ASX & SGX-ST Release

16 June 2017

TO: ASX Limited
Singapore Exchange Securities Trading Limited

Notice of Annual General Meeting

Attached are the following documents, which will be sent to shareholders today in relation to the 2017 Annual General Meeting of AusNet Services Ltd to be held on Thursday, 20 July 2017 at 10.00am (Melbourne time):

- Notice of Annual General Meeting;
- Proxy Form (sent to ASX shareholders); and
- Voting Instruction Form (sent to SGX-ST shareholders).

Claire Hamilton
Company Secretary

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NOTICE OF ANNUAL GENERAL MEETING

AusNet Services Ltd
ABN 45 603 317 559
("**AusNet Services**")

20 July 2017

The Annual General Meeting of AusNet Services Ltd will be held at **Meeting Room 213 Melbourne Convention and Exhibition Centre, 1 Convention Centre Place, South Wharf, Melbourne, Victoria, Australia on Thursday, 20 July 2017 at 10.00am.**



Business

1 Financial Statements and Reports

To receive and consider the Company's financial statements and the reports of the Directors and the Auditor for the year ended 31 March 2017.

2 Election of Directors

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

(a) *"That Dr Nora Scheinkestel, who retires in accordance with clause 10.1(c) of the Company's Constitution, and, being eligible, offers herself for election, be elected."*

(b) *"That Dr Ralph Craven, who retires in accordance with clause 10.1(d) of the Company's Constitution, and, being eligible, offers himself for re-election, be re-elected."*

(c) *"That Ms Sally Farrier, who retires in accordance with clause 10.1(d) of the Company's Constitution, and, being eligible, offers herself for re-election, be re-elected."*

(d) *"That Mr Sun Jianxing, who retires in accordance with clause 10.1(d) of the Company's Constitution, and, being eligible, offers himself for re-election, be re-elected."*

As previously advised, Ms Tina McMeckan has informed the Chairman that she will retire from the Board with effect from the conclusion of the meeting.

3 Remuneration Report

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

"That the Remuneration Report of AusNet Services Ltd for the year ended 31 March 2017 be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

4 Grant of Equity Awards to the Managing Director

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

"That for the purposes of Listing Rule 10.14 and all other purposes, to grant equity awards to the Managing Director of AusNet Services, Mr Nino Ficca, under the Company's long term and deferred short term incentive plans on the terms and conditions described in the Explanatory Notes accompanying this Notice of Meeting."

5 Issue of Shares – Up to 10% Pro Rata

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

"That for the purposes of clause 3.10 of the Constitution of AusNet Services, AusNet Services and the Directors of AusNet Services be given authority to issue new Shares, and to make or grant an offer, agreement or option which would or might require Shares to be issued to a maximum of 10% of issued share capital, where the offer to issue Shares is made pursuant to a pro rata issue (as that term is defined in the ASX Listing Rules) and any underwriting thereof (or any other arrangement to make up the shortfall under a pro rata issue), and otherwise in the circumstances, for the period and on the terms and conditions described in the Explanatory Notes to this Notice."

6. Issue of Shares pursuant to Dividend Reinvestment Plan

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

"That for the purposes of clause 3.10 of the Constitution of AusNet Services and all other purposes, AusNet Services and the Directors of AusNet Services be given authority to issue new Shares pursuant to a dividend reinvestment plan and any underwriting thereof, for the period and on the terms and conditions described in the Explanatory Notes to this Notice."

7. Issue of Shares pursuant to an Employee Incentive Scheme

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

"That for the purposes of clause 3.10 of the Constitution of AusNet Services and all other purposes, AusNet Services and the Directors of AusNet Services be given authority to issue new Shares pursuant to an employee incentive scheme, for the period and on the terms and conditions described in the Explanatory Notes to this Notice."

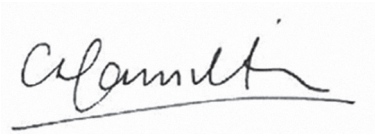
8. Renewal of Proportional Takeover provision

To consider and, if thought fit, to pass the following as a special resolution:

"That the proportional takeover provisions in clause 8 of the Constitution of AusNet Services be renewed for a period of three years commencing on the day this resolution is passed."

Please refer to the accompanying Explanatory Notes, which form part of this Notice, for more information on the proposed resolutions.

By Order of the Board of AusNet Services Ltd.



Claire Hamilton
Company Secretary

16 June 2017

Information for Members

The accompanying Explanatory Notes form part of this Notice and should be read in conjunction with it. Unless the context requires otherwise, terms defined in the Glossary to the Explanatory Notes have the same meanings when used elsewhere in this Notice.

Required majority

The resolutions described in items 2, 3, 4, 5, 6 and 7 of the "Business" section of this Notice are all ordinary resolutions and each will be passed if at least 50% of votes cast by Shareholders entitled to vote on the resolution are cast in favour of the resolution. The resolution described in item 8 is a special resolution and will be passed if at least 75% of votes cast by Shareholders entitled to vote on the resolution are cast in favour of the resolution.

Voting and proxies

Eligibility to vote

For the purposes of determining entitlement to vote at the Meeting, Shares will be taken to be held by those registered as Shareholders at **7.00pm** on **Tuesday 18 July 2017** (Melbourne time). Transactions registered after that time will be disregarded in determining Shareholders' entitlement to vote at the Meeting.

Shares listed on SGX-ST and deposited with CDP

If your Shares are listed on SGX-ST and deposited with CDP, you do not have the right to vote as a Shareholder because your Shares are registered in the name of CDP. In order to vote, your voting instructions must be received by CDP by **5.00pm** (Singapore time) on **Thursday 13 July 2017**. Instructions on how to lodge your voting instructions with CDP are included in the CDP Voting Instruction Form accompanying this Notice. If you wish to attend the Meeting, please follow the procedures set out in the CDP Voting Instruction Form.

Voting Exclusions

Item 3 – Remuneration Report

AusNet Services will disregard any votes on item 3:

(a) by or on behalf of a member of the KMP whose remuneration is disclosed in the Remuneration Report for the year ended 31 March 2017 or their closely related parties in any capacity; and

(b) as a proxy by a person who is a member of the KMP at the date of this meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on item 3;

(c) in accordance with a direction on the proxy form; or

(d) by the Chairman of the Meeting as proxy for a person who is entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

Item 4 – Grant of Equity Awards to the Managing Director

AusNet Services will disregard any votes on item 4:

(a) by or on behalf of the Managing Director and any of his associates, in any capacity; and

(b) as a proxy by a person who is a member of the KMP at the date of this meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on item 4;

(c) in accordance with a direction on the proxy form; or

(d) by the Chairman of the Meeting as proxy for a person who is entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

'KMP' means key management personnel which has the meaning ascribed in the *Corporations Act 2001* (Cth) ('Corporations Act') and the accounting standards.

'Closely related party' has the meaning ascribed in the Corporations Act and 'associate' has the meaning ascribed in the ASX Listing Rules. Both terms include a spouse and certain other close family members, as well as any related companies controlled by KMP.

Appointing a Proxy

You can appoint a proxy to attend and vote on your behalf. A personalised proxy form accompanies this Notice.

A proxy need not be a Shareholder and may be an individual or a body corporate.

The Shareholder, or the Shareholder's attorney who has not received any notice of revocation of the authority, must sign the proxy form.

Proxies given by a body corporate must be signed by a director, company secretary, sole director and sole company secretary or under the hand of a duly authorised officer or attorney.

If you are entitled to cast two or more votes, you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you do not specify a proportion or number, each proxy may exercise half of the votes.

If you appoint two proxies to vote, neither proxy may vote on a show of hands if more than one proxy attends. On a poll, each proxy may only exercise votes in respect of those Shares or voting rights the proxy represents.

Lodging your proxy form

Completed and signed proxy forms (together with any power of attorney or other authority under which the appointment was signed or a certified copy of the authority) must be returned no later than **10.00am** on **Tuesday, 18 July 2017** (Melbourne time).

You can lodge your completed proxy form, letter of representation or power of attorney:

(a) **in person to**:

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford, VIC 3067
Australia

(b) **by mail to**:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne, VIC 3001
Australia

(In the envelope provided)

(c) **by fax to**:

Computershare Investor Services Pty Limited

1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

(d) **online at**:

www.investorvote.com.au.

To use this facility you will need your proxy form as it contains your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) which is your Personal Identification Number (PIN) to verify the transmission. You will be deemed to have signed your proxy form if you lodge it in accordance with the instructions on the website. (Note: this facility is not available for attorneys.)

Proxy forms may also be delivered or faxed to AusNet Services' registered office at:

Company Secretary
AusNet Services
Level 31, 2 Southbank Boulevard
Southbank, VIC 3006
Australia

Fax: +61 3 9695 6666

If you appoint a proxy or attorney, you may still attend the Meeting. However, if you vote on a resolution, the proxy or attorney is not entitled to vote as your proxy or attorney on the resolution. Accordingly, you will be asked if you wish to revoke your proxy if you register at the Meeting.

Undirected and directed proxies

You are encouraged to actively direct your proxy how to vote on each item of business by marking the appropriate boxes on the proxy form.

If you appoint a member of the Company's KMP or one of their closely related parties as your proxy, they will not be able to cast your votes on Resolutions 3 or 4, unless you direct them how to vote or the Chairman of the Meeting is your proxy.

If you appoint the Chairman of the Meeting as your proxy or the Chairman of the Meeting becomes your proxy by default, and you do not mark a voting box for Resolutions 3 or 4, then by completing and returning the Proxy Form you will be expressly authorising the Chairman of the Meeting to vote in respect of the relevant resolution even though it is connected with the remuneration of the Company's KMP.

The Chairman of the Meeting intends to vote all available proxies in favour of each resolution.

Corporate Representatives

Corporate Shareholders who wish to appoint a representative to attend and vote at the Meeting on their behalf must provide that person with a properly executed letter or other document confirming that they are authorised to act as that Shareholder's representative. A form of authorisation may be obtained from Computershare.

Admission to Meeting

If you attend the Meeting, please bring your personalised proxy form with you. The bar code at the top of the form will help you to register. If you do not bring your form with you, you will still be able to attend the Meeting, but representatives from Computershare will need to verify your identity.

Corporate representatives are requested to bring a copy of the letter of representation pursuant to which they were appointed.

This will also apply where you appoint a body corporate as your proxy. The body corporate will need to ensure that it appoints an individual as its corporate representative to attend and vote for that corporation at the Meeting. Attorneys are requested to bring a certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required.

You will be able to register from **9.00am** (Melbourne time) on the day of the Meeting.

Webcast and your privacy

A live audio webcast of the Meeting will be available on AusNet Services' website at www.ausnetservices.com.au.

Attendees at the Meeting may be video recorded and the tapes may be viewed at the discretion of AusNet Services for security purposes.

EXPLANATORY NOTES

These Explanatory Notes have been prepared to assist Shareholders to understand the items of business to be considered at the Meeting. These Explanatory Notes are important and should be read carefully by all Shareholders.

Item 1 Financial Statements and Reports

Whilst Shareholders are not required to vote on the financial statements and reports, Shareholders will be given a reasonable opportunity at the Meeting to raise questions on the financial statements and reports. Shareholders will also be able to ask the Auditor questions relevant to the audit of the financial statements and reports.

Item 2 Election of Directors

As previously advised, Ms Tina McMeckan has informed the Chairman of her intention to retire from the Board with effect from the conclusion of this Meeting. The Board notes with appreciation Ms McMeckan's service and significant contribution to AusNet Services since she was first appointed to the Board in August 2010.

Four directors are standing for election or re-election at the Meeting.

Clause 10.1(c) of the Company's Constitution requires a director who was appointed during the year to retire at the next Annual General Meeting following their appointment. Dr Nora Scheinkestel was appointed since the 2016 Annual General Meeting and accordingly will retire, and being eligible, offers herself for election by shareholders at this Meeting. As a new Director, Dr Scheinkestel underwent background and probity checks.

Clause 10.1(d) of the Company's Constitution requires that a Director may not hold office beyond the third Annual General Meeting following the Director's last election or re-election without submitting for re-election. In accordance with this Clause, Dr Ralph Craven, Ms Sally Farrier and Mr Sun Jianxing retire, and being eligible, offer themselves for re-election by shareholders at this Meeting.

Details of the experience and qualifications of the Directors seeking election or re-election, as applicable, are below:

2(a) Dr Nora Scheinkestel

LLB (Hons), PhD, FAICD

Appointed to the Board in November 2016. Member of the Audit and Risk Management Committee and the Nomination Committee.



Dr Scheinkestel is an experienced Company Director with more than 20 years' experience as a non-executive Chairman and Director of companies in a wide range of industry sectors including the public, government and private sectors.

Her executive background is as a senior banking executive in international and project financing. She currently consults to government, corporate and institutional clients in areas such as corporate governance, strategy and finance.

Her prior directorships include AMP Limited and its funds management and banking subsidiaries, Insurance Australia Group Limited, Mayne Pharma Limited, Orica Ltd, Newcrest Mining Limited, and Pacific Brands Limited.

Dr Scheinkestel is an Associate Professor at the Melbourne Business School at Melbourne University, a Trustee of the Victorian Arts Centre Trust and is a former member of the Takeovers Panel. In 2003, she was awarded a centenary medal for services to Australian society in business leadership.

Other directorships currently held: Chairman, Macquarie Atlas Roads Limited, Director, Macquarie Atlas Roads International Limited, Telstra Corporation Limited and Stockland Corporation Limited.

Dr Scheinkestel is considered by the Board to be an independent non-executive Director.

Recommendation:

The Board (with Dr Scheinkestel abstaining) unanimously recommends that Shareholders vote in favour of the election of Dr Nora Scheinkestel.

2(b) Dr Ralph Craven

BE (Hons), PhD, FIEAust, FIPENZ, FAICD

Appointed to the Board in January 2014. Member of the Audit and Risk Management Committee and the Nomination Committee.



Dr Craven has served on the boards of listed and unlisted companies for over 10 years and is a Fellow of the Australian Institute of Company Directors.

Dr Craven has broad experience in energy, resources, infrastructure and agribusiness, having worked in these sectors for more than 35 years. His professional background encompasses electricity and gas businesses, mining, commodities trading, the management of large scale system operations at the national level and the delivery of major infrastructure projects.

His prior directorships include being Chair of Invion Limited and Non-Executive Director and Chair of the Audit Committee of Mitchell Services Limited and a Director of Windlab Limited. He was formerly Chair of Ergon Energy Corporation Limited, Tully Sugar Limited and Deputy Chair of Arrow Energy Ltd. At the end of 2015 he completed a six year term as Director of the International Electrotechnology Commission (IEC) and Chair of the IEC National Committee of Australia. Dr Craven was CEO of Transpower New Zealand Limited and also held senior executive positions in Shell Coal Pty Ltd and NRG Asia Pacific Limited.

Other directorships currently held: Chairman, Stanwell Corporation and Genex Power, Director, Senex Energy Limited.

Dr Craven is considered by the Board to be a non-executive Director.

Recommendation:

The Board (with Dr Craven abstaining) unanimously recommends that Shareholders vote in favour of the re-election of Dr Ralph Craven.

2(c) Ms Sally Farrier

BE (Hons), MBA, GDIPAPPFIN

Appointed to the Board in January 2014. Chairman of the Remuneration Committee and member of the Nomination Committee.



Ms Farrier is a professional non-executive director and corporate adviser specialising in the utilities and infrastructure sectors. She has extensive experience in the Australian energy industry and has held numerous expert roles in relation to water resources at Australian federal and state levels. Ms Farrier has served as a National Water Commissioner and as a member of the Victorian Water Trust Advisory Council. In addition, she has an active interest in innovation and supporting women entrepreneurs.

Her prior directorships include Meridian Energy Limited, Manidis Roberts Pty Limited, Hydro Tasmania and Western Power. Ms Farrier was also a founding director of Farrier Swier Consulting Pty Limited.

Other directorships currently held: None.

Ms Farrier is considered by the Board to be an independent non-executive Director.

Recommendation:

The Board (with Ms Farrier abstaining) unanimously recommends that Shareholders vote in favour of the re-election of Ms Sally Farrier.

2(d) Mr Sun Jianxing

BE

Appointed to the Board in January 2014. Member of the Remuneration Committee and the Nomination Committee.



Mr Sun is a Non-Executive Director of ElectraNet and Deputy General of International Cooperation Department, State Grid Corporation of China (SGCC).

His previous roles include Head of SGCC Australia Representative Office, Deputy CEO of State Grid Energy Development Company Ltd, Deputy General of Materials & Equipment Supplying Department, SGCC, Chief Engineer of State Grid Shenzhen Energy Developments Ltd and Division Chief of International Cooperation Department, SGCC. In his early years, Mr Sun worked as a Senior Engineer at the China General Institute for Electric Power Planning and Designing.

Other directorships currently held: Director, ElectraNet Pty Ltd.

Mr Sun is considered by the Board to be a non-executive Director.

Recommendation:

The Board (with Mr Sun abstaining) unanimously recommends that Shareholders vote in favour of the re-election of Mr Sun Jianxing.

Item 3 Remuneration Report

The Remuneration Report for year ended 31 March 2017 outlines the remuneration arrangements of the Company in accordance with the requirements of the Corporations Act and its regulations. The report details the remuneration arrangements for Key Management Personnel which includes Non-executive Directors, the Managing Director and key senior executives. The report is set out in the 2017 Annual Report which is also available on AusNet Services' website at www.ausnetservices.com.au.

The Board is committed to ensuring that the remuneration structure for senior executives is closely aligned to the strategy and business objectives of the Company, with a focus on driving a performance culture and delivering results that are acceptable to Shareholders. It is the Board's objective to deliver a Remuneration Report which explains the way in which financial rewards for senior executives have driven the Company's short-term and long-term performance.

Shareholders will be given a reasonable opportunity at the Meeting to raise questions and make comments on the Remuneration Report.

The vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors of AusNet Services. However, the Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of AusNet Services.

A voting exclusion statement applies to this resolution, as set out in this Notice of Meeting.

Recommendation:

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Item 4 Grant of Equity Awards to the Managing Director

Shareholder approval is being sought to award to the Managing Director of AusNet Services, Mr Nino Ficca:

(a) *Performance Rights under the AusNet Services Long Term Incentive Plan (LTIP) as his long term incentive award, which seeks to align the interests of executives with Shareholders over a three year period; and*

(b) *Deferred Rights under the AusNet Services Deferred Short Term Incentive Plan (STIP) as the deferred portion of any short term incentive award for FY2017. The deferred period is two years. The STIP rewards achievement against agreed financial and non-financial targets. The Deferred Rights seek to align the executive reward with Shareholder outcomes.*

Why is member approval being sought?

ASX Listing Rule 10.14 states that a listed company must not permit a director to acquire shares under an employee incentive scheme without the prior approval of members by an ordinary resolution. The Board intends to source any Shares allocated to Mr Ficca on vesting of his equity awards through on-market purchases, which are excluded from the operation of ASX Listing Rule 10.14.

However, the Board has determined that, in the interests of transparency and good governance, Shareholders should be asked to approve the granting of equity awards to Mr Ficca.

A voting exclusion statement applies to this resolution, as set out in this Notice of Meeting.

(a) Performance Rights under the AusNet Services Long Term Incentive Plan

Details of the proposed 2017 LTIP Grant

The proposed 2017 grant to Mr Ficca under the LTIP is for 888,939 Performance Rights. The grant represents the long term incentive component of the Managing Director's remuneration package. The total number of Performance Rights which Mr Ficca may apply for has been determined by dividing $1,560,000, being 120% of Mr Ficca's fixed annual remuneration, by a Share price of $1.7549. The Share price has been calculated based on the volume weighted average price (VWAP) over the 5 trading day period commencing on the date AusNet Services released its FY2017 Financial Results. Vesting of the rights will be subject to the LTIP Rules and satisfaction of the performance measures described below.

Each Performance Right represents a right to receive one Share, subject to the achievement of the performance measures, as set out below. The Performance Rights are non-transferable, except in limited circumstances or with the consent of the Board.

The Performance Rights will be granted to Mr Ficca as soon as practicable after the Meeting and in any event within 12 months after the Meeting.

Performance measures

Performance Rights granted to Mr Ficca will be subject to three separate performance measures over a three year performance period commencing on 1 April 2017 (Performance Period), as follows:

(1) Relative Total Shareholder Return

50% of Performance Rights will be subject to a performance hurdle relating to relative total shareholder return (TSR), which compares the TSR of AusNet Services over the Performance Period with the TSR of companies in the S&P/ASX 200 index at the commencement of the Performance Period. Vesting is determined by the Company's relative TSR performance percentile ranking as follows:

Relative TSR Ranking	Percentage of performance rights subject to TSR that vest
Below 50.1 percentile	0%
At 50.1 percentile	35%
Between 50.1 and 75th percentile	Straight line vesting between 35% and 100%
At or above 75th percentile	100%

(2) Earnings Per Share Growth

25% of Performance Rights will be subject to a performance hurdle relating to earnings per share growth (EPS Growth). The Board has set a target EPS Growth over the Performance Period of 5% per annum Compound Annual Growth Rate (CAGR). The EPS Growth Vesting Schedule is as follows:

Actual EPS Growth Performance	Percentage of performance rights subject to EPS that vest
Less than 2.5% CAGR	0%
Between greater than 2.5% CAGR and less than or equal to 5% CAGR	Straight line vesting between 0% and 100%
Greater than 5% CAGR	100%

(3) Return on Invested Capital

25% of Performance Rights will be subject to a performance hurdle relating to Return On Invested Capital (ROIC). The Board has set a three year average target ROIC of 4.55% for the Performance Period. The ROIC Vesting Schedule is as follows:

ROIC Performance	Percentage of performance rights subject to ROIC that vest
Less than 4.35%	0%
Between 4.35% and 4.55%	Straight line vesting between 50% and 100%
Greater than 4.55%	100%

Allocation of Shares upon vesting of Performance Rights

If the Board determines that the vesting conditions are satisfied, Performance Rights will automatically vest. Following testing of the applicable performance conditions and determination of the level of vesting of Performance Rights, one Share will be allocated in relation to each Performance Right which vests. The Board may settle the Performance Rights by issuing new shares or acquiring existing shares on market. AusNet Services will cause to be transferred to Mr Ficca the number of Shares to which he is entitled. Alternatively, the Board may determine to settle the performance rights with a cash equivalent amount. The Shares, or a cash equivalent amount as determined by the Board, will then be allocated or paid to Mr Ficca as soon as practicable following vesting of the Performance Rights. Any Performance Rights that do not vest following testing of the performance hurdles at the end of the Performance Period will lapse.

Trading restrictions

Shares allocated on vesting of Performance Rights will not be subject to any further trading restrictions, subject to compliance with AusNet Services' Guidelines for Dealing in Securities.

Price payable for Shares

No amount will be payable in respect of the grant of Performance Rights, or in respect of any Shares allocated upon vesting of the Performance Rights.

Cessation of employment

The LTIP Rules provide that all unvested Performance Rights will lapse in the event that Mr Ficca resigns or his employment with AusNet Services is terminated for cause. In all other circumstances unvested Performance Rights will remain on foot subject to the original performance measures and will be tested at the original testing date.

Change of Control

In the event of a change of control event (as described in the LTIP Rules) the Board has absolute discretion to determine the manner in which any or all of Mr Ficca's Performance Rights will be dealt with.

Clawback

In the event of fraud, dishonesty or breach of obligations (including legal and statutory non-compliance) the Board may take any actions to ensure that no unfair benefit is obtained.

Other information

The LTIP is an equity-based long-term incentive plan. There is no loan scheme in relation to the grant of Performance Rights.

The Managing Director is the only Director of AusNet Services eligible to participate in the LTIP. Following Shareholder approval at the 2016 Annual General Meeting, Mr Ficca was granted 692,585 Performance Rights as his 2016 LTIP grant.

As stated above, if this resolution is approved, the maximum number of Performance Rights that may be granted to the Managing Director is 888,939.

Mr Ficca is prohibited from hedging the Share price exposure in respect of Performance Rights during the Performance Period applicable to those Performance Rights.

(b) Deferred Rights under the AusNet Services Deferred Short Term Incentive Plan

Overview:

Following a review of the Company's Short Term Incentive (STI) Framework, the Board introduced a deferred component for STI awards, comprising "Deferred Rights", which it is proposed will commence for the CEO in respect of the FY2017 STI. The Board believes that deferring STI will strengthen alignment between payment of STI awards, the financial performance of the Company and shareholder outcomes. An award of STI is dependent upon a satisfactory level of Company performance and Mr Ficca's achievement against performance measures as determined by the Board.

Under the new framework:

> two thirds of Mr Ficca's earned STI award for FY2017 is delivered in cash; and

> one third is provided as Deferred Rights for a period of two years from the date of grant.

A Deferred Right is a right to acquire one Share (or a cash equivalent amount in respect of the Deferred Rights that vest) subject to service based conditions.

The Deferred Rights will be granted to Mr Ficca as soon as practicable after the Meeting and in any event within 12 months of the Meeting.

Performance Measures:

The performance measures are a combination of key company and individual performance objectives. For FY2017, the Board has evaluated Mr Ficca's performance against these performance measures and determined that Mr Ficca has earned a STI award at 41.2% of his maximum performance in FY2017, which equates to a total value of $944,190.

Further details regarding the basis on which Mr Ficca's STI outcome was determined for FY2017 are set out in the Remuneration Report.

Quantum of shares:

For FY2017 two thirds of the STI award earned by Mr Ficca ($629,460) is delivered to him in cash. Subject to shareholder approval, it is intended that the remaining one third of the award ($314,730) will be provided to him as Deferred Rights. It is proposed that the number of Deferred Rights to be granted to Mr Ficca will be 179,343. The number of Deferred Rights was determined by dividing $314,730, being one third of Mr Ficca's STI outcome, by a Share price of $1.7549. The Share price has been calculated based on the VWAP over the 5 trading day period commencing on the date AusNet Services released its FY2017 Financial Results.

Vesting Conditions and allocation of shares upon vesting

The Deferred Rights granted to Mr Ficca will vest at the end of the two year deferral period.

Shortly after vesting of performance rights, the Board may settle the Deferred Rights by issuing new shares or acquiring existing shares on market. Alternatively, the Board may determine to settle the Deferred Rights with a cash equivalent amount. The Shares, or a cash equivalent amount as determined by the Board, will then be allocated or paid to Mr Ficca as soon as practicable following vesting of the Deferred Rights.

Cessation of employment

The rules of the STIP provide that all unvested Deferred Rights will lapse in the event that Mr Ficca's employment with AusNet Services is terminated for cause, unless the Board decides otherwise. In all other circumstances, unvested Deferred Rights will remain on foot and subject to their original deferral terms, subject to the Board discretion to determine otherwise.

Price payable for Shares

No amount will be payable in respect of the grant of Deferred Rights, or in respect of any Shares allocated upon vesting of the Deferred Rights.

Clawback

In the event of fraud, dishonesty or breach of obligations (including legal and statutory non-compliance) the Board may take any actions to ensure that no unfair benefit is obtained.

Dividends

No dividends will apply in respect of Deferred Rights. However, unless the Board determines otherwise, Mr Ficca will receive a cash payment at the end of the vesting period equivalent to the amount of dividends he would have received if he had held a number of Shares equal to the number of the Deferred Rights that have vested. This payment will be calculated based on the amount of dividends foregone over the relevant vesting period, not including any adjustment for franking.

Change of Control

In the event of a change of control event (as described in the rules of the STIP) the Deferred Rights granted to Mr Ficca will vest subject to the discretion of the Board to determine a different treatment.

Other information

The Deferred Short Term Incentive Plan is an equity-based incentive plan. There is no loan scheme in relation to the grant of Deferred Rights.

The Managing Director is the only Director of AusNet Services eligible to participate in the STIP.

As stated above, if this resolution is approved, the maximum number of Deferred Rights that may be granted to the Managing Director is 179,343.

Mr Ficca is prohibited from hedging the Share price exposure in respect of Deferred Rights during the vesting period applicable to those Deferred Rights.

This is the first time the Company is seeking approval for the grant of Deferred Rights under AusNet Services' Deferred Short Term Incentive Plan.

Recommendation:

The Board (with Mr Ficca abstaining) unanimously recommends that Shareholders vote in favour of Resolution 4.

Item 5 Issue of Shares – Up to 10% Pro Rata

Clause 3.10 of the Constitution of AusNet Services provides that the Directors must not exercise any power to issue Shares, or to make or grant an offer, agreement or option which would or might require Shares to be issued, without the prior approval of members in a general meeting. Such approval must be obtained no more than 18 months before the issue of any Shares, or the making or granting of an offer, agreement or option.

This provision was included in AusNet Services' Constitution to preserve the rights of securityholders of the Stapled Group that existed under certain Singapore securities regulations prior to the implementation of the corporate restructure in June 2015.

ASX Listing Rule 7.1 limits the number of Shares that AusNet Services may issue in any 12 month period (without Shareholder approval) to 15 percent of its issued capital. ASX Listing Rule 7.2 provides various exceptions to ASX Listing Rule 7.1 which, if satisfied, allow the issue of new shares without prior approval of Shareholders.

The effect of Clause 3.10 of the Constitution is that prior Shareholder approval is required to issue new Shares, even if the ASX Listing Rules would otherwise allow new Shares to be issued without such prior approval.

The terms of the approval sought under this resolution 5 place additional limits on the right of the Company to issue Shares so that, if Shareholder approval is provided under this resolution 5, the Company would be able to issue shares, or to make or grant an offer, agreement or option which would or might require Shares to be issued only to a maximum of 10% of its issued share capital, where the offer to issue shares is made pursuant to a pro rata issue (as that term is defined in the ASX Listing Rules) and any underwriting thereof (or any other arrangement to make up the shortfall under a pro rata issue). The 10% maximum will be calculated based on the total number of Shares on issue as at the date that any such pro rata issue is first offered.

Resolution 5 seeks Shareholder approval to give authority to AusNet Services to:

(a) issue Shares by way of rights issue, bonus issue or otherwise at any time and upon such terms and conditions and for such purposes and to such persons as the Directors in their absolute discretion determine;

(b) make or grant offers, agreements or options that might or would require Shares to be issued (including but not limited to warrants, debentures or other instruments convertible into Shares) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors in their absolute discretion determine; and

(c) issue Shares under any offers, agreements or options referred to in paragraph (b) where those offers, agreements or options were made or granted while the authority provided under this resolution 5 was in force, notwithstanding that at the time the underlying Shares are issued, the authority conferred by this resolution 5 may have ceased,

providing that these actions are permitted under the ASX Listing Rules or otherwise permitted by the ASX, and the offer is made pursuant to a pro rata issue and results in an issue of shares of no more than 10% of the issued share capital of the Company.

The approval extends to any underwriting (or any sub-underwriting) of the pro rata issue or any other arrangement to make up a shortfall under a pro rata issue, provided at all times the issue does not exceed the 10% limit referred to above. It is not uncommon for listed companies to seek to underwrite pro rata issues to provide some certainty that the desired level of funds is raised under the issue. In addition, it is not unusual for companies to operate shortfall facilities or other similar facilities to seek to place rights or shares not taken up under the pro rata issue to shareholders who have taken up their rights or other investors. The approval will allow for the issue of Shares pursuant to rights not taken up by Shareholders via underwriting, sub-underwriting and shortfall or similar facilities. AusNet Services is not currently proposing any issue of new Shares including that which would require additional approval under the ASX Listing Rules.

Resolutions 6 and 7 also seek Shareholder approval for the issue of new Shares in the circumstances specified in those resolutions. An issue of Shares pursuant to this resolution 5 does not include any Shares issued in the circumstances described in resolutions 6 or 7.

Unless revoked or varied at a general meeting, the authority conferred by resolution 5 continues in force for a period of 18 months, unless and until revoked or varied at a subsequent general meeting of AusNet Services.

Recommendation:

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

Item 6 Issue of Shares – Dividend Reinvestment Plan (DRP)

In addition to the approval sought under resolution 5, Shareholders are being asked to consider a proposed resolution to allow a DRP to be conducted for the half-year and full-year. The resolution, if passed, will give the Board the ability to issue new Shares under Clause 3.10 of the Constitution for a period of 18 months, pursuant to a DRP or any underwriting thereof. Any such issue of Shares will remain subject to the ASX Listing Rules and the Corporations Act, and will not be counted in any determination of the number of any Shares issued pursuant to resolution 5.

The Company's DRP is considered a beneficial way for Shareholders to reinvest dividends. The Company has operated a DRP since 2008. While AusNet Services is not currently proposing to conduct an underwritten DRP, approval for underwriting of the DRP is sought to give AusNet Services the flexibility to do so if considered desirable.

Unless revoked or varied at a general meeting, the authority conferred by resolution 6 continues in force for a period of 18 months, unless and until revoked or varied at a subsequent general meeting of AusNet Services.

Recommendation:

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

Item 7 Issue of Shares – Employee Incentive Scheme

In addition to the approval sought under resolutions 5 and 6, Shareholders are being asked to consider a proposed resolution to allow the Company to issue Shares to senior executives as part of an employee incentive scheme. The resolution, if passed, will give the Board the ability to issue new Shares under Clause 3.10 of the Constitution for a period of 18 months, pursuant to an employee incentive scheme for senior executives of the Company.

AusNet Services does not currently operate an employee incentive scheme which involves the issue of new Shares. However, the Board considers it prudent to have the ability to develop such a scheme, should it be considered appropriate as part of the Board's ongoing consideration of the structure of executive remuneration.

Any such issue of Shares will remain subject to the ASX Listing Rules and the Corporations Act, and will not be counted in any determination of the number of any Shares issued pursuant to resolution 5.

Unless revoked or varied at a general meeting, the authority conferred by resolution 7 continues in force for a period of 18 months, unless and until revoked or varied at a subsequent general meeting of AusNet Services.

Recommendation:

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

Item 8 Renewal of proportional takeover provision

The Corporations Act permits a company's constitution to include a provision that enables it to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by shareholders to approve the bid.

The proportional takeover provision was first included in AusNet Services' Constitution when the Constitution was adopted upon the registration of the Company on 11 December 2014. AusNet Services Ltd was formed prior to the corporate restructure in May 2015 and became the single head company of the AusNet Services group following approval of the restructure by Shareholders.

As provided in Clause 8.4 of the Company's Constitution, the existing proportional takeover provision will cease to have effect three years after the date of its registration, being 11 December 2017. If renewed, the proposed proportional takeover provision will be in exactly the same terms as the existing provisions in Clause 8 of the Company's Constitution.

The Board considers it is in the best interests of Shareholders to renew the existing proportional takeover provision for the maximum period permitted by law, being a further three years.

Proportional takeover bid

A proportional takeover bid is a type of takeover bid that is made to all shareholders for the acquisition of their shares, however, the offer made to each shareholder is only for a specified proportion of their shares (i.e. less than 100%) and that proportion is the same for all shareholders.

Effect of a proportional takeover bid provision

If Clause 8 is renewed and a proportional takeover bid is made, the Board must convene a general meeting of the Shareholders entitled to vote, and put a resolution to approve the proportional takeover bid. To be effective, the resolution must be voted on at least 10 business days before the last day of the bid period.

The vote is decided on a simple majority. The bidder and its associates are not allowed to vote. If the resolution is not passed, no transfers of Shares will be registered as a result of the takeover bid. If the resolution to approve the bid is not voted on at least 10 business days before the last day of the bid period, the bid is taken to have been approved.

If this resolution is approved, the proportional takeover provisions will only apply until 20 July 2020 unless renewed by Shareholders.

Reasons for proposing the Resolution

The Board considers that Shareholders should continue to have the opportunity to vote on any proposed proportional takeover bid. Without the proposed proportional takeover provisions, a proportional takeover bid for AusNet Services might enable a bidder to obtain control of AusNet Services without the Shareholders having the opportunity to sell all of their Shares to the bidder. Shareholders may be exposed to the risk of being left as a minority in AusNet Services and the risk of the bidder being able to acquire control of AusNet Services without payment of an adequate premium for all of their Shares.

The proposed renewal of the existing proportional takeover provision lessens this risk because it allows Shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

Knowledge of any acquisition proposals

At the date of this Notice of Meeting, no Director is aware of any current proposal by any person to acquire, or to increase the extent of, a substantial interest in AusNet Services.

Potential advantages and disadvantages of the proportional takeover provisions

The Directors of the Company consider that the proposed renewal of the proportional takeover provisions has no potential advantages or disadvantages for the Directors because they remain free to make a recommendation on whether a proportional takeover bid should be accepted.

The potential advantages for Shareholders of the proposed renewal of the proportional takeover provision under Clause 8 include:

> Shareholders would have the right to consider a proportional takeover bid proposal and to decide by majority vote on whether it should be accepted. This should ensure that the terms of any future proportional takeover bid are structured to be attractive to a majority of AusNet Services' Shareholders. It may also discourage the making of a proportional takeover bid that might be considered opportunistic;

> it may help Shareholders avoid being locked in as a minority and avoid the bidder acquiring control of AusNet Services without paying an adequate control premium (ie not being required to pay for all of the Shares on issue);

> it increases Shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and

> knowing the view of the majority of Shareholders may help each individual Shareholder to form an opinion on whether to accept or reject an offer under the bid.

The potential disadvantages for Shareholders of the proposed renewal of the proportional takeover provision under Clause 8 include:

> the proportional takeover provision may reduce the likelihood of a proportional takeover bid being successful and, accordingly, proportional takeover bids for AusNet Services Shares may be discouraged;

> the provisions may reduce the opportunities which Shareholders may have to sell all or some of their Shares at a premium to persons seeking control of the Company and may reduce any takeover speculation element in the Company's Share price; and

> the provisions may be considered an additional restriction on the ability of individual Shareholders to deal freely in their Shares.

The Board considers the potential advantages for Shareholders of the proportional takeover approval provisions outweigh the possible disadvantages.

Review of advantages and disadvantages of the proportional takeover approval provisions

While proportional takeover provisions have been in effect under the Company's Constitution, no takeover bids for the Company have been made, either proportional or otherwise. Accordingly, there are no actual examples against which the advantages or disadvantages of the existing proportional takeover provisions (that is, Clause 8 of the existing Constitution) could be reviewed for the Directors and Shareholders of the Company. The Directors are not aware of any potential takeover bid that was discouraged by Clause 8.

Recommendation:

The Board unanimously recommends that Shareholders vote in favour of Resolution 8.

Glossary

In these Explanatory Notes, and in the Notice, the following expressions have the following meanings unless stated otherwise or the context requires otherwise:

ASX means ASX Limited.

ASX Listing Rules means the listing rules of ASX as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

ATO means the Australian Taxation Office.

Auditor means KPMG.

AusNet Services means AusNet Services Ltd (ABN 45 603 317 559).

CDP means The Central Depository (Pte) Limited.

CDP Voting Instruction Form means the form specifying the voting instructions of persons whose Shares are listed on SGX-ST and deposited with CDP, which accompanies this Notice.

Company means AusNet Services.

Computershare means Computershare Investor Services Pty Limited.

Constitution means the constitution of AusNet Services.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a person appointed to perform the duties of a director of AusNet Services.

DRP means a Dividend Reinvestment Plan of AusNet Services.

Explanatory Notes means the notes attached to the Notice of Meeting.

LTIP means AusNet Services' Long Term Incentive Plan.

LTIP Rules means AusNet Services' Long Term Incentive Plan Rules.

Meeting means the Annual General Meeting of AusNet Services to be held on Thursday, 20 July 2017 at 10.00am.

SGX-ST means Singapore Exchange Securities Trading Limited.

Share means a share in AusNet Services.

Shareholder means a holder of Shares in AusNet Services.

Stapled Companies means AusNet Services (Distribution) Ltd (ABN 37 108 788 245) and AusNet Services (Transmission) Ltd (ABN 48 116 124 362).

Stapled Group means the Stapled Companies and the Trust.

STIP means AusNet Services' Deferred Short Term Incentive Plan.

Trust means AusNet Services Finance Trust, the responsible entity of which is AusNet Services (RE) Ltd (ABN 46 109 977 371).

AusNet Services

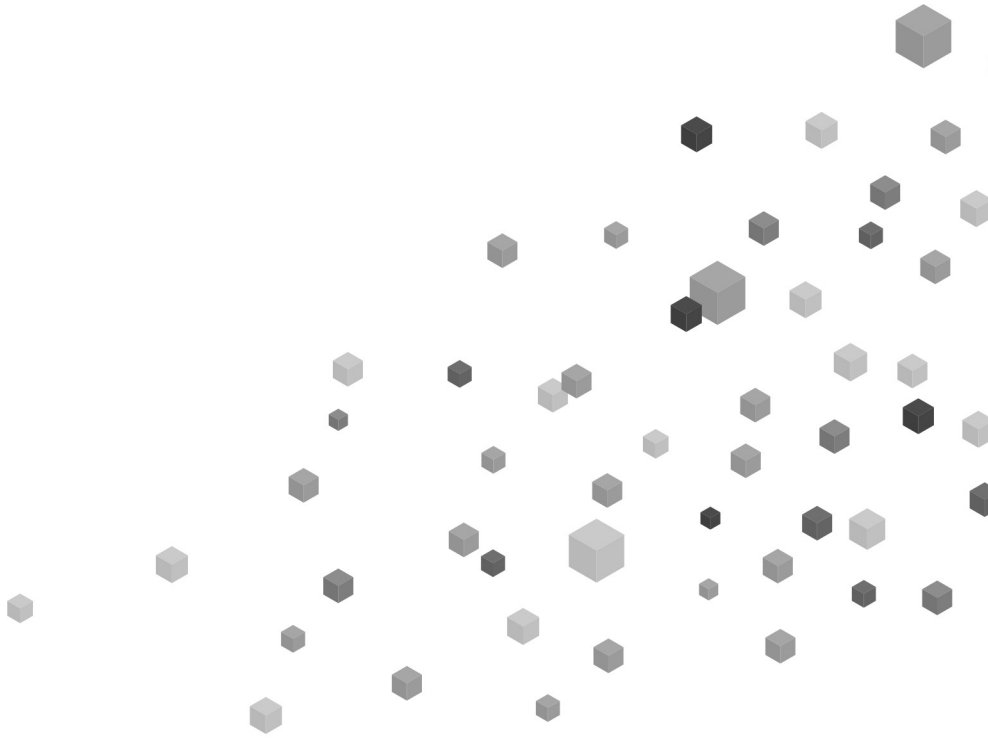
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AusNet Services Ltd
ABN 45 603 317 559

AST
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FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

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(outside Australia) +61 3 9473 2555

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Proxy Form

Vote and view the annual report online

- Go to www.investorvote.com.au **or** scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 **PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 10.00am (Melbourne time) on Tuesday, 18 July 2017

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of shares you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of shares for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of shares for each in Step 1 overleaf.

A proxy need not be a member of the Company.

Signing Instructions for Proxy Forms

Individual: Where the holding is in one name, the member must sign.
Joint Holding: Where the holding is in more than one name, all of the members should sign.
Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate member or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

GO ONLINE TO VOTE, or turn over to complete the form ➔

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MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

I 9999999999 I IND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of AusNet Services Ltd hereby appoint

☐ **the Chairman of the Meeting** **OR** _____

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of AusNet Services Ltd to be held at Meeting Room 213, Melbourne Convention and Exhibition Centre, 1 Convention Centre Place, South Wharf, Melbourne, Victoria, Australia on Thursday, 20 July 2017 at 10.00am (Melbourne time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 3 and 4 (except where I/we have indicated a different voting intention below) even though Items 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 3 and 4 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Item 2(a)	Election of Dr Nora Scheinkestel	☐	☐	☐
Item 2(b)	Re-election of Dr Ralph Craven	☐	☐	☐
Item 2(c)	Re-election of Ms Sally Farrier	☐	☐	☐
Item 2(d)	Re-election of Mr Sun Jianxing	☐	☐	☐
Item 3	Remuneration Report	☐	☐	☐
Item 4	Grant of Equity Awards to the Managing Director	☐	☐	☐
Item 5	Issue of Shares – Up to 10% Pro Rata	☐	☐	☐
Item 6	Issue of Shares pursuant to Dividend Reinvestment Plan	☐	☐	☐
Item 7	Issue of Shares pursuant to an Employee Incentive Scheme	☐	☐	☐
Item 8	Renewal of Proportional Takeover provision	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Member(s)

This section must be completed.

Individual or Member 1	**Member 2**	**Member 3**
Sole Director and Sole Company Secretary	**Director**	**Director/Company Secretary**

Contact Name _____ **Contact Daytime Telephone** _____ **Date** / /

AusNet Services Ltd
ABN 45 603 317 559

Voting Instruction Form for CDP's Depositors

ANNUAL GENERAL MEETING – THURSDAY 20 JULY 2017

Please read the notes overleaf before completing and signing this form. A copy of the Notice of Annual General Meeting is enclosed. Terms used in this Voting Instruction Form for CDP's Depositors are defined in the Glossary contained in the Explanatory Notes, unless otherwise indicated.

To: AusNet Services

c/o The Central Depository (Pte) Limited
Robinson Road Post Office
P.O. Box 1597
Singapore 903147

I/We

request you to appoint the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of AusNet Services Ltd to be held at Meeting Room 213 Melbourne Convention and Exhibition Centre, 1 Convention Centre Place, South Wharf, Melbourne, Victoria, Australia on Thursday, 20 July 2017 at 10.00am (Melbourne time) and at any adjournment of the Meeting.

I/We direct that my/our proxy vote as indicated:

BUSINESS

		For	Against	Abstain[1]
2(a)	Election of Dr Nora Scheinkestel			
2(b)	Re-election of Dr Ralph Craven			
2(c)	Re-election of Ms Sally Farrier			
2(d)	Re-election of Mr Sun Jianxing			
3	Remuneration Report			
4	Grant of Equity Awards to the Managing Director			
5	Issue of Shares – Up to 10% Pro Rata			
6	Issue of Shares pursuant to Dividend Reinvestment Plan			
7	Issue of Shares pursuant to an Employee Incentive Scheme			
8	Renewal of Proportional Takeover provision			
		Number of Shares to which this instruction relates		
		Securities Account Number to which this instruction relates		

1 If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a poll.

TO BE COMPLETED IF YOU WISH TO GIVE VOTING INSTRUCTIONS:

For Individuals:

_____ _____
Signature of Direct Account Holder Signature of Direct Account Holder

Dated this _____ day of _____ 2017

For Corporations:

_____ _____
Signature of Director(s)/Secretary Signature of Director(s)/Secretary

Common Seal

Dated this _____ day of _____ 2017

Notes:

1) You may attend (in person) the Annual General Meeting on 20 July 2017, provided that you have notified AusNet Services in writing of your proposed attendance by no later than Tuesday, 18 July 2017 at 10.00am (Melbourne time) and you have provided AusNet Services with your name, address and details of your shareholding as evidence that your Shares are deposited with CDP at that time. Such written notification should be addressed to the Company Secretary, AusNet Services, Level 31, 2 Southbank Blvd, Southbank, Victoria 3006 Australia or by facsimile to +61 3 9695 6666. If you attend the Annual General Meeting, you have the same right to speak at the Annual General Meeting as a Member. However, you do not have any right to vote, be counted in a quorum, or enjoy any other rights of the kind typically enjoyed by Members.

2) Your Shares are registered with CDP. As CDP is not allowed under the constitution of AusNet Services to appoint more than 2 proxies, you are not able to attend and vote or appoint your own proxies to attend the Annual General Meeting, and can only request CDP to appoint the Chairman of the Annual General Meeting as your proxy to attend and vote on your behalf in accordance with the voting instructions herein. CDP will not appoint a proxy other than the Chairman of the Annual General Meeting to attend and vote in accordance with the voting instructions herein.

3) You must return this Voting Instruction Form for CDP's Depositors, duly completed, to AusNet Services c/o The Central Depository (Pte) Limited, Robinson Road Post Office P.O. Box 1597 Singapore 903147 by 5pm on Thursday, 13 July 2017 (Singapore time) (the "Receipt Date").

4) You should complete each box for the resolutions set out in the "Business" section of this form, including the number of Shares to be voted "for" or "against" or "abstain". The total number of Shares represented should not exceed your total shareholding.

5) If CDP, on behalf of AusNet Services, does not receive your specific instructions by the Receipt Date, it will not vote or take any action with respect to your Shares at the Annual General Meeting.

6) You should indicate your Securities Account Number to which the number of Shares to which this instruction relates, in the box provided. If the Securities Account Number is not provided, this form will be deemed to be incomplete and AusNet Services and CDP are entitled (but not obliged) to disregard your voting instruction.

7) If you wish to give voting instructions on your Shares, this form must be signed by you or your attorney duly authorised in writing or, if you are a corporation, executed under your common seal or under the hand of your attorney duly authorised in writing. In the case of joint holders, all joint holders must sign this form. The Power of Attorney or other authority appointing the attorney or a notarially/duly certified copy of that Power of Attorney or other authority must be attached to this form if it is signed by an attorney.

8) If, as at the Receipt Date, your total shareholding exceeds the total number of Shares to which any voting instruction relates, CDP will forward your voting instructions only in respect of the Shares in respect of which any voting instruction relates.

   If, as at the Receipt Date, your total shareholding is less than the total number of Shares to which any voting instruction relates, CDP will forward your voting instructions only in respect of your total shareholding as at the Receipt Date, provided that any instruction which requires CDP to split the Shares between votes "for" or "against" or "abstain" in respect of any resolution set out in the "Business" section of this form shall be invalid. For example, if on the Receipt Date, your total shareholding is 10 Shares but your voting instruction relates to 20 Shares, CDP will forward the voting instructions in respect of 10 Shares if the votes are either wholly for or wholly against or wholly abstaining in respect of a resolution set out in the "Business" section of this form. If you have split your Shares into votes for and against the resolution, CDP will not be able to allocate the Shares amongst the split votes and will accordingly treat the voting instruction as invalid.