability, or where other personal or business circumstances exist where the Nomination & Remuneration Committee and Board consider that the release of deferred payments to the US CEO is reasonable and warranted in all of the circumstances.

The value of the deferred cash award which may be released to the US CEO in certain circumstances cannot be ascertained as at the date of the Notice of Meetings. The value of the benefit will depend on:

- the level of deferred cash awards granted to the US CEO; and
- the amount of deferred cash awards held by the US CEO which the Nomination & Remuneration Committee and Board of the Company determine should be accelerated and released (which may be a portion or all of the awards determined at the Board's absolute discretion).

Key matters, events or circumstances which will, or are likely to affect the calculation of the value of any released deferred cash awards include:

- the circumstances in which the US CEO leaves the Infigen Energy Group's US employment entity;
- the number of years of service with the Infigen Energy Group's US employment entity;
- the financial performance of the Infigen Energy Group and the US business;
- the personal performance of the US CEO;
- the pro rata assessment of the relevant Infigen Energy Group goals associated with the Cash LTI; and
- the US CEO's base salary which will be set on an annual basis following the US CEO's remuneration review and will be in accordance with the Infigen Energy Group's remuneration policy.

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Example

The following provides an example of how termination benefits may be calculated for a senior manager whose employment has been terminated due to redundancy.

Assume the person being made redundant is a senior manager who has been employed by the Infigen Energy Group for 3 years and their employment contract has a period of notice entitlement of 6 months. Assume the senior manager first received an FY09 grant under the PR&O Plan of 400,000 performance rights (200,000 Tranche 1; 200,000 Tranche 2) and 2,000,000 options (1,000,000 Tranche 1; 1,000,000 Tranche 2), and then received a subsequent FY11 grant of 300,000 performance rights (150,000 Tranche 1; 150,000 Tranche 2). Assume a December 2011 termination date.

On termination, the executive will be entitled to the following termination benefits:

Termination Benefit	Amount
Payment in lieu of notice	6 months notice <i>Calculated on the senior manager's base salary as at the December 2011 termination date</i>
Redundancy	12 weeks severance pay <i>4 weeks severance pay x 3 years of service, calculated on the senior manager's base salary as at the December 2011 termination date</i>
Short-term incentive	An amount determined by the Board if it exercises its discretion to award the senior manager any STI payment in respect of the part year of service. The amount could be a portion or all of the achievable STI for the relevant year (e.g. if the maximum STI achievable for the relevant year is \$210,000 and the senior manager is made redundant 6 months into the year then the STI payment may be \$105,000).
Long-term incentive (under the PR&O Plan)	The Board may exercise its discretion under the PR&O Plan to vest all or a portion of the senior manager's FY09 and FY11 unvested performance rights or options. For example, the Board may decide in its absolute discretion after taking into consideration a range of matters including the senior manager's performance, reasons for the termination and performance of the LTI against established performance targets and the length of time since the initial grant, that the senior manager will receive 70% of the Tranche 1 performance rights and options granted in the FY09 award only. If the Board accelerated vesting under the PR&O Plan Rules, the senior manager would receive 140,000 performance rights and 700,000 options.
Superannuation	Any superannuation payment (if any) will be calculated in accordance with the rules of the applicable superannuation fund.

The Directors of the Board of the Company (with Mr Miles George abstaining and not voting) recommend that Securityholders vote in favour of this resolution.

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Item 6: Authorisation of on-market share buy-back – Foreign Company only

On 5 May 2010, Infigen Energy Group announced that it intended to undertake an on-market buy-back of up to 10% of its Stapled Securities for a period up to 30 June 2010.

Stapled Securities were subsequently acquired on-market during the period. Details of the outcome of the buy-back program were as follows:

Stapled Securities on issue at commencement of the buy-back program	802,460,585
Stapled Securities bought back during the buy-back program	42,086,157
Total consideration paid for the Stapled Securities bought back	\$35,633,028.85
Stapled Securities on issue at the conclusion of the buy-back program	760,374,428
Proportion of Stapled Securities bought back	5.24%

For the Company and Trust (the Australian stapled entities), the above on market security buy-back program may be conducted without Securityholder approval.

Due to the varying legal and Constitutional requirements applicable to the Foreign Company, shareholder approval is required for such buy-backs, and this resolution is seeking ratification of the 42,086,157 shares of the Foreign Company bought back from 20 May 2010 to 30 June 2010. In accordance with the IFN Stapling Deed, this amount matches the number of Stapled Securities bought back as part of the buy-back program.

The Directors of the Board of the Foreign Company recommend that shareholders of the Foreign Company approve the resolution authorising the on-market share buy-back program.

Item 7: Re-appointment of Auditor – Foreign Company Only

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

Section 89 of the Companies Act 1981 (Bermuda) also provides that the Directors of the Foreign Company may approve the remuneration of the Auditor as authorised by the shareholders of the Foreign Company. Directors of the Company and the Responsible Entity of the Trust currently have authority to approve the remuneration of PricewaterhouseCoopers in its capacity as Auditor of both the Company and the Trust. Shareholders of the Foreign Company are therefore requested to provide the Directors of the Foreign Company with similar authority to approve the remuneration of PricewaterhouseCoopers in its capacity as Auditor of the Foreign Company. The remuneration paid to PricewaterhouseCoopers in their capacity as Auditor of the Company, the Trust and the Foreign Company during the 2010 financial year is shown in note 8 to the financial statements within the IFN Annual Report 2010.

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

