Level 5
Airport Central Tower
241 O'Riordan Street
PO Box 934
Mascot NSW 2020

Phone: 61 2 9693 0000
Fax: 61 2 8339 0005
www.pipelinetrust.com.au

Australian Pipeline Trust

Australian Pipeline Ltd
ACN 091 344 704

ARSN 091 678 778

12 May 2006

Dear Unitholder,

The Australian Pipeline Trust is pleased to announce the reintroduction of our Distribution Reinvestment Plan (DRP) for the third interim distribution payable 30 June 2006.

The reintroduction will assist in funding future capital expenditure requirements across the portfolio.

The DRP allows Unitholders to have their quarterly distributions automatically reinvested into additional units in the Trust at a discount to the market price, without brokerage or other transaction costs. Participation in the DRP is optional. You may join, vary your participation or withdraw from the DRP at any time.

Units may be issued at a discount to the market price, as set by the Responsible Entity from time to time, with the market price being calculated as the weighted average price of trading in units for the 5 days up to and including the relevant record date and the 5 days after the relevant record date (or an alternative period thought to be appropriate by the Responsible Entity).

To participate in the DRP, simply complete the accompanying DRP form and return it to our Unit Registry, Link Market Services Limited, in the enclosed reply paid envelope. The form must be received at the Registry by 5pm on 9 June 2006 in order to participate in the DRP for the March quarter distribution. Participation forms received after that date will qualify for the DRP in subsequent quarters.

It is important to note that any previous DRP instructions are void. The enclosed form must be completed and submitted to Link Market Services if you wish to participate.

Terms and conditions of the DRP are available on our website at www.pipelinetrust.com.au or by contacting Link Market Services on (02) 8280 7132.

If you have any questions regarding the DRP, please contact Link Market Services on (02) 8280 7132 or your financial adviser or stockbroker.

We welcome your participation in the DRP and thank you for your continued support.

Yours sincerely,

A James

Austin James
Company Secretary/General Manager, Corporate

000001