



# ASX RELEASE

## Infigen Energy

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Infigen Energy Limited ABN 39 105 051 616  
Infigen Energy Trust ARSN 116 244 118  
Infigen Energy (Bermuda) Limited ARBN 116 360 715  
[www.infigenenergy.com](http://www.infigenenergy.com)

16 October 2018

## INFIGEN ENERGY 2018 AGM NOTICE OF MEETING

Infigen Energy (ASX: IFN) advises that the attached Notice of Meeting relating to the Annual General Meetings of Infigen Energy to be held on Friday, 16 November 2018, is being despatched to security holders today.

Amongst other items, an item of business for consideration by security holders at the AGM is a Stapling Restructure Proposal that involves simplifying the stapled structure of the Infigen Energy group by unstapling Infigen Energy (Bermuda) Limited from the other two stapled entities (Infigen Energy Limited and Infigen Energy Trust). The Stapling Restructure Proposal (if implemented) will not affect the continued stapling or operations of Infigen Energy Limited or Infigen Energy Trust.

The opportunity to unstaple Infigen Energy (Bermuda) Limited from the other two stapled entities has become available following the refinancing of Infigen's previous corporate facility in April 2018. The resolutions to give effect to the Stapling Restructure Proposal are included in item 4 of the Notice of Meeting. Further details are outlined in the explanatory notes.

The 2018 AGM Notice of Meeting is also available at Infigen's website ([www.infigenenergy.com](http://www.infigenenergy.com)).

## ENDS

For further information please contact:

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## About Infigen Energy

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

Infigen supplies clean energy from a combination of renewable energy generation and firming solutions available from the broader energy market to Australian business customers.

Infigen is a licensed energy retailer in the National Electricity Market (NEM) regions of Queensland, New South Wales (including the Australian Capital Territory), Victoria and South Australia. The company has wind generation assets in New South Wales, South Australia and Western Australia. Infigen is also developing options for firming in the NEM to support its business strategy.

Infigen is proudly Australia's largest listed owner of wind power generators by installed capacity of 557MW, with a further 113.2MW under construction in New South Wales, and actively supports the communities in which it operates. For further information, please visit: [www.infigenenergy.com](http://www.infigenenergy.com)



# NOTICE OF ANNUAL GENERAL MEETINGS

11am, Friday, 16 November 2018

Radisson Blu Plaza Hotel,  
27 O'Connell Street, Sydney



## NOTICE OF ANNUAL GENERAL MEETINGS

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

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

and

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

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

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

Notice is given that the 2018 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:** Friday, 16 November 2018  
**Place:** Radisson Blu Plaza Hotel  
27 O'Connell Street  
Sydney

# MESSAGE FROM THE CHAIRMAN

Dear Security Holders,

FY18 was a year of transformational change at both operational and policy development levels. Infigen's FY18 Financial Results have been characterised by strong financial performance and significant progress in delivering on key elements of the strategy to position our business to preserve existing and grow future value for all Security Holders.

Safety continues to be our highest priority. We continued our focus on the safety at our operating assets as well as at our Bodangora Wind Farm, which is under construction. The Board and Management of Infigen continue to look for opportunities to improve our systems and culture in vigilant pursuit of our goal of zero harm.

Over the course of the last 18 months, Infigen has sought to reduce the exposure of its revenues to short term electricity prices and grow the proportion of revenue under multi-year contracts as well as maximise value for our Security Holders. We have invested in additional production, introduced strategies to manage the risks associated with intermittent generation, and advanced consideration of several projects for future investment. In particular we have:

- invested in new capacity by commercialising certain projects within the Infigen development pipeline by developing the 113 MW Bodangora Wind Farm;
- entered into a new corporate debt facility to enable Infigen to operate the business as a portfolio of assets and to pursue a business strategy involving the diversification of our channels to market beyond large-scale retailers under long term Power Purchase Agreement (**PPA**) style contracts;
- contracted more than one third of our expected generation capacity under multi-year contracts to commercial and industrial (**C&I**) customers to deliver a balanced portfolio comprising approximately one third of our capacity contracted under long-term PPAs, more than one third to C&I customers and the remainder available for sale in the spot market or opportunistic and short term wholesale contracts;
- implemented long-term service agreements with Vestas to manage our existing operational generation fleet optimally across its service life with a mutual objective embedded within the agreements being maximising earnings;
- enhanced the human and systems resources in energy markets and project delivery;
- developed a 5 Year Business Plan that involves investment in both the ability to firm supply to meet customer needs as well as additional energy capacity both on capital-lite and/or a balance sheet basis; and
- undertaken Board renewal. In FY18 we were pleased to welcome Mr Mark Chellew and Ms Emma Stein to the Board.

Looking ahead, the National Electricity Market is continuing to undergo significant change that will require the Board and Management to remain vigilant and responsive to new opportunities that will preserve and create Security Holder value.

The Board anticipates that the remuneration structure will remain both structured and dynamic to reward planned outcomes, the capture of otherwise unforeseen opportunities and the management of risks that protect existing and creates new Security Holder value. It is within this strategic context that Infigen's remuneration structure was reviewed by the Board during the year resulting in three key changes:

- deferred Short Term Incentive (**STI**) was altered to 20% payable in cash after a 12-month deferral period and satisfying relevant criteria;
- the remuneration mix was rebalanced to increase the potential STI available for achieving transformational near-term goals and reduce the mix of Long Term Incentive (**LTI**). For FY19 and beyond, the split between STI and LTI will be 65:35 (50:50 previously). The total quantum of at-risk remuneration is unchanged; and
- the Operational Performance condition of the FY19 LTI has been updated to assess progress in implementing Infigen's 5 Year Business Plan to preserve and create Security Holder value while managing risk.

The Board believes that these changes will result in Infigen's remuneration framework remaining market competitive and will continue to appropriately motivate and reward executives to deliver Infigen's business strategy.



## NOTICE OF ANNUAL GENERAL MEETING 2018

I and the other Directors look forward to discussing this with you at our AGM on 16 November 2018.

At that meeting, along with a number of business as usual matters, Security Holders will be asked to consider and vote upon a change to Infigen's listed corporate structure. The proposal is that Infigen will change from being a stapled security comprised of three separate entities, to one with two stapled entities. The entity which would be removed from the stapling is Infigen Energy (Bermuda) Limited (the **Foreign Company**).

The Foreign Company has not been used since inception. Its unstapling from the listed entities will not of itself result in any change to the overall value of Infigen, the business or the remaining listed securities. Unstapling the Foreign Company from the listed entities will reduce the compliance costs and complexity of the business. Unstapling of the Foreign Company from the listed entities has been something Infigen has been interested in doing for some time. It is an opportunity now available because of the refinancing of our corporate debt in early 2018. Further details about the effect of the Stapling Restructure Proposal are outlined in item 4 of the Explanatory Notes.

At the AGM Security Holders will also have the opportunity to vote on:

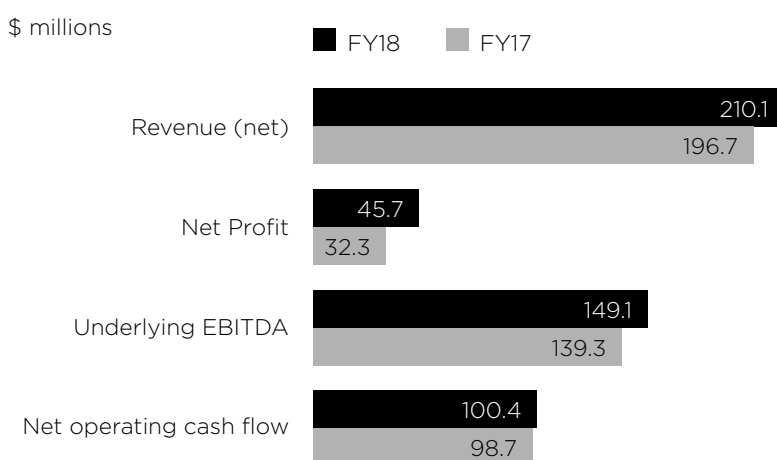
- the adoption of the Remuneration Report as set out in the Infigen Energy Annual Report 2018;
- the re-election of Mr Philip Green as a Director of Infigen;
- the approval of Executive Director participation in the Infigen Energy Equity Plan for FY19; and
- the re-appointment of the Auditor for Infigen Energy (Bermuda) Limited.

The Board unanimously recommends Security Holders support all resolutions.

Finally, I would like to thank Security Holders for your continued support. Your Directors look forward to welcoming you to our Annual General Meeting to be held on 16 November 2018 and discussing Infigen's FY18 results and the business more broadly with you.

**Len Gill**  
**Chairman**

### Key Highlights



## ORDINARY BUSINESS

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

To receive and consider the combined consolidated financial report of Infigen Energy and the financial report of the Trust, as well as the combined reports of the Directors and Auditor for the year ended 30 June 2018.

*There is no vote on this item.*

### **Item 2: Remuneration Report** – Company only

To adopt the Remuneration Report for the year ended 30 June 2018. The Remuneration Report is set out in the Directors' Report included within the Infigen Energy Annual Report 2018.

*This is a non-binding advisory vote.*

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

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

*That Philip Green, 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: Approval of the Stapling Restructure Proposal involving the unstapling, de-listing and internalisation of the Foreign Company** – Company, Foreign Company and Trust

**\*Important Note:** Each of the resolutions in this Item 4 are proposed on the basis that they are inter-conditional, so that the Stapling Restructure Proposal will only proceed and these resolutions will only take effect if all resolutions in this Item 4 are passed by the requisite majorities.

#### **Item 4A: Approval of the Stapling Restructure Proposal** – Company, Foreign Company and Trust

To consider and, if thought fit, to pass\* the following as a special resolution of the shareholders of each of the Company and the Foreign Company, and the unitholders of the Trust:

*That:\**

- (a) *the shares in the Foreign Company be unstapled from the Stapled Securities in accordance with clauses 8.1 and 8.1A of the Stapling Deed, with no change to the ongoing stapling of the shares in the Company and the units in the Trust, as part of the Stapling Restructure Proposal;*
- (b) *as part of the implementation of the Stapling Restructure Proposal, the shares in the Foreign Company be removed from quotation and the Foreign Company be de-listed.*

#### **Item 4B: Amendment to the Company Constitution** – Company only

To consider and, if thought fit, to pass\* the following as a special resolution of the shareholders of the Company:

*That\* the constitution of the Company be amended as described in the Explanatory Notes accompanying this Notice.*

#### **Item 4C: Amendment to the Trust Constitution** – Trust only

To consider and, if thought fit, to pass\* the following as a special resolution of the unitholders of the Trust:

*That\* the constitution of the Trust be amended as described in the Explanatory Notes accompanying this Notice.*



## NOTICE OF ANNUAL GENERAL MEETING 2018

### **Item 4D: Amendment to the Foreign Company Bye-Laws** – Foreign Company only

To consider and, if thought fit, to pass\* the following as a special resolution of the shareholders of the Foreign Company:

*That\* the bye-laws of the Foreign Company be amended as described in the Explanatory Notes accompanying this Notice.*

### **Item 4E: Capital restructure of the Foreign Company** – Foreign Company only

To consider and, if thought fit, to pass\* the following as a special resolution of the shareholders of the Foreign Company:

*That\*:*

- (a) *the Foreign Company be authorised to issue a separate class of shares, being convertible redeemable preference shares to the Company, with a par value of A\$0.000001 and otherwise on terms to be determined by the Board of the Foreign Company (including voting rights, issue price, dividends, right to participate in surplus capital and profits, repayment of capital, priority with respect to other classes of shares, redemption, and conversion into ordinary shares);*
- (b) *that, to the extent that paragraph (a) results in any variation of rights of shareholders of the Foreign Company, such variation is approved; and*
- (c) *following unstapling of the shares in the Foreign Company from the Stapled Securities, and as soon as practicable following the issue of at least one convertible redeemable preference share to the Company, all of the issued ordinary shares in the Foreign Company be cancelled for nil consideration.*

### **Item 5: Participation in the Infigen Energy Equity Plan by Mr Ross Rolfe** – Company, Foreign Company and Trust

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

*That approval is given for the issue to Mr Ross Rolfe, Managing Director of the Company, of up to 500,224 performance rights under the Equity Plan on the basis described in the Explanatory Notes accompanying this Notice.*

### **Item 6: Participation in the Infigen Energy Equity Plan by Ms Sylvia Wiggins** – Company, Foreign Company and Trust

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

*That approval is given for the issue to Ms Sylvia Wiggins, an Executive Director of the Company, of up to 379,274 performance rights under the Equity Plan on the basis described in the Explanatory Notes accompanying this Notice.*

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

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

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

# VOTING EXCLUSION STATEMENT

## **Item 2**

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

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

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

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

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

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

## **Items 5 and 6**

For the purposes of the ASX Listing Rules, the Company, Foreign Company and the Responsible Entity will disregard any votes cast in favour of items 5 and 6 by or on behalf of:

- Mr Rolfe and his associates on item 5; and
- Ms Wiggins and her associates on item 6.

Further, a vote must not be cast on items 5 and 6 by a KMP, or a closely related party of a KMP, acting as proxy, if their appointment does not specify the way the proxy is to vote on items 5 and 6 (as the case may be).

However, the Company, the Foreign Company and the Responsible Entity need not disregard a vote on items 5 and 6 (and that person is not prohibited from voting) if:

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

If you appoint the Chairman of the Meetings as your proxy, and you do not direct your proxy how to vote on items 5 and 6 on the proxy form, you will be expressly authorising the Chairman of the Meetings to exercise your proxy even though items 5 and 6 are connected directly or indirectly with the remuneration of KMP.

The Chairman of the Meetings intends to vote undirected proxies in favour of items 5 and 6.

By order of the Boards of Infigen Energy.

Dated: 8 October 2018



**David Richardson**  
**Company Secretary**  
**Infigen Energy**





## NOTES:

1. In this notice and the accompanying Explanatory Notes:
    - **ASX** means ASX Limited (ABN 98 008 624 691) or the securities exchange operated by it, as the context requires.
    - **ASIC** means the Australian Securities and Investments Commission.
    - **Bermuda Companies Act** means the *Companies Act 1981* (Bermuda).
    - **Corporations Act** means the *Corporations Act 2001* (Cth).
    - **Equity Plan** means the Infigen Energy Equity Plan, an overview of which is contained in Annexure A to the Explanatory Notes.
    - **Infigen Energy Group** means the Company and each of its body corporates that is a subsidiary of the Company, the Foreign Company and each controlled entity of the Foreign Company, and the Trust and each sub-trust of the Trust.
    - **Security Holders** means the shareholders of the Company and the Foreign Company and the unitholders of the Trust.
    - **Stapling Restructure Proposal** has the meaning given in the Explanatory Notes.
    - **Stapled Securities** means:
      - before the implementation of the Unstapling Proposal - one share in the Company, one share in the Foreign Company and one unit in the Trust; and
      - after the implementation of the Unstapling Proposal - one share in the Company and one unit in the Trust, in each case that are stapled together to form a single security and which must be traded and otherwise dealt with as a single security in accordance with the terms of the Stapling Deed.
    - **Stapling Deed** means the stapling deed (as amended from time to time) entered into by the Company, the Foreign Company and the Responsible Entity dated 16 September 2005.
    - **Unstapling Proposal** means the unstapling of shares in the Foreign Company (on the one hand) from shares in the Company and units in the Trust (on the other hand, which remain stapled together), proposed in Item 4 of this notice, together with the amendments to the bye-laws and constitutions of the Foreign Company, the Company and the Trust proposed in Item 4.
- Other terms used in this notice are defined in the Explanatory Notes.
2. On a show of hands, every person present and qualified to vote has one vote and if one proxy has been appointed, that proxy will have one vote on a show of hands. Under the Corporations Act, if a Security Holder appoints more than one proxy, neither proxy may vote on a show of hands, but both proxies will be entitled to vote on a poll.
  3. On a poll:
    - in the case of a resolution of the Company or the Foreign Company, each Security Holder present in person has one vote for each share they hold. Also each person present as a proxy, attorney or duly appointed corporate representative of a Security Holder, has one vote for each share held by the Security Holder that the person represents; and
    - in the case of a resolution of the Trust, each Security Holder present in person has one vote for each one dollar of the value of the units in the Trust held by the Security Holder. Also, each person present as proxy, attorney or duly appointed corporate representative of a Security Holder has one vote for each one dollar of the value of the units in the Trust held by the Security Holder that the person represents.
  4. A Security Holder entitled to attend and vote is entitled to appoint not more than two proxies. If it is desired to appoint two proxies, then an additional proxy form can be obtained from Infigen Energy's security registry by telephoning +61 1800 226 671.

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

Alternatively, if a proxy is not appointed under a power of attorney, proxy forms may also be lodged online at the Company's website [www.infigenenergy.com](http://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 Wednesday, 14 November 2018.**

8. The Board of the Company, the Board of the Foreign Company and the Board of the Responsible Entity of the Trust have determined that, for the purposes of the meetings, shares and units will be taken to be held by the persons who are registered as Security Holders as at 7pm (AEDT) on Wednesday, 14 November 2018. Accordingly, transfers of Stapled Securities registered after that time will be disregarded in determining entitlement to attend and vote at the meetings.



## EXPLANATORY NOTES

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

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

## ORDINARY BUSINESS

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

The Infigen Energy Annual Report 2018 has been distributed to Security Holders. The Infigen Energy Annual Report 2018 includes combined financial reports, as well as combined Directors' and Auditor's reports, for the Company and Trust. The Infigen Energy Annual Report 2018 is available at Infigen Energy's website: [www.infigenenergy.com](http://www.infigenenergy.com).

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

### **Item 2: To adopt the Remuneration Report** – Company only

Security Holders are asked to consider and adopt the Remuneration Report of the Company by way of a non-binding resolution. The Remuneration Report is set out in the Directors' Report included within the Infigen Energy Annual Report 2018 and is also available from the Company's website: [www.infigenenergy.com](http://www.infigenenergy.com).

The information included in each annual Remuneration Report is largely determined by the requirements of the Corporations Act. However, the Chairman of the Nomination & Remuneration Committee has prepared a letter to Security Holders at the start of the Remuneration Report that aims to assist Security Holders by identifying the key remuneration-related matters for the Company for FY18.

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

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

If at least 25% of the votes cast on the resolution at the 2018 AGM are against the adoption of the Remuneration Report, then:

- if comments are made on the report at the meeting, the Company's Remuneration Report for the financial year ending 30 June 2019 will be required to include an explanation of the Board of the Company's proposed action in response or, if no action is proposed, the Board of the Company's reasons for this; and
- if, at the Company's 2019 AGM, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report for the financial year ending 30 June 2019 are against its adoption, the Company will be required to put to Security Holders a resolution proposing that a general meeting (Spill Meeting) be called to consider the election of directors of the Company (Spill Resolution). For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the directors of the Company (other than the Managing Director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

## Recommendation

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

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

Philip Green retires as a Director of the Company and of the Foreign Company and being eligible, offers himself for re-election.

Philip is a Partner of TCI Advisory Services LLP (**TCI**), an advisor to a substantial security holder of Infigen Energy. Philip joined TCI in 2007 and his responsibilities include TCI's global utility, renewable energy and infrastructure investments.

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.

## Recommendation

The Directors of the Boards of the Company and Foreign Company (other than Philip Green who abstains) recommend that Security Holders vote in favour of re-electing Philip Green as a Director of the Company and Foreign Company.

# SPECIAL BUSINESS

## Item 4: Approval of the Stapling Restructure Proposal involving the unstapling, de-listing and internalisation of the Foreign Company – Company, Foreign Company and Trust

### INTRODUCTION

The resolutions in Item 4 seek Security Holder approval to implement a proposal (**Stapling Restructure Proposal**) whereby:

- shares in the Foreign Company (on the one hand) will be unstapled from shares in the Company and units in the Trust (on the other hand, which will remain stapled together) (**Unstapling**);
- the Foreign Company will issue a convertible redeemable preference share to the Company and all the existing ordinary shares on issue in the Foreign Company will be cancelled for nil consideration (such that the Foreign Company will be internalised and become a wholly-owned subsidiary of the Company); and
- the Foreign Company will be de-listed from ASX (and, subject to relevant approvals, subsequently wound-up).

The Stapling Restructure Proposal (if implemented) will not affect the continued stapling or operations of the Company and the Trust.

**Each of the resolutions the subject of Item 4 are inter-conditional. Accordingly, all resolutions must be passed by the requisite majorities in order for the Unstapling to occur, and the Stapling Restructure Proposal to be implemented.**

### About the Stapling Restructure Proposal

A number of steps and approvals are required to give effect to the Stapling Restructure Proposal – in particular:

- **(step 1)** consequential amendments to the constitutions of the Company and the Trust, and the bye-laws of the Foreign Company, will be made to provide for the Stapling Restructure Proposal (**Items 4B, 4C and 4D**) and the Stapling Deed will be amended;
- **(step 2)** shares in the Foreign Company will be unstapled from shares in the Company and units in the Trust in accordance with the Stapling Deed (**Item 4A**);
- **(step 3)** the Foreign Company will issue a convertible redeemable preference share to the Company and all the existing ordinary shares on issue in the Foreign Company will be cancelled for nil consideration (**Item 4E**); and
- **(step 4)** shares in the Foreign Company will be removed from quotation and the Foreign Company will be de-listed (**Item 4A**).

It is intended that, following the implementation of the Stapling Restructure Proposal, the convertible redeemable preference share held by the Company in the Foreign Company will be converted to an ordinary share and the Foreign Company will be subsequently wound-up.

Implementation of the Stapling Restructure Proposal is subject to Security Holder approval, final approval of the Boards and receipt of all necessary regulatory approvals (including from both ASIC and ASX). As at the date of this Notice of Annual General Meetings, Infigen Energy has received in-principle approval from both ASIC and ASX for the Stapling Restructure Proposal.



An explanation of these steps, and the timetable for the implementation of the Stapling Restructure Proposal, is set out in these Explanatory Notes below.

## Reasons for the Stapling Restructure Proposal

The Foreign Company was originally included in the listed group which comprised the stapled structure in order to provide Infigen Energy flexibility for potential off-shore investments. The Foreign Company has never been used (for that purpose, or any other purpose) and the Foreign Company has had no operations since it was listed.

The Foreign Company holds no assets of substance and its ongoing administrative costs are currently supported by an undertaking of financial support from the Trust.

The shares in the Foreign Company were issued for a small fraction of a cent (A\$0.000001 per share – par value) and it is likely that little (if any) value is attributed to them. If the Foreign Company was determined to have any value – it would become absorbed in the stapled group via the proposed internalisation of the Foreign Company.

Accordingly, the key benefits of the Stapling Restructure Proposal are that it will:

- streamline and simplify Infigen Energy's corporate structure;
- simplify the financial reporting requirements for Infigen Energy leading to annual cost savings;
- reduce ongoing administrative and other costs associated with the Foreign Company;
- reduce the regulatory burden on Infigen Energy of having to comply with the laws of a foreign jurisdiction in addition to its obligations under Australian law – for example, in order to undertake a buy-back of Stapled Securities, Infigen Energy would only need to comply with Australian legal requirements as opposed to also having to obtain prior Security Holder approval for a buy-back which is a requirement under the Bermuda Companies Act; and
- not impact on the continued stapling of shares in the Company and units in the Trust (which will continue to comprise a single Stapled Security in accordance with the terms of the Stapling Deed), nor the ongoing operations and business of the Company and the Trust.

## Are there any disadvantages associated with the Stapling Restructure Proposal?

The primary disadvantage of the Stapling Restructure Proposal is the one-off costs of proposing and implementing the Stapling Restructure Proposal, however these are not expected to be material.

The Directors of the Boards consider that the advantages outweigh the disadvantages and that it is in the long-term best interests of Infigen Energy and its Security Holders to proceed with the Stapling Restructure Proposal.

## Tax impacts

General taxation advice in relation to the impact on Security Holders of the Stapling Restructure Proposal has been received. It is important to note that the advice received is general in nature and is a summary only of the tax implications for Security Holders of the Stapling Restructure Proposal. The advice did not consider the circumstances of specific Security Holders, and as the tax treatment applicable to particular Security Holders may differ, it is recommended that Security Holders seek their own professional advice on the taxation implications of the Stapling Restructure Proposal.

In summary, the advice indicated that it is not expected that the Stapling Restructure Proposal will result in any materially adverse consequences for Security Holders under:

- (i) Australian income tax law;
- (ii) Australian GST law;
- (iii) State or Territory stamp duty legislation; or
- (iv) Bermudan tax law.

The key income tax consequences for Security Holders are expected to be:

- No dividend or other assessable distribution should arise for Security Holders in connection with the Stapling Restructure Proposal where, as assumed, the Foreign Company does not provide any consideration in connection with the capital reduction or share cancellation steps.
- There may be different outcomes for Security Holders depending on whether the Stapled Securities are held on capital or revenue account.
- For those Security Holders who hold their Stapled Securities on capital account, the cancellation of the shares should constitute a capital gains tax event. On the understanding that (a) there will be no amount paid by the Foreign Company in connection with the final cancellation of the shares and (b) the shares will have a nil market value when cancelled, the capital proceeds from the termination should be nil. On that basis, Security Holders should realise a capital loss equal to the amount of their reduced cost base in the shares for income tax purposes. Whilst that capital loss will vary for each Security Holder (in part due to incidental costs in relation to the shares that may have been incurred by Security Holders), it is understood that the cost base amounts are likely to be a minor proportion of a Security Holder's total cost base in the three instruments comprising the Stapled Securities.
- Security Holders who hold their Stapled Securities on revenue account are likely to also realise a loss equal to their cost in the shares for income tax purposes. As for capital account holders, it is understood that these amounts are likely to be negligible.

Regarding GST implications, it is not expected that the Stapling Restructure Proposal will result in any materially adverse consequences for Security Holders under GST law.

To the extent that Security Holders are registered for GST, it was noted that GST incurred on transaction costs should not be creditable to the extent that it relates to those elements in the transaction steps that constitute 'input-taxed' financial supplies.

## **EXPLANATION OF THE RESOLUTIONS IN ITEM 4**

### **Approval of the Stapling Restructure Proposal (Item 4A)**

Item 4A seeks Security Holder approval for the purposes of:

- the constitution of the Company, the constitution of the Trust and the bye-laws of the Foreign Company; and
- the Stapling Deed,

and for all other purposes, to unstaple shares in the Foreign Company from shares in the Company and units in the Trust in accordance with the terms of the Stapling Deed and for the subsequent removal of shares in the Foreign Company from quotation and the de-listing of the Foreign Company from ASX.

In accordance with article 23.12 of the constitution of the Company, article 13.11 of the constitution of the Trust and bye-law 26.11 of the bye-laws of the Foreign Company, Security Holder approval is required to undertake any unstapling of the existing Stapled Securities.

Further, clauses 8.1 and 8.1A of the Stapling Deed provide that:

- Security Holders may, by special resolution, determine that shares in the Foreign Company, shares in the Company and units in the Trust should cease to be stapled to each other (clause 8.1);
- Security Holders may resolve under clause 8.1 to unstaple all Stapled Securities or any one of the components of the stapled securities (clause 8.1A); and
- if only one component of the Stapled Securities is to be unstapled, the other components will remain stapled together (clause 8.1A).

Under the proposed Stapling Restructure Proposal, shares in the Foreign Company will be unstapled from shares in the Company and units in the Trust. Shares in the Company and units in the Trust will remain stapled to each other in accordance with the terms of the Stapling Deed.

Accordingly, Item 4A seeks the necessary approvals to implement the Stapling Restructure Proposal.



## **Amendments to the Stapling Deed**

The Stapling Deed was amended, prior to this notice being issued, to insert clause 8.1A to clarify that a partial unstapling of the kind proposed by the Stapling Restructure Proposal would not affect the stapling of the other entities, and to modify the effect of partial unstapling where the unstapled entity became a subsidiary of the Infigen Energy Group.

Subject to the Unstapling being implemented, the Stapling Deed will be amended so as to remove all references to the Foreign Company (and to make additional consequential amendments to recognise the partial unstapling).

No Security Holder approval is required to give effect to the amendments to the Stapling Deed.

## **Amendments to the constitutions of the Company and the Trust and the bye-laws of the Foreign Company (Items 4B, 4C and 4D)**

### *Company and Trust Constitutions*

Items 4B and 4C seek relevant approvals to amend:

- the constitution of the Company; and
- the constitution of the Trust,

in each case to make consequential amendments to the stapling provisions in order to give effect to, and provide for, the unstapling of shares in the Foreign Company and removal of references to the Foreign Company, without affecting the continued stapling of shares in the Company and units in the Trust pursuant to the Stapling Restructure Proposal.

The Trust constitution is also being amended to clarify the interpretation of provisions relating to capital raisings.

Under section 136 of the Corporations Act, an amendment to the constitution of the Company requires approval by way of a special resolution of the shareholders of the Company.

Under section 601GC of the Corporations Act, an amendment to the constitution of the Trust requires approval by way of a special resolution of the members of the Trust. The amendments are made by way of a trust deed amendment.

### *Foreign Company bye-laws*

Item 4D seeks approval to amend the bye-laws of the Foreign Company, to replace them with new bye-laws that are standard for an unstapled Bermuda company, and including authorisations to issue preference shares that are both convertible and redeemable.

Section 13(5) of the Bermuda Companies Act provides that any amendment to the bye-laws must be approved by members of the Foreign Company in general meeting. Further, bye-law 22.3 of the bye-laws of the Foreign Company provides that an amendment to the bye-laws of the Foreign Company requires approval by way of a special resolution of the shareholders of the Foreign Company.

*Details of the proposed amendments to be made to the constitutions of the Company and the Trust and to the bye-laws of the Foreign Company, as well as the amended constitutions and bye-laws are available from the Infigen Energy website at [www.infigenenergy.com](http://www.infigenenergy.com).*

## **Capital restructure of the Foreign Company (Item 4E)**

Item 4E seeks Security Holder approval to internalise the Foreign Company by way of:

- the issue of a new class of shares, being convertible redeemable preference shares in the capital of the Foreign Company to the Company; and
- the cancellation (by way of a capital reduction for nil consideration) of all the outstanding ordinary shares in the Foreign Company.

On completion of the above steps, the Foreign Company will be a wholly-owned subsidiary of the Company. It is intended that, as part of the completion of the Stapling Restructure Proposal, the convertible redeemable preference share held by the Company will be converted to an ordinary share and the Foreign Company will be wound-up in due course.

The bye-laws of the Foreign Company permit the Foreign Company, by ordinary resolution, to create new classes of shares and attach different rights to those shares. Section 42 of the Bermuda Companies Act permits the Foreign Company to issue preference shares, and if the bye-laws permit, these can be redeemable at the option of the company. Section 47 of the Bermuda Companies Act in conjunction with the bye-laws require approval by special resolution for a variation of rights of any class of shareholders, so approval of the capital restructure of the Foreign Company has been sought at this level for abundance of caution.

In accordance with section 46 of the Bermuda Companies Act and bye-law 8.3 of the bye-laws of the Foreign Company, a reduction of capital by the Foreign Company requires the approval by ordinary resolution of shareholders of the Foreign Company.

The shares in the Foreign Company have a par value of A\$0.000001 per share. The Foreign Company has no assets of any substance, has no operations, and is supported solely by an undertaking of financial support from the Trust. For this reason, the cancellation of ordinary shares in the Foreign Company is for nil consideration.

Accordingly, Item 4E seeks the necessary approvals to undertake the capital restructure of the Foreign Company in connection with the Stapling Restructure Proposal.





## NOTICE OF ANNUAL GENERAL MEETING 2018

### TIMETABLE

Subject to all necessary consents and approvals being obtained, it is intended that the Stapling Restructure Proposal will be implemented by the end of calendar year 2018. An indicative timetable for the Stapling Restructure Proposal is set out below and remains subject to change.

Action	Indicative Timing
<b>Annual General Meeting</b> (Security Holders vote on Stapling Restructure Proposal)	Friday, 16 November 2018
<b>Deferred settlement trading commences</b> (Trading in Stapled Securities will occur on a deferred settlement basis until implementation of the Stapling Restructure Proposal)	Tuesday, 20 November 2018
<b>Record date</b> (For the purposes of determining holders of Stapled Securities)	Wednesday, 21 November 2018
<b>Stapling Restructure Proposal implemented</b> (Shares in the Foreign Company are unstapled and cancelled for nil consideration, the Foreign Company is de-listed from ASX, and updated holding statements are despatched)	Thursday, 22 November 2018
<b>Deferred settlement trading ends</b> (Last day of deferred settlement trading in Stapled Securities)	Monday, 26 November 2018
<b>Normal trading commences</b> (Trading in Stapled Securities commences on a normal T+2 basis)	Tuesday, 27 November 2018

### Recommendation

The Directors of the Boards of the Company, the Foreign Company and the Responsible Entity recommend that Security Holders vote in favour of each resolution comprising Item 4.

**Items 5 and 6: Participation in the Infigen Energy Equity Plan by Mr Ross Rolfe and Ms Sylvia Wiggins – Company, Foreign Company and Trust**

Approval is sought for the grant of performance rights under the Equity Plan to Mr Ross Rolfe and Ms Sylvia Wiggins for the purpose of the Long-Term Incentive (LTI) component of each executive's remuneration package. The details of each executive's remuneration have been disclosed previously in the Company's Remuneration Report.

### Why is Security Holder approval being sought?

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

### Proposed grant of performance rights for each executive

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

Table A

	Incentive Grant	Performance Rights	VWAP	Value
Ross Rolfe	FY19 LTI	500,224	\$0.6697	\$335,000
Sylvia Wiggins	FY19 LTI	379,274	\$0.6697	\$254,000

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

### Long Term Incentive as part of the executive's FY19 remuneration package

Each of Mr Rolfe and Ms Wiggins will, subject to Security Holder approval, be eligible to receive an LTI award under the Equity Plan as part of their FY19 remuneration consistent with Infigen's remuneration policy.

The number of performance rights proposed to be granted to each of Mr Rolfe and Ms Wiggins are specified in Table A above and has been determined using the volume weighted average ASX market price of Stapled Securities in the last five trading days of the 2018 financial year.

As disclosed in the 2018 Remuneration Report, Infigen's remuneration structure was reviewed by the Board during the year with consideration given to:

- whether the remuneration arrangements appropriately incentivise and reward management to deliver the Board endorsed strategy; and
- the relative competitiveness of the remuneration arrangements with industry peers.

As a result of this review the Board decided to rebalance the at-risk remuneration mix to increase the potential Short-Term Incentive (STI) available for achieving transformational near-term goals and reduce the mix of long term incentive. For FY19 and beyond, the split between STI and LTI will be 65:35 (50:50 previously). The Board believes this split between STI and LTI better reflects the relative importance of achieving transformational short-term goals (that will generate long term benefits) that are the foundations of an enduring and sustainable business model that positions the Infigen Energy Group to protect existing and create new value for our Security Holders. The total quantum of at-risk remuneration is unchanged.

This allocation will be revisited in future years once the Board has the confidence that the short-term transformational objectives of the 5 Year Business Plan have been achieved.



## Performance conditions of proposed awards under the Equity Plan in respect of the FY19 LTI Grant

1. The performance rights comprise two tranches of equal value (**Tranche 1** and **Tranche 2**).
2. The number (if any) of performance rights awarded to the executive that will ultimately vest is dependent on the achievement of performance conditions determined by the Board of the Company. The Board of the Company has determined the performance rights should be subject to a Total Shareholder Return (**TSR**) performance condition and an Operational performance condition.
3. The performance period for Tranche 1 (TSR performance condition) and Tranche 2 (Operational performance condition) performance rights will be a 3-year period from 1 July 2018 to 30 June 2021.
4. Further details of the performance conditions are provided below.
5. **TSR performance condition** (applicable to Tranche 1 performance rights) – TSR measures the growth in the price of Stapled Securities plus cash distributions notionally reinvested in Stapled Securities. The vesting scale for Tranche 1 performance rights is set out in Table B below.

Table B

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

6. The **Operational performance condition** will assess progress in implementing the business plan to preserve and create Security Holder value while managing risk. Performance will be assessed against a scorecard setting out the strategic objectives, quantifiable measures and Board assessment criteria that will be used for determining the amount of Tranche 2 performance rights that will vest. Strategic objectives include:
  - (a) preservation and creation of Security Holder value while managing market risk;
  - (b) capital management;
  - (c) prudent investment;
  - (d) develop and maintain a high-performance culture; and
  - (e) transformational business opportunities.Each strategic objective will be assessed separately and then aggregated to determine the final vesting percentage. This is to be overlaid with the Board's qualitative assessment of how Infigen has performed in implementing the group's strategy. The Board may exercise discretion when assessing individual and team performance in delivering the strategic objectives.
7. The Board has discretion to adjust the vesting outcomes under each performance condition (both upwards and downwards) including in the following circumstances:
  - (a) a fatality occurring any time prior to the vesting date;
  - (b) where Infigen experiences a significant negative shareholder experience, including where the absolute TSR is negative and the Board considers the vesting outcome is inappropriate;
  - (c) if the Board determines that the Operational performance condition outcome does not satisfactorily reflect the sustainable economic value created for Infigen Energy and its Security Holders during the performance measurement period;
  - (d) a significant corporate transaction eventuates that the Board considers has affected, or will materially affect, the achievability of a performance condition or the continued applicability of the performance condition;
  - (e) if there have been material misstatements or misrepresentations that warrant such adjustments.

## Other conditions of proposed awards under the Equity Plan in respect of the FY19 LTI Grant

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

## Additional information required by the ASX Listing Rules

In accordance with the requirements of the ASX Listing Rules, the following information is provided to Security Holders:

1. Each performance right that vests in accordance with the vesting conditions described above will (subject to the Board of the Company otherwise determining that the vested performance rights will be cash settled under the Equity Plan rules) translate into one Stapled Security (subject to any adjustment in accordance with the Equity Plan rules).
2. The number of performance rights which will be granted to each executive, subject to approval by Security Holders, is specified in Table A above.
3. The executives will not be required to pay any amount on the grant or vesting of their performance rights.
4. The Company received Security Holder approval at the 2017 AGM to grant performance rights, for nil consideration, to both executives as shown in Table C below. At the date of this notice, none of those performance rights have qualified to vest into Stapled Securities.

Table C

	Incentive Grant	Performance Rights Granted
Ross Rolfe	FY17 Deferred STI	170,409
	FY17 LTI	369,230
	FY18 LTI	620,156
Sylvia Wiggins	FY17 Deferred STI	3,342
	FY18 LTI	467,790

5. The executives will be prohibited from entering into hedging arrangements or transactions that will limit or reduce exposure to economic risk of holding unvested performance rights.
6. The proposed grant of performance rights to the executives will be made as soon as practicable after Security Holder approval is obtained, and in any event no later than 12 months after this meeting.
7. No loan will be made by Infigen Energy in connection with the potential grant of performance rights to the executives.
8. Mr Rolfe and Ms Wiggins are currently the only Directors of the Company, Foreign Company or Responsible Entity entitled to potentially receive a grant of performance rights under the Equity Plan.

## Recommendation

The Directors of the Boards of the Company, the Foreign Company and the Responsible Entity (other than Ross Rolfe and Sylvia Wiggins who abstain) recommend that Security Holders vote in favour of resolutions 5 and 6.



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

Section 89 of the Bermuda Companies Act 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 Bermuda Companies Act also provides that the Directors of the Foreign Company may approve the remuneration of the Auditor as authorised by the shareholders of the Foreign Company. Directors of the Company and the Responsible Entity of the Trust currently have authority to approve the remuneration of PricewaterhouseCoopers in its capacity as Auditor of both the Company and the Trust. Shareholders of the Foreign Company are therefore requested to provide the Directors of the Foreign Company with similar authority to approve the remuneration of PricewaterhouseCoopers in its capacity as Auditor of the Foreign Company. The remuneration paid to PricewaterhouseCoopers in its capacity as Auditor of the Company, the Trust and the Foreign Company during the 2018 financial year is shown in Note G5 to the financial statements within the Infigen Energy Annual Report 2018.

### **Recommendation**

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.

## ANNEXURE A – OVERVIEW OF THE INFIGEN ENERGY EQUITY PLAN (EQUITY PLAN)

1. The Board of the Company (**Board**) may in its absolute discretion determine which eligible persons will be offered the opportunity to participate in the Equity Plan.
2. Eligible persons may be invited to apply to be a participant in the Equity Plan.
3. Under the Equity Plan, the Company may grant performance rights, options or security appreciation rights (**Awards**). All Awards are subject to the rules of the Equity Plan and any other conditions determined by the Board.
4. An application to participate in the Equity Plan will not be accepted if, at the time of the application, the applicant:
  - (a) is not an employee of an Infigen Energy Group entity;
  - (b) is subject to notice of termination of his or her employment.
5. The Board may impose performance conditions on any awards under the Equity Plan to reflect the group's business plans, budgets and performance objectives. The Board may vary these performance conditions from time to time. Awards will not vest unless these vesting conditions are satisfied or accelerated vesting occurs in accordance with paragraph 9 below.
6. An unvested Award does not entitle a participant to participate in any new issue of Stapled Securities. Awards will also not attract dividends, distributions or voting rights until they vest (and in the case of options, are exercised) and Stapled Securities are allocated (whether or not the Stapled Securities are then subject to non-disposal restrictions).
7. On the vesting of an Award, the Company must cause to be issued, transferred or paid (as applicable) to the participant:
  - (a) in respect of vested options which are exercised by the option holder, the number of Stapled Securities (expressed to one decimal place) the subject of each vested option;
  - (b) in respect of vested performance rights, in the absolute discretion of the Board, either:
    - (i) the number of Stapled Securities (expressed to one decimal place) the subject of each vested performance right multiplied by the number of vested performance rights held by that participant, rounded down to the nearest whole number of Stapled Securities; or
    - (ii) a cash amount equivalent to the Market Price of a Stapled Security on the vesting date multiplied by the number of Stapled Securities contemplated under paragraph 7(b)(i) above. The Market Price means an amount equal to the volume weighted average of the selling price of a Stapled Security recorded on the ASX over the 5 ASX trading days immediately preceding the vesting date or if no sale occurred during such period the last sale price of a Stapled Security recorded on the ASX; or
  - (c) in respect of vested security appreciation rights, a cash amount (rounded to the nearest whole dollar) calculated by multiplying the number of Stapled Securities to which those security appreciation rights relate by an amount equal to the amount by which the Market Price of a Stapled Security on the vesting date of the security appreciation right exceeds the base price of that security appreciation right. No amount is payable where that Market Price does not exceed that base price.
8. No amount is payable for the grant of an Award.



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9. The Board may, in its absolute discretion, accelerate the vesting of all or part of any unvested Award, in the following circumstances:
- (a) a takeover bid is made to holders of Stapled Securities which the Board resolves has a reasonable prospect of success;
  - (b) a court orders that a meeting be held to consider a scheme involving a proposed arrangement for the merger or acquisition of the Infigen Energy Group;
  - (c) if Stapled Securities cease to be quoted on any securities exchange;
  - (d) the winding up of the Company, Foreign Company or Trust; or
  - (e) a participant's employment ceases due to death or total and permanent disability.
- The Equity Plan contains rules regulating the exercise of the Board's discretion in these circumstances. In the case of events (a)-(c) any Awards which are not subject to accelerated vesting will lapse on a date determined by the Board.
10. An unvested Award held by a plan participant will lapse on the earlier of:
- (a) the expiry date applicable to the Award; or
  - (b) that participant becoming bankrupt or committing an act of bankruptcy; or
  - (c) the Board determining that the participant:
    - (i) has committed (or it is evident that the participant intends to commit) any act (whether by omission or commission) which amounts or would amount to any of dishonesty, fraud, wilful misconduct, wilful breach of duty, serious and wilful negligence or incompetence in the performance of the participant's duties;
    - (ii) is convicted of a criminal offence (other than minor/trivial offences) or is guilty of wilful or recklessly indifferent conduct which may injure the reputation or business of an Infigen Energy Group member; or
    - (iii) has failed to comply with a non-compete or confidentiality condition contained in their employment contract with an Infigen Energy Group member;
  - (d) that participant ceasing to be an employee due to reasons other than death, total and permanent disablement, redundancy or retirement (unless the Board of the Company determines otherwise in its absolute discretion); or
  - (e) subject to certain exceptions, the compulsory or voluntary winding up of the Company, Foreign Company or Trust as detailed in the Equity Plan.
11. If a participant's employment ceases due to death, total and permanent disablement, redundancy or retirement, or for any other reason approved by the Board in its absolute discretion, then his or her unvested Awards will be retained by the participant after his or her employment ceases and will vest or lapse in accordance with the terms of the grant of the Award and the Equity Plan rules.
12. The Equity Plan provides for the acquisition, by issue or transfer, of fully paid Stapled Securities by the plan entity appointed by the Company. Stapled Securities may then be transferred from the plan entity to a participant upon the relevant performance conditions being satisfied. Any Stapled Securities issued under the Equity Plan will rank equally with those traded on the ASX at the time of issue.
13. A participant may not sell, assign, transfer or otherwise deal with, or grant a security interest over, an Award. An Award lapses immediately on any purported sale, assignment, transfer, dealing or grant of security interest unless the Board in its absolute discretion approves the dealing or transfer or transmission is affected by force of law on death or legal incapacity to the participant's legal representative.
14. In the event of any capital reorganisation of the Company (or certain other matters affecting the Company's capital structure including any bonus issues and rights issues), the participant's Award will be adjusted, as set out in the Equity Plan and otherwise in accordance with the ASX Listing Rules. In general, it is intended that the participant will not receive any advantage or disadvantage from any such adjustment relative to holders of Stapled Securities.
15. The Board may impose restrictions on the disposal of Stapled Securities acquired by a participant under the Equity Plan and implement such arrangements (including a holding lock) as it determines are necessary to enforce this restriction. Once any restriction is removed, and subject to the Company's Securities Trading Policy, Stapled Securities acquired under the Equity Plan may be dealt with freely by the participant.

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