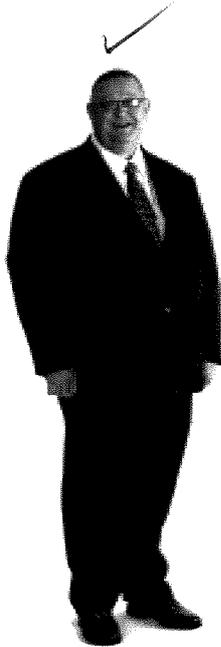


*Tabled by Mr Seenev during a
matter of privilege of 6/10/04*

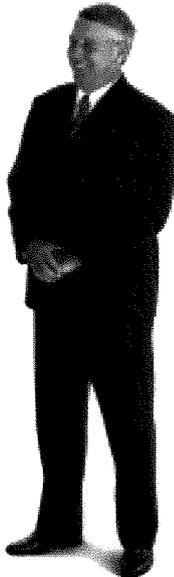
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: board of directors

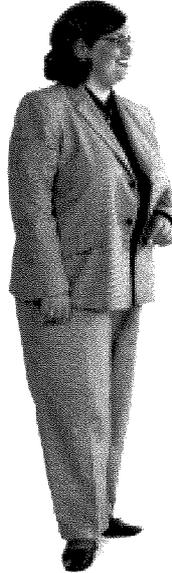
ENERGEX Limited



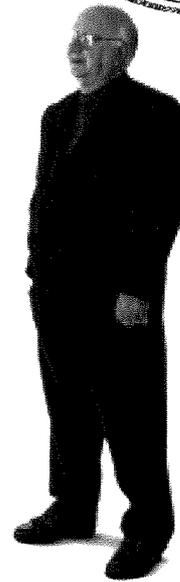
Don Nissen



Barry Braithwaite



Grace Grace



John Dempsey

DON NISSEN *Chairman* FAIM, FAICD

Don Nissen was appointed as Chairman of the ENERGEX Limited Board in October 1999. He is Chairman of the Allgas Energy Ltd Board, a Director of ENERGEX Retail Pty Ltd, and a member of the ENERGEX Limited Audit and Compliance Committee, ENERGEX Retail Trading Risk Management Committee and Joint Remuneration Committee. Don's other directorships include Chairman, Brisbane Broncos Ltd; Director, WorkCover Queensland; Director, Ariadne Ltd; Director, Macarthur Coal Pty Ltd; and Director, Queensland School Sport Foundation.

Prior to joining ENERGEX, Don had a long and successful career with the Commonwealth Bank from 1960. He became General Manager, Queensland, in 1992 and was in that role until his retirement in January 2000. Don was awarded the Centenary Medal in 2003.

BARRY BRAITHWAITE *Director* FAICD

Barry Braithwaite was appointed as a non-executive Director of the ENERGEX Limited Board in July 1999 and is Chairman of the Board's Corporate Development Committee. Prior to joining the ENERGEX Limited Board, Barry obtained significant experience in Government Owned Corporations and the energy industry, first as Chairman of Queensland Transmission and Supply Corporation from November 1996 to June 1997, and then as Chairman of Ergon Energy Retail from July 1997 to June 1999. He was Chairman of Queensland Transitional Power Trading Corporation and served on Risk Management and Audit Committees throughout this period. Barry is a Director of the Allgas Energy Ltd Board and a Trustee Director of ESI Super.

Barry is a Fellow of the Australian Institute of Company Directors and a former Mayor of

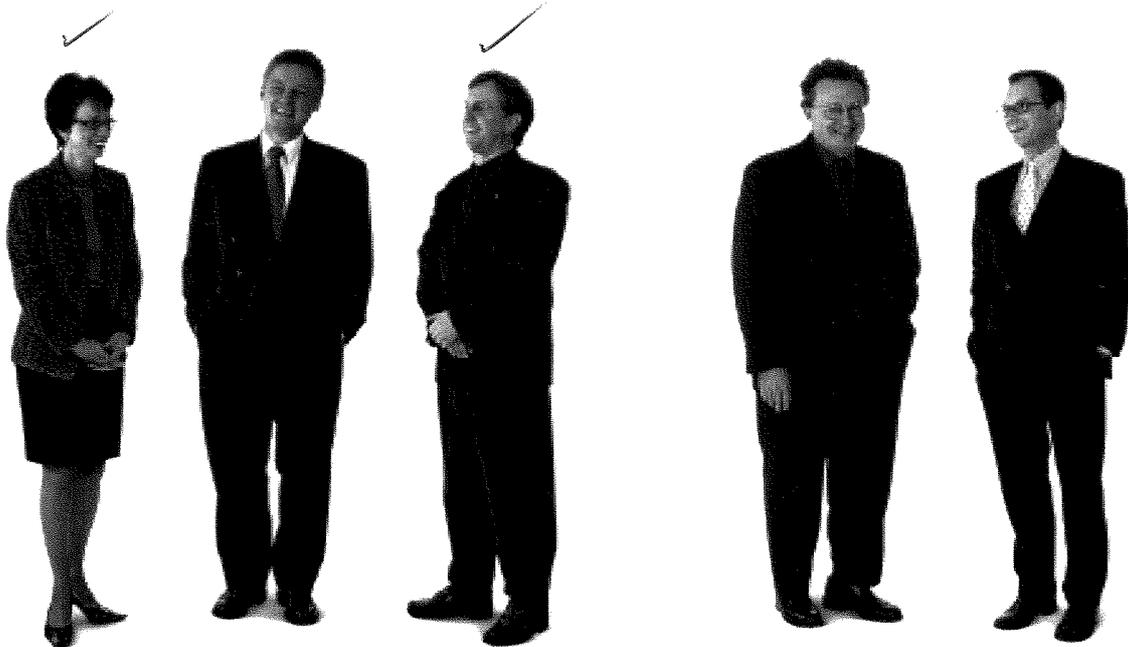
the Roma Town Council. At a local level, he has served on numerous organisations and been involved in regional development. He had a successful career in small rural business and remains involved in the beef industry.

JOHN DEMPSEY *Director* ACIS, MNIA, PNA

GRAD DIP ACCTG AND FIN MANGT,
GRAD DIP AG ECON
John Dempsey was first appointed as a non-executive Director of the ENERGEX Limited Board in June 1999 and was re-appointed in July 2003. He is a member of the Board's Audit Committee. John is also a Director of Ceramic Fuel Cells Limited, having been appointed to that Board in June 2002. Formerly a Deputy Mayor of the City of Cairns, he contributed to the development of the Management of the Wet Tropics World Heritage Area listing through his position of Chairman of the Community Consultative Group. He has extensive experience in

Queensland rural industry and was appointed an inaugural member of the Sugar Industry Tribunal in 1991 where he remained for six years. He currently conducts a public accountancy practice in Brisbane. In addition to his accountancy qualifications and 30 years of experience in the field, he is an Associate of the Institute of Chartered Secretaries, and holds post-graduate diplomas in Accounting and Financial Management and also in Agricultural Economics.

GRACE GRACE *Director*
Grace Grace was appointed as a non-executive Director of the ENERGEX Limited Board in July 1999. She is a Director of the South Bank Board and Sunsuper Board, and is a Member of the Australian Council of Trade Unions Executive, Queensland Workplace Health and Safety Board, the Q Comp Board, Jupiters Casino Community Benefit Fund and the



Sally Pitkin

Khory McCormick

Brian Kilmartin

Greg Maddock

Peter Turnbull

Manufacturing Leaders Group. In October 2000, Grace was the first woman in the Queensland Council of Unions' (QCU) 115-year history to be elected to the position of General Secretary. She has been a full-time union official since 1980, having worked as Industrial Officer at the Finance Sector Union's Banking Division. Grace then became an industrial relations adviser in the Keating Government before her election as the first female QCU Assistant General Secretary in June 1995.

BRIAN KILMARTIN Director
BA (Hons), LLB, GRAD DIP LP

Brian Kilmartin was appointed as a non-executive Director of the ENERGEX Limited Board in July 1999. He has been a Solicitor of the High Court of Australia and Supreme Court of Queensland for 18 years. He is widely recognised as an expert in industrial law and has been involved in major industrial disputes before the High Court, the Federal Court, the

Australian Industrial Relations Commission, the Australian Industrial Court and the Queensland Industrial Relations Commission. Brian is the nominee of the Attorney General of Queensland to the Queensland Law Society. He is on the Council of the Queensland Law Society and serves on a number of subcommittees of the Society.

Brian is Chairman of Legal Aid Board Queensland, is Queensland Consul of the Republic of Poland, and a former Director of Film Australia.

KHORY McCORMICK Director
BA, LLB, LL.M, MAIC

Khory McCormick has been a non-executive Director of the ENERGEX Limited Board and ENERGEX Retail Pty Ltd Board since July 1999. A Partner at Minter Ellison lawyers since 1982, Khory's legal expertise includes public sector advisory and dispute work, corporate governance, compliance and

issues management, and extensive experience in energy and resources-related legal matters. Khory is also a Director of the Allgas Energy Ltd Board.

SALLY PITKIN Director
LLB, LL.M, MAICD

Sally Pitkin became a non-executive Director of the ENERGEX Limited Board in July 1999 and brings to ENERGEX skills and experience in corporate governance, the energy-related industries and corporate law. Sally holds directorships with companies in the private and public sectors across a diverse range of industries including energy, transport and commercialisation of new technologies. She is a non-executive Director of UniQuest Pty Ltd, Ceramic Fuel Cells Limited, Employment National Limited and Golden Casket Lottery Corporation Limited. She is also a member of the Advisory Board for Brisbane Transport. Sally is a former

partner of Clayton Utz lawyers and consults to the firm in the areas of corporate governance and corporate law.

Sally's contribution to business has been recognised through an award from Queensland University of Technology as an Outstanding Alumna and as a national winner in the Telstra Business Women's Awards. Sally holds a Bachelor of Laws and Master of Laws and is a member of a number of industry and professional advisory groups and a member of the Australian Institute of Company Directors.

Statutory Officers

Greg Maddock
Chief Executive Officer
BCom, MBA, FAICD

Peter Turnbull
General Manager, Legal and Corporate Affairs
Chief Company Secretary
BCom, LLB, FAICD, FCIS

: chairman's review

ENERGEX Retail Pty Ltd

The past year witnessed a number of highlights for ENERGEX Retail. Our core energy business experienced strong growth, **earth's** choice became Australia's leading green energy program and the Company achieved a significant increase in **homesuite** sales revenue.

Most importantly, the year saw substantial focus on the development of our risk management capability. Major improvements in risk management systems and processes were implemented.

While improvements in sales and capabilities were pleasing, ENERGEX Retail Earnings Before Interest and Tax was below expectations on the previous year's performance due to a short period of extreme wholesale electricity prices in the first half of the year. Trading conditions were favourable for the balance of the year and together with improvements to the electricity portfolio strategy, led to an improved profit result throughout the second half.

Our national contestable electricity sales revenue grew by more than 8% and we developed stronger, long-term partnerships with many of our key customers.

We achieved a 20% increase in natural gas sales as we moved to grow our share of the market, which was a very commendable performance. A significant proportion of this revenue was driven by sales growth in the Victorian market, where revenue grew by more than 40%.

Focusing on our position as a dual fuel energy provider, we achieved several major milestones to strengthen this position. The first gas flows began under ENERGEX's eight-year gas purchase agreement from the Patricia Baleen offshore gas development, providing Victoria with its first new offshore source of gas in 35 years. In April 2003, we signed a major long-term coal seam methane gas supply and sales agreement with Moura Sales, the sales agent for the joint venture between Anglo Coal and Mitsui Moura Investment.

Continuing our success in gas, we increased our LPG sales revenue by more than 12%. This result was achieved through strong sales growth in our residential market following a sustained marketing campaign and rise in ENERGEX LPG awareness.

From an environmental perspective, our **earth's choice** green energy program was the first Australian program to reach more than 20,000 customers. Consequently, last year's Sustainable Energy Development Authority (SEDA) annual audit report highlighted **earth's choice** as largely responsible for a 12% increase in the uptake of green energy programs across Australia.

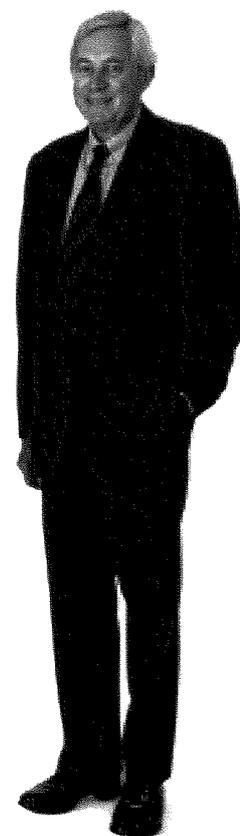
Furthering our commitment to energy efficiency, we won two of Queensland's largest energy efficiency contracts and are now working with Brisbane City Council and the Royal Brisbane Hospital to improve energy efficiency and reduce energy costs.

During the year, **homesuite** sales revenue increased by more than 47% due to a focus on streamlining processes and maximising operational efficiencies. Sales of **homesuite** air conditioning, hot water and insulation were particularly strong.

Our achievements are the result of much hard work and commitment by the entire ENERGEX Retail team and I commend them on their efforts and considerable achievements. I look forward to an exciting period ahead and working together as a cohesive team to achieve further success in the 2003/2004 financial year.

Rhonda White's term as a Director expired on 30 June 2003 and Rhonda did not seek re-appointment to the Board. I sincerely thank Rhonda for her dedication and wise counsel, and for her valuable contribution to the Board since 1999.

Michael Brown
Chairman, ENERGEX Retail Pty Ltd

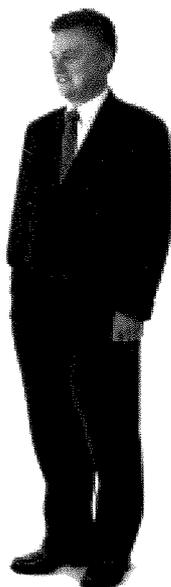


: board of directors

ENERGEX Retail Pty Ltd



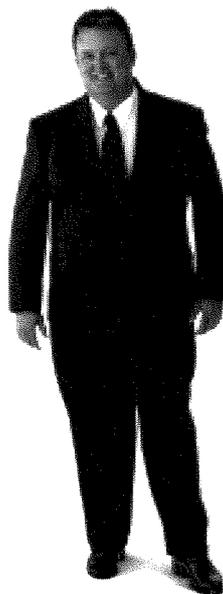
Michael Brown



Khory McCormick



Rhonda White



Mark Bucknall



Fiona Guthrie

MICHAEL BROWN *Chairman* FCA

Michael Brown was appointed as Chairman of the ENERGEX Retail Pty Ltd Board in July 1999. He is a member of the ENERGEX Retail Trading Risk Management Committee and Joint Remuneration Committee. Michael's other directorships include Director, Grainco Australia Limited and Chairman, Sugar Terminals Limited. Prior to joining ENERGEX, Michael, a chartered accountant, had a long and successful career with Price Waterhouse from 1971 and retired in 1993 as Partner-in-Charge of their Brisbane office. He is a Fellow of the Institute of Chartered Accountants.

KHORY McCORMICK *Director* BA, LLB, LL.M., MAIC

Khory McCormick has been a non-executive Director of the ENERGEX Limited Board and ENERGEX Retail Pty Ltd Board since July 1999. A Partner at Minter Ellison lawyers since 1982, Khory's legal expertise

includes public sector advisory and dispute work, corporate governance, compliance and issues management, and extensive experience in energy and resources-related legal matters. Khory is also a Director of the Allgas Energy Ltd Board.

RHONDA WHITE *Director* Ph C, MPS, BA D Psych

Rhonda White was appointed as a non-executive Director of the ENERGEX Retail Pty Ltd Board in July 1999 and completed her appointment at the end of this reporting period. She is the founder of the Terry White Chemist Group of pharmacies and Managing Director of White Retail Group Pty Ltd. Rhonda is a fellow of the Australian Institute of Management. She is a pharmacist and psychologist and consults to the retail industry. Rhonda currently owns and operates pharmacies throughout Australia.

She is a member of Terry White Management Board (Subsidiary

of Mayne Health), the Council of the Australian College of Natural Medicine, and Nudgee College Foundation Board and is Foundation Chairman of the Queensland Cancer Fund Volunteers Committee. She was awarded the 2000 The Leading Women Entrepreneurs of the World Star Group International Award and the 2000 National Business Bulletin – Business Star of the Year.

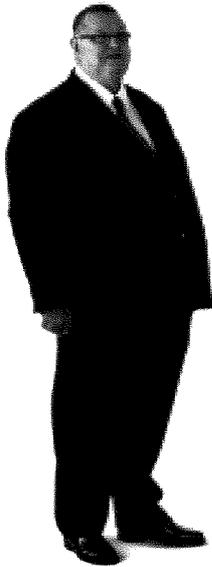
MARK BUCKNALL *Director* BA, LLB

Mark Bucknall was appointed a non-executive Director of the ENERGEX Retail Pty Ltd Board in December 1999. He has been the Chairman of the ENERGEX Audit Committee since 2002. Prior to his appointment as a non-executive Director, he was the Inaugural Chairman of the South East Queensland Electricity Council. Mark is a solicitor and the Principal of his legal practice. He has advised indigenous groups regarding major energy projects, including the

Queensland/New South Wales interconnector and, more recently, the Kogan Creek power project. He was awarded a Commonwealth Sport Achievement Award in 2003 in recognition of his services to Australian Football and holds voluntary positions within sporting and community groups.

FIONA GUTHRIE *Director* BA, MBA, FAICD

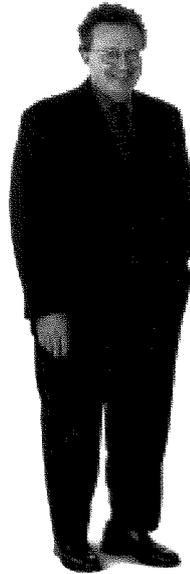
Fiona Guthrie was appointed as a non-executive Director of the ENERGEX Retail Pty Ltd Board in July 1999. She is also on the Boards of Insurance Enquiries and Complaints Ltd, the Consumers' Federation of Australia and the Financial Services Consumer Policy Centre at the University of New South Wales. She is also the Chair of the Centre for Credit and Consumer Law at Griffith University. Fiona recently represented consumer interests on the Standards Australia working party developing the corporate governance suite of standards. She chairs the



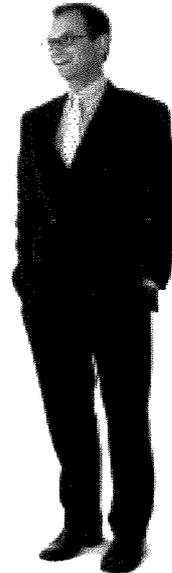
Don Nissen



Ken Howard



Greg Maddock



Peter Turnbull

Trading Risk Management Committee for ENERGEX Retail Pty Ltd.

Fiona has extensive involvement with the community and consumer sectors and runs her own consultancy business. She holds a Bachelor of Arts (Psychology) from Monash University and a Master of Business Administration, specialising in finance, from The University of Queensland. She is a Fellow of the Australian Institute of Company Directors.

DON NISSEN Director
FAIM, FAICD

Don Nissen was appointed as a non-executive Director of the ENERGEX Retail Pty Ltd Board in October 1999. He was also appointed Chairman of the ENERGEX Limited Board in October 1999. He is Chairman of the Allgas Energy Ltd Board, and a member of the ENERGEX Limited Audit and Compliance Committee and the ENERGEX

Retail Trading Risk Management Committee and Joint Remuneration Committee. Don's other directorships include Chairman, Brisbane Broncos Ltd; Director, WorkCover Queensland; Director, Ariadne Ltd; Director, Macarthur Coal Pty Ltd; and Director, Queensland School Sport Foundation.

Prior to joining ENERGEX, Don had a long and successful career with the Commonwealth Bank from 1960. He became General Manager, Queensland, in 1992 and was in that role until his retirement in January 2000. Don was awarded the Centenary Medal in 2003.

KEN HOWARD Director
LLB, BEcon

Ken Howard was appointed as a non-executive Director of the ENERGEX Retail Pty Ltd Board in July 2001. Ken has more than seven years of experience in the finance and investment industry, working as a stockbroker and a financial

planner, and has served as an Infantry Officer in the Australian Army Reserve. Ken holds a Bachelor of Laws and a Bachelor of Economics from The University of Queensland as well as a Postgraduate Diploma in Finance and Investment from the Securities Institute of Australia and a Diploma in Financial Planning from Deakin University.

Statutory Officers

Greg Maddock
Chief Executive Officer
BEcon, MBA, FAICD

Peter Turnbull
General Manager, Legal and Corporate Affairs
Group Company Secretary
BCom, LLB, FAICD, FCIS

: chief executive officer's report

2003 was a year in which the world saw very public failures of electricity systems in places such as New York, London and close to home. Clearly, after a decade of economic and industry reform focused on industry structure and costs, system reliability is now emerging as a question for public debate.

Electricity is a product of such importance to the community that it really has no replacement in the short-term and this requires special focus.

At ENERGEX we view our business in three parts. The Regulated Business is about electricity and gas distribution systems. We have worked very hard at improving system reliability in areas such as Palmwoods, Black Mountain, Beerwah/Glass House Mountains, Dayboro and Mt Glorious/Samford, and underground system reliability to big customers such as Caltex and those in the Australia TradeCoast precinct.

Our system performance was again audited this year by Ernst & Young, and we are pleased with our progress. ENERGEX has a predominantly overhead network and reliability will be affected by storms and vegetation.

	02/03	01/02	00/01	99/00
SAIDI*	207.8	175.5	194.3	151.1
SAIFI**	2.2	1.87	1.94	1.75

Network performance was significantly impacted by storms in December 2002, resulting in deterioration on the previous year's performance. Average Total Interruption Duration during the past five years has remained relatively stable.

* System Average Interruption Duration Index

**System Average Interruption Frequency Index

The returns in the regulated line of business are set by the Queensland Competition Authority (QCA). In setting these returns the QCA first determines the value of the networks and an appropriate level of capital expenditure and other allowable costs. In 2002/2003, ENERGEX spent \$327.3 million on capital expenditure, predominantly augmenting and expanding the electricity network.

This system is one of the most heavily utilised in Australia and last year experienced an 8.1% load growth over the previous year. We will present our case to the QCA that the capital expenditure required is estimated to increase substantially during the next 10 years and ask for an increase in our regulatory determination in 2005.

Our second line of business is the Non-Regulated Business, which offers value-added support services such as energy management tools. This continues to grow and capitalise on an emerging business consciousness to reduce energy costs and focus on core business. In 2002/2003 it was pleasing to see this business perform above budget expectations and support ENERGEX's strategy to expand into new markets and businesses.

Our third line of business is ENERGEX Retail, which delivers new product offerings and service standards tailored to meet the differing needs of residential and business customers in Queensland and across the eastern seaboard. This business continued to grow and recorded an 8% growth in national contestable electricity sales revenue and a 20% increase in natural gas sales for the year.

These strong results were achieved while ensuring delivery of energy services to customers in an efficient, reliable, sustainable and safe manner.

Revenue growth from non-regulated activities and significant growth in the gas business underpinned another successful year for ENERGEX with Net profit up 34.1% to \$135.7 million for the 2002/2003 financial year.

A record Earnings Before Interest and Tax of \$301.4 million was also achieved in the 12 months to 30 June 2003. This growth in earnings was driven by a strong focus on achieving critical mass in the business units and driving home the benefits arising from economies of scale.

	02/03	01/02	00/01	99/00
EBIT (\$M)	301.4	265.6	217.2	123.4
OPAT (\$M)	135.7	101.4	99.3	40.8
SAFETY – LTIFR ⁽¹⁾	5.5	8.4	9.8	8.4
LTISR ⁽¹⁾	128.0	137.0	83.0	56.0

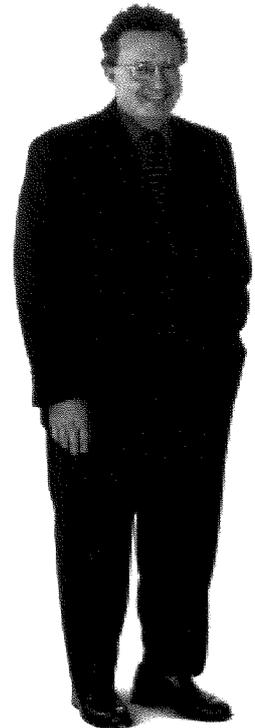
⁽¹⁾ A lower measure indicates improvements

ENERGEX continued to shape its future employees' development through training and apprenticeship offerings in conjunction with the Queensland Government program Breaking the Unemployment Cycle. In January 2003, 40 new apprentices were recruited to work in locations across south east Queensland.

The coming year promises to be a challenging one because we operate in a complex market. However, I am confident that we have the right strategy, structure and, most importantly, people in place to help us continue to be a major force in the national energy market.

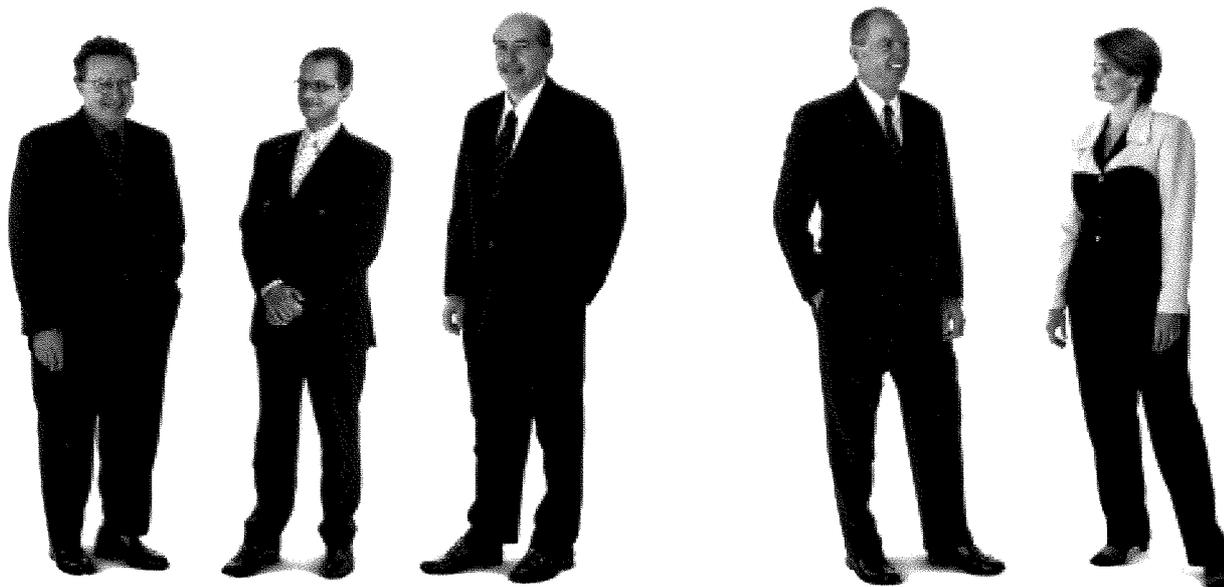
Finally, I want to thank ENERGEX staff for their hard work and dedication, which enabled us to deliver another excellent result this year. Gratitude is also extended to the Board of Directors for their guidance and support, and to our customers and shareholders.

Greg Maddock
Chief Executive Officer, ENERGEX Limited



: management team

ENERGEX



Greg Maddock

Peter Turnbull

Don Cleary

Mike Griffin

Leanne Muller

GREG MADDOCK

BEcon. MBA, FAICD
Chief Executive Officer

Greg has brought to the Company extensive experience in consolidating organisations and increasing shareholder value. At ENERGEX, he has driven a clear strategy that is focused on customers' needs and achieving maximum cost efficiencies. Previously, Greg held significant roles in the Australian public sector including General Manager of the City of Sydney, New South Wales, for five years, and was the first CEO of the City of Stonnington in Victoria. Greg has a Bachelor of Economics and Master of Business Administration and is a Fellow of the Australian Institute of Company Directors.

PETER TURNBULL

BCom. LLB, FAICD, FCIS
General Manager Legal and Corporate Affairs

Peter's responsibilities include management of the legal, compliance, regulatory, public affairs, external investments

and secretariat and internal audit functions of the ENERGEX Group. He has held senior legal, financial and regulatory positions in Australia and Asia and has extensive experience in corporate law, mergers, acquisitions, risk management and corporate governance. Peter has brought to ENERGEX senior management experience gained with several of Australia's largest and most successful listed public companies.

Peter is a member of the ENERGEX Investment Committee, Chairman of the Risk Management and Compliance Committee and a Director of ENERGEX Group subsidiary companies. Peter holds degrees in law and commerce, is a Fellow and Queensland Branch Councillor of Chartered Secretaries Australia Ltd and is a Fellow of the Australian Institute of Company Directors.

DON CLEARY

Solicitor. MAICD
General Manager Corporate Development

Don's key focus is development of ENERGEX's growth strategy, in line with its corporate direction, to ensure the Company is competitive in the Queensland and national markets. Prior to joining ENERGEX, Don was CEO of a manufacturing retail company and was managing partner with legal firms in Brisbane and Townsville. He has successfully established and grown businesses and had extensive experience in joint ventures, mergers and acquisitions. He has also served on the Boards of public and private companies.

LEANNE MULLER

BCom. CA. ASIA
General Manager Planning and Investment

Leanne is responsible for Group corporate strategy including planning and analysis, Group reporting and financial management and corporate

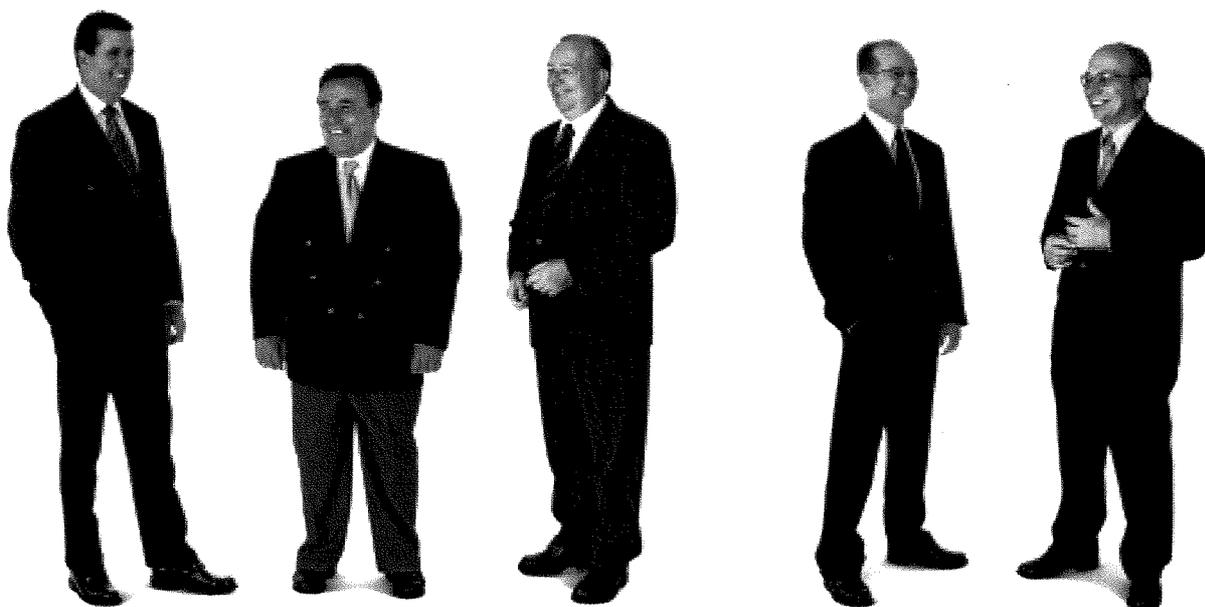
taxation. Prior to joining ENERGEX, Leanne held senior positions with antecedent firms of PricewaterhouseCoopers in Brisbane and Papua New Guinea and also worked with the Australian Securities Commission managing the Queensland Financial Reporting Program. Leanne holds a Bachelor of Commerce and a Postgraduate Diploma in Advanced Security and Investment Analysis. She is an Associate of the Institute of Chartered Accountants and a Member of the Securities Institute of Australia.

MIKE GRIFFIN

BE. FAICD
General Manager Network Asset Management

Mike manages one of Australia's fastest-growing electricity and gas distribution networks. He is focused on improving network performance and reliability, and has played a key role in implementing ENERGEX's strategic corporate direction and business plans. Mike has a Bachelor of

The Executive Management Team has positioned the organisation to leverage past achievements and strategies to capitalise on future growth opportunities.



Peter Weaver

Tony McGee

David Laurie

Peter Ffrench

John Young

Engineering from The University of Queensland, a Graduate Diploma in Management from Deakin University and is a Fellow of the Australian Institute of Company Directors.

PETER WEAVER

BCom, Dip MBA, GAICD
General Manager, Standard Services

Peter's responsibilities include customer service, human resources, finance, information technology, supply, warehousing, fleet, workshop and procurement. He is a Director of, and the key operational interface with, Service Essentials Pty Ltd, a joint venture company (between ENERGEX and Ergon Energy Pty Ltd) providing electricity and gas billing services. Peter is responsible for consolidating all of the Company's support functions to improve the efficiency of internal processes and customer services. A major part of his role includes more efficient sourcing of external suppliers to take advantage of economies of scale within the organisation's product and

service requirements. Peter has a Bachelor of Commerce and a Graduate Diploma in Business Administration.

TONY MCGEE

General Manager, Asset Services

Tony manages ENERGEX's largest division, Asset Services, which is responsible for the design, construction and maintenance of the distribution and transmission networks and all customer connections. He has extensive experience in industrial relations, workplace reform and culture change and has driven further efficiencies in network servicing. Tony has held senior executive positions in the public and private sectors in Australia.

DAVID LAURIE

BE
General Manager, Asset Connections

David is primarily responsible for developing external business that leverages ENERGEX's core capabilities. His division is focused on

developing and providing value-added products and services in the areas of asset management, energy services and metering services throughout Australasia. He has more than 30 years of experience working in the electricity industry in Queensland and overseas. David has a Bachelor of Engineering from The University of Queensland.

JOHN YOUNG

BE, MIEAust
General Manager, Retail

Until April 2003, John led the retail team in meeting customer needs through the provision of electricity and gas products in the national contestable energy markets and the franchise energy markets in south east Queensland. Key aspects of the retail team's activities include energy trading, sales and marketing, and risk management. John has wide-ranging experience across the electricity sector in Queensland. He holds a Bachelor of Engineering from

the Queensland University of Technology.

PETER FFRENCH

B Soc Wk, Grad Dip Bus Admin, GAICD, FAMI
Acting General Manager Retail

Peter is the Acting General Manager Retail, taking up this position in April 2003. Prior to that, he led ENERGEX Retail Pty Ltd's marketing and sales operations for five years, as ENERGEX maintained its dominance in south east Queensland and established a strong presence in the national contestable electricity and gas markets. Before joining ENERGEX, Peter held senior marketing and sales positions with Pauls (now Parmalat) and Kellogg's Australia. Peter holds a Bachelor of Social Work, a Graduate Diploma in Business Administration, a Diploma from the Australian Institute of Company Directors, and is a Fellow of the Australian Marketing Institute.