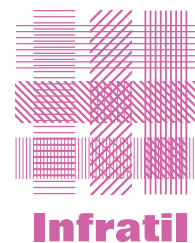


PROUD



INFRATIL
NOTICE OF
ANNUAL MEETING
2012



THE SHAREHOLDERS

INFRATIL LIMITED

Shareholders have already received the Company's 2012 Annual Report in which I, and Marko Bogoevski on behalf of the manager, Morrison & Co, comment on the activities of the Company over the past year and on the future prospects for the Company.

The Annual Meeting is in Christchurch this year. A number of matters are to come before shareholders for voting at the Annual Meeting. These include:

- The re-election of myself and Marko Bogoevski as directors; and
- An increase in the directors' fees payable by the Company, and directors' fees payable by subsidiary companies.

Marko is a highly valued director and the Board supports his re-election.

The Company increased the fees paid to its directors in 2011. The Board considers it is appropriate to review fees annually and that a small increase per director is appropriate given the growth in size and scope of the Company, the time commitments required of directors and to ensure your directors' remuneration is maintained in line with the market. This will enable the Company to continue to attract high calibre directors. The fees paid to the Company's directors who are also directors of Lumo Electricity Australia Pty Limited, Infratil Energy Australia Pty Limited, Wellington International Airport Limited and New Zealand Bus Limited were reviewed in 2011 and, again, an increase is considered appropriate. The Australian Securities Exchange (ASX) Listing Rules require that any increases in directors' fees paid by subsidiary companies of Infratil Limited are also approved by shareholders. Accordingly, additional resolutions are provided to meet this requirement.

The Notice of Meeting provides full details of the directors' fees for which shareholder approval is sought.

The Notice of Meeting that follows also includes a Disclosure Document (Annexure A) describing the share buyback programme which the Company has decided to continue. As has been the case for many years, your directors consider that, from time to time, buying back shares may be the best use of the Company's funds. Accordingly, the Company wishes to keep open that investment opportunity for the next 12 months, as it has done for the last several years.

As noted in the 2011 Notice of Meeting, the share buyback programme will have the effect of concentrating, to a modest degree, the shareholding percentages of all shareholders who do not participate at least pro rata in the buyback, including H.R.L. Morrison & Co Group Limited and associates. The 2012 Annual Report includes updated disclosure of the potential increase in the associates' percentage shareholdings from continuing buybacks. I look forward to seeing you at the Annual Meeting, presenting our results and answering any questions you may have.

Yours sincerely,

DAVID NEWMAN

Chairman

16 July 2012



SNOWTOWN
ADELAIDE
AUSTRALIA

NOTICE OF ANNUAL MEETING

Notice is hereby given pursuant to section 120 of the Companies Act 1993 that the Annual Meeting of shareholders of Infratil Limited (the “**Company**”) will be held at Air Force Museum, 45 Harvard Ave, Wigram, Christchurch, on Monday, 13 August 2012 commencing at 2.30 pm.

BUSINESS

A. Chairman’s Introduction

B. Chief Executive’s Review

C. Presentation of the Annual Report for the year ended 31 March 2012 and the report of the auditor

To receive and consider the Financial Report of the Company for the year ended 31 March 2012. It is intended to provide an opportunity for shareholders to raise questions on the Report and on the performance and management of the Company generally.

D. Resolutions

To consider and, if thought fit, pass the following ordinary resolutions:

1. **Re-election of Marko Bogoeievski:** That Marko Bogoeievski who retires by rotation in accordance with the Company’s constitution, NZSX Listing Rule 3.3.11, and ASX Listing Rule 14.4, and is eligible for re-election, be re-elected as a director of the Company.
2. **Re-election of David Newman:** That David Newman who retires by rotation in accordance with the Company’s constitution, NZSX Listing Rule 3.3.11, and ASX Listing Rule 14.4, and is eligible for re-election, be re-elected as a director of the Company.
3. **Directors’ remuneration:** That the aggregate maximum remuneration payable to directors of the Company and directors of the subsidiaries of the Company be increased, in accordance with NZSX Listing Rule 3.5.1 and ASX Listing Rule 10.17, as follows:
 - a. in the case of the Company, an increase of \$25,000 (plus GST) per annum from \$680,000 (plus GST) per annum, the amount approved in 2011, to \$705,000 (plus GST) per annum;
 - b. in the case of Lumo Energy Australia Pty Limited, an increase of A\$67,950 (plus GST) per annum from A\$319,300 (plus GST) per annum, the amount approved in 2011, to A\$387,250 (plus GST) per annum, of which the aggregate remuneration payable to those directors of Lumo Energy Australia Pty Limited who are also directors of the Company will increase by A\$1,700 (plus GST) per annum from A\$56,650 (plus GST) per annum, the amount approved in 2011, to A\$58,350 (plus GST) per annum;
 - c. in the case of Infratil Energy Australia Pty Limited, an increase of A\$12,850 (plus GST) per annum from A\$77,250 (plus GST) per annum, the amount approved in 2011, to A\$90,100 (plus GST) per annum, of which the aggregate remuneration payable to those directors of Infratil Energy Australia Pty Limited who are also directors of the Company will increase by A\$300 (plus GST) per annum from A\$10,300 (plus GST) per annum, the amount approved in 2011, to A\$10,600 (plus GST) per annum;
 - d. in the case of Wellington International Airport Limited, an increase of \$75,250 (plus GST) per annum from \$260,250 (plus GST) per annum, the amount approved in 2011, to \$335,500 (plus GST) per annum, of which the aggregate remuneration payable to those directors of Wellington International Airport Limited who are also directors of the Company will increase by \$2,750 (plus GST) per annum from \$77,250 (plus GST) per annum, the amount approved in 2011, to \$80,000 (plus GST) per annum;

e. in the case of New Zealand Bus Limited, an increase of \$6,250 (plus GST) per annum from \$196,250 (plus GST) per annum, the amount approved in 2011, to \$202,500 (plus GST) per annum,

and that accordingly the maximum aggregate remuneration payable to all directors of the Company and its subsidiaries taken together shall be as follows:

- a. \$1,026,344 (plus GST or VAT as applicable) per annum to the directors of the Company, in their capacity as directors of the Company or any of its subsidiaries, being a decrease of \$88,187 on the aggregate limit approved at the 2011 Annual Meeting of \$1,114,531 (plus GST or VAT as applicable);
- b. \$2,133,087 (plus GST or VAT as applicable) per annum to all directors of subsidiary companies who are not also directors of the Company, being an increase of \$295,786 on the amount approved at the 2011 Annual Meeting of 1,837,301 (plus GST or VAT as applicable);
- c. \$3,159,431 (plus GST or VAT as applicable) per annum to all directors of the Company and subsidiary companies, being an increase of \$207,599 on the aggregate amount approved at the 2011 Annual Meeting of \$2,951,832 (plus GST or VAT as applicable),

in each case assuming an exchange rate of \$1.00 = £0.5067 and \$1.00 = A\$0.7852 (as applicable) for the calculation of directors fees payable in 2012 and 2013, and an exchange rate of \$1.00 = £0.5056 and \$1.00 = A\$0.7720 (as applicable) for the calculation of directors fees previously paid (or payable) in 2011 and 2012.

Such aggregate amounts may be divided amongst the relevant directors as they deem appropriate.

4. **Auditors:** That the Directors be authorised to fix the auditor's remuneration.

ORDINARY RESOLUTIONS

Each resolution set out above is to be considered as a separate ordinary resolution. To be passed, each resolution requires a simple majority of votes of holders of ordinary shares of the Company, entitled to vote and voting.

VOTING EXCLUSIONS

Resolution 3: Pursuant to the NZSX Listing Rules and the ASX Listing Rules, the directors and their associated persons are prohibited from voting in respect of Resolution 3.

The restrictions described above apply where the relevant person has been appointed as a discretionary proxy. The Company will disregard any votes cast by any such person on the relevant resolution. However, the Company need not disregard a vote if it is cast by any such person as proxy for a person who is entitled to vote, in accordance with the express directions of that person on the proxy form as to how to vote.

PROXIES

Any shareholder of the Company who is entitled to attend and vote at the Annual Meeting may appoint a proxy to attend and vote instead of him or her. A proxy does not need to be a shareholder of the Company. The Chairman of the Company is prepared to act as proxy. Any un-directed votes in respect of a resolution, where the Chairman of the Company is appointed as a proxy, will be voted in favour of the relevant resolution, other than when he is prohibited from voting on that resolution. A shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the shareholder does not specify the proportion of the shareholder's voting rights each proxy is to represent, each proxy will be entitled to exercise half the shareholder's votes.

To appoint a proxy you can complete and sign the enclosed Proxy Form and return it by delivery, mail, facsimile or scan and email to the share registrar of the Company or lodge online:

Delivery:
Infratil Limited
C/- Link Market Services Limited
Level 16, Brookfields House
19 Victoria Street West
Auckland 1142, New Zealand

Mail:
Infratil Limited
C/- Link Market Services Limited
PO Box 91976
Victoria Street West
Auckland 1142, New Zealand

Facsimile: +64 3 308 1311 or +64 9 375 5990

Scan and email: meetings@linkmarketservices.co.nz

(please put the words "Infratil Proxy Form" in the subject line for ease of identification)

Online: You may lodge your proxy online. Go to the Link Market Services Investor website: investorcentre.linkmarketservices.co.nz/voting/IFT.aspx and click on the Infratil voting banner on the screen. Initial information including your CSN, holder name and FIN will be required to successfully validate your holding online before shareholding information and voting pages are displayed. A shareholder will be taken to have signed the Proxy Form by lodging it in accordance with the instructions on the website.

The completed Proxy Form must be received by the share registrar or online appointment must be completed by no later than 48 hours before the Annual Meeting, being 2.30 pm on 11 August 2012. Voting entitlements of the Annual Meeting will also be determined as at this time. Registered shareholders at that time will be the only persons entitled to vote at the Annual Meeting and only the shares registered in those holders' names at that time may be voted at the Annual Meeting.

NZX AND ASX APPROVAL

This Notice of Meeting has been approved by NZX Limited and ASX.

EXPLANATORY NOTES

RESOLUTIONS 1 AND 2: RE-ELECTION OF DIRECTORS

The Board of the Company considers that Mr Newman will be an Independent Director (for the purposes of the NZSX Listing Rules and the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice (the "ASX Principles") if re-elected to the Board. The Board of the Company considers that Mr Bogoievski, by reason of his interests in H.R.L. Morrison & Co Group Limited, will not be an Independent Director (in terms of the NZSX Listing Rules and ASX Principles) if re-elected to the Board.

Profiles of Messrs Newman and Bogoievski are contained in the 2012 Annual Report of the Company that has been sent to shareholders and are also available on www.infratil.com.

RESOLUTION 3: DIRECTORS' FEES

Infratil Limited Directors' Fees

The Board's policy is to regularly review the level of directors' remuneration. In 2011, shareholders approved an increase in the aggregate amount of directors' fees from \$660,000 (plus GST) per annum to \$680,000 (plus GST) per annum. That sum was to be divided among directors as they deemed appropriate and was allocated as follows:

- | | |
|--|-----------|
| • Chairman (inclusive of committee fees) | \$154,500 |
| • Other directors' base fee | \$77,250 |
| • Chairman of Audit and Risk Committee | \$17,000 |
| • Member of Audit and Risk Committee | \$9,300 |

The Board having considered the experience and responsibility of the directors, the size and scope of the Company, the level of governance, and the consequent time commitment, recommends to shareholders an increase in the quantum of fees paid to directors of the Company of \$25,000 (plus GST), from \$680,000 to \$705,000, such sum to be divided among directors as they deem appropriate, but initially as set out below:

- | | |
|--|-----------|
| • Chairman (inclusive of committee fees) | \$160,000 |
| • Other directors' base fee | \$80,000 |
| • Chairman of Audit and Risk Committee | \$17,500 |
| • Member of Audit and Risk Committee | \$9,500 |

Subsidiary Directors' Fees

The Board also recommends that Directors' fees of subsidiary companies are increased for the same reasons as set out above in respect of the Company's directors, and as set out fully in Resolution 3 above. Shareholders should note that the increase in Directors' fees for Lumo Energy Australia Pty Limited from A\$319,300 (plus GST) per annum to A\$387,250 (plus GST) per annum, Infratil Energy Australia Pty Limited from A\$77,250 (plus GST) per annum to A\$90,100 (plus GST) per annum, and Wellington International Airport Limited from \$260,250 (plus GST) per annum to \$335,500 (plus GST) per annum, are primarily due to the addition of a director to their Boards, taking the number of directors from five in 2011/12 to six for 2012/13. In addition, Directors' fees for Wellington International Airport Limited include an additional amount of \$12,000 to cover directors' work in respect of the disclosures arising from the new Commerce Commission airport disclosure requirements. Your Directors support the increase in the number of directors as these businesses are growing in scale and complexity. Directors' fees previously approved and paid to Lloyd Morrison in respect of subsidiary companies, have also now been allocated to other new directors of those companies,

RESOLUTION 4: AUDITORS

KPMG is automatically reappointed as auditor under section 200 of the Companies Act 1993. This resolution authorises the Board to fix the fees and expenses of the auditor.

PARTICULARS OF THE SHARE BUYBACK PROGRAMME

For many years the Company has maintained a share buyback programme. This programme has been successful in creating shareholder value and it is proposed that it continue. The Share Buyback Programme needs to comply with the NZSX Listing Rules. In accordance with those Listing Rules the Share Buyback Programme will be undertaken as permitted by Listing Rule 7.6. The primary intent is that shares be bought back as permitted by Listing Rules 7.6.1(a) and (f). These rules allow the Company to make any offer pursuant to the procedures detailed in Sections 60(1)(b)(ii) or 63 of the Companies Act 1993, or through NZX's order matching market, or through the order matching market of a Recognised Stock Exchange.

Under the Share Buyback Programme, the Company may acquire up to a further 26,756,590 ordinary shares (approximately 4.6% of the outstanding ordinary shares). This amount is the 50 million shares approved by shareholders at the 2011 Annual Meeting less the 23,243,410 shares bought back since then. These shares may be bought on-market or off-market, but the combined total of further on-market and off-market purchases will not exceed 26,756,590 ordinary shares. Off-market purchases will not be made from employees or directors of the Company or associated persons of directors.

The maximum price at which shares will be bought off-market is \$3.00 per share. The Company is required to state this maximum price per share for off-market purchases, but it is not committing to buy shares at this or any other price and a decision as to any purchases will be made from time to time having regard to market conditions. No maximum price is specified for shares bought on-market, but the Company will always disclose the number of shares, and the price at which it bought them, whether on-market or off-market, before 9:30am on the business day following the purchase being made.

Whether the purchases are on-market or off-market, the directors will regularly reassess the situation and seek to purchase shares at prices that in their view represent the best value for shareholders.

The directors believe that, depending on market conditions and the Company's then current share price, having the Share Buyback Programme in place is a positive way of improving shareholder value and is fair to the Company and all shareholders.

The disclosure document required under the Companies Act 1993 is attached as Annexure A.

ANNEXURE A: COMPANIES ACT DISCLOSURE DOCUMENT FOR CONTINUING SHARE BUYBACK PROGRAMME

As outlined in the 2011 Notice of Meeting, the Company reserved the right to buy back up to 50 million ordinary shares in the Company. The Company has bought back 23,243,410 shares since then. Accordingly, the Company may acquire up to a further 26,756,590 ordinary shares (approximately 4.6% of the outstanding ordinary shares) under the Share Buyback Programme. This Disclosure Document sets out the information that the Companies Act 1993 requires be provided to shareholders annually while the Share Buyback Programme continues.

Terms of the Offer

On-market Buyback – Section 63 of the Companies Act 1993

- The Company may make one or more offers on the NZX market to all shareholders to acquire up to 26,756,590 ordinary shares in the Company, pursuant to section 63 of the Companies Act 1993.
- Offers may be made between 13 August 2012 and 20 July 2013.
- The Company will pay the prevailing market price for the shares at the time of purchase. The Company is not obliged to make offers, and reserves the right to cease doing so at any time.

Off-market Buyback – Section 60(1)(b)(ii) of the Companies Act 1993

- The Company may make offers to one or more shareholders to acquire up to 26,756,590 ordinary shares in the Company, pursuant to Section 60(1)(b)(ii) of the Companies Act 1993.
- Offers may be made between 13 August 2012 and 20 July 2013.
- The Company will pay the prevailing market price for the shares at the time of purchase. The price per share will not exceed \$3.00. The Company is not obliged to make offers, and reserves the right to cease doing so at any time.
- Buybacks made in compliance with Section 60(1)(b)(ii) of the Companies Act 1993 will not be made from any person who is a Director, Associated Person of a Director or an Employee (as those terms are defined in the NZSX Listing Rules) of the Company and will not exceed 15% of the shares on issue at 13 August 2012.

Other Information Applicable to Both On-market and Off-market Buybacks

- The Company will not purchase any shares while it possesses any information that is materially price sensitive but not publicly available. If the Company acquires price sensitive information, it will cease acquiring shares until the information is publicly disclosed.
- The Company intends to hold up to 5% of its shares as Treasury Stock, from those shares first acquired. Treasury Stock comprises shares acquired and held by the Company in itself and which would otherwise be cancelled on acquisition. Subject to certain restrictions, Treasury Stock can be transferred, re-issued or cancelled by the Company.
- All on-market offers will be designed so that the proceeds of sales will not be taxable as dividends whilst off-market offers may be taxable as dividends, and imputation credits will not be attached to the proceeds. Shareholders who have special tax status, as a result, for example, of trading securities professionally, should consult their tax advisers.

Resolutions

To initiate the proposed offer the Board unanimously resolved on 3 July 2012:

- To continue to reserve the right to make one or more offers on the NZX market to all shareholders to acquire up to 26,756,590 ordinary shares in the Company pursuant to Sections 60(1)(b)(ii) and 63 of the Companies Act 1993.
- Offers may be made pursuant to Section 63 between 13 August 2012 and 20 July 2013 and offers may be made pursuant to Section 60(1)(b)(ii) between 13 August 2012 and 20 July 2013.
- To pay the prevailing market price for the shares at the time of purchase, but for the purchases made pursuant to Section 60(1)(b)(ii) not more than \$3.00 per share.
- In respect of an offer made pursuant to Section 60(1)(b)(ii):
 - that the acquisition is in the best interests of the Company;
 - that the acquisition is of benefit to the remaining shareholders;
 - that the terms of the offer and the consideration offered for the shares are fair and reasonable to the Company; and
 - that the terms of the offer and the consideration offered for the shares are fair and reasonable to the remaining shareholders.
- In respect of an offer made pursuant to Section 63:
 - that the acquisition is in the best interests of the Company and its shareholders; and
 - that the terms of the offer and the consideration offered for the shares are fair and reasonable to the Company and its shareholders.
- That it is not aware of any information that will not be disclosed to the shareholders:
 - which is material to an assessment of the value of the shares; and
 - as a result of which the terms of an offer and consideration offered for the shares are unfair to the shareholders accepting an offer.
- That the Company has in place reviews and procedures to ensure that it does not acquire shares during the period when such information, or any material price sensitive information, is known to the Company is not available to shareholders.
- That the reasons for the Directors' conclusions in the Resolutions above are:
 - to maximise shareholder value. Acquiring shares where the share price is below \$3.00 may be considered by the Board (taking into account prevailing circumstances) to be an efficient use of capital;
 - shareholders have total discretion to choose whether to participate in this buyback. There is no pressure to sell to the Company; and
 - the purchase price paid by the Company will not be subject to income tax as dividends in the hands of many shareholders.
- That the Board is satisfied that the Company will, immediately after acquiring the shares, satisfy the solvency test applied under Section 52 of the Companies Act 1993.

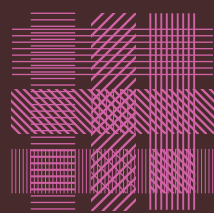
- That Messrs Marko Bogoevski, Kevin Baker, Mark Flesher and Jason Boyes of Morrison & Co Infrastructure Management Limited are authorised to sign such documents and do such other things as may be necessary or appropriate to complete the buyback.
- That until the Company holds shares in itself equating to 5% of the total number of shares on issue, such shares need not be cancelled but may be held as Treasury Stock by the Company itself.

DIRECTORS' INTERESTS

Ordinary Shares (as at 13 July 2012)

	Ordinary Shares	Ordinary Shares
	Beneficially Held	Non-Beneficially Held
A Muh	76,843	-
D A R Newman	67,644	-
H J D Rolleston	36,322	-
D P Saville	-	124,387,026
M Tume	31,724	-
M Bogoevski	-	-

This Disclosure Document is provided pursuant to Sections 61(5) and 63(6) of the Companies Act 1993 and complies with Sections 62 and 64 of the Companies Act 1993.



Infratil