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Australian
Pipeline Trust

Australian Pipeline Ltd
ACN 091 344 704

ARSN 091 678 778

19 June 2006

The Manager

Company Announcements Office
Australian Stock Exchange
4th Floor, 20 Bridge Street
Sydney NSW 2000

Electronic Lodgement

Dear Sir or Madam

Company Announcement

In accordance with the listing rules, I attach the following announcement for release to the market:

- Announcement of Script Takeover Offer for GasNet Australia (GAS)

Yours sincerely

A James.

Austin James
Company Secretary

BABCOCK & BROWN INFRASTRUCTURE

Australian Pipeline Trust

Babcock & Brown Infrastructure Limited – ABN 61 100 364 234

Level 39 The Chifley Tower 2 Chifley Square Sydney NSW 2000 Australia

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Australian Pipeline Limited – ACN 091 344 704

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19 June 2006

ASX ANNOUNCEMENT

BABCOCK & BROWN INFRASTRUCTURE (BBI), IN ASSOCIATION WITH AUSTRALIAN PIPELINE TRUST (APA), ANNOUNCES A SCRIP TAKEOVER OFFER FOR GASNET AUSTRALIA (GAS)

APA and BBI, who together control 14.2% of GAS, today announced they have entered into a joint bidding agreement to acquire GAS. The consideration for the Offer will be 1.545 BBI stapled securities for each GAS stapled security, valuing GAS at approximately $371.7 million[1] (cum the BBI estimated final distribution) or $357.1 million[2] (ex the distribution). This represents a value of $2.55[1] (cum) or $2.45[2] (ex) per GAS stapled security.

The Offer is compelling as it provides GAS security holders with:

- the opportunity to acquire securities in BBI, an entity:
  - with a superior track record of total securityholder returns;
  - whose distributions have historically shown strong growth;
  - which has historically paid 100% fully tax deferred distributions;
  - with a greater market capitalisation and a more liquid security; and
  - with a more diversified business portfolio
- an attractive premium of 12.3%[1,3] (cum) or 7.9%[2,3] (ex) over the Volume Weighted Average Price ("VWAP") for the month to 16th June 2006[3]; and
- the potential to obtain the benefits of scrip for scrip CGT rollover relief.

Notes (all information in notes has been sourced from IRESS and Bloomberg unless otherwise stated)

1 *Based on the closing price for BBI of $1.65 on 16 June 2006, being the last trading day before announcement of the Offer and the total number of GAS fully diluted (for outstanding options) stapled securities of 145,766,758*

2 *Based on the theoretical BBI ex estimated final distribution (6.75 cents) security price. BBI stapled securities trade ex distribution from 26 June 2006.*

3 *GAS's VWAP of all trades is 2.27 for the one-month period from (and including) 17 May 2006 to 16 June 2006, being the trading day immediately prior to announcement of the Offer*

Conditional pre-acceptance agreements have been entered into in respect of 14.2% of GAS securities by Babcock & Brown Limited and APA in respect of their respective 8.0% and 6.2% interests in GAS. The conduct of the Offer will be as agreed between APA and BBI. Upon successful completion of the Offer, APA will acquire 50% of the joint venture bid vehicle for cash.

The joint venture combines the experience of APA, a leading energy transmission business, with BBI, a leading investor in infrastructure assets in Australia and offshore.

Benefits of the Proposed Acquisition

Steve Boulton, Chief Executive Officer of BBI, said,

> "The Offer is attractive for GAS security holders, providing, among other benefits, an attractive premium to the recent trading price in GAS securities and broker average valuations.
>
> "This is an exciting opportunity for both GAS and BBI security holders. In accepting the offer, GAS security holders will become security holders in BBI, a globally diversified infrastructure fund with a solid history of generating growing tax-effective returns for its security holders. Existing BBI security holders will enjoy further diversification of the investment portfolio with the addition of 50% of a significant Australian infrastructure asset.
>
> "BBI is looking forward to combining its expertise in the management and ownership of domestic and international transmission and distribution infrastructure assets with APA's strong Australian gas pipeline management experience and expertise."

In addition to the attractive premium, the Offer provides GAS security holders with an interest in BBI, a stapled entity which:

- **Has a superior track record of total returns -** The Offer allows GAS security holders to maintain an investment in the GAS assets whilst participating in a vehicle with a demonstrated track record in creating securityholder value

- **Has historically shown strong growth in distributions** - GAS distributions have declined by 9% over the last three years, compared to a 29% increase in BBI distributions per security over the same period.[4].

- **Has historically paid 100% tax deferred distributions** - since listing, BBI has paid 100% of its distributions in a tax deferred form. GAS's distributions since 2003 have been less than 60% tax deferred.

- **Has greater geographical, asset class, and regulatory diversity** - GAS's current revenue is predominantly derived from one asset class. GAS security holders will benefit from the greater scale and geographic, asset class and regulatory diversity of BBI's asset portfolio.

- **Association with APA** - through the association with APA, will provide access to APA's management and operational expertise.

Notes

4 *GAS distributions are calculated for the three years ended 31 December 2005 and BBI distributions are calculated for the three years ending 30 June 2006*

Mick McCormack, Chief Executive of APA, said,

> "We have had a strategic holding in GAS for some time and are very pleased to be associated with BBI in expanding this investment.
>
> "This transaction meets our investment criteria and is consistent with APA's core strategy to invest in quality energy transmission assets which enhance APA's ability to grow unit distributions.
>
> "Better utilisation of the VIC-NSW Interconnect is one of the many reasons for acquiring GAS as it will enhance our ability to compete with the Eastern Gas Pipeline. This in turn will lead to increased flows of gas through our Moomba Sydney Pipeline.
>
> "In addition to these benefits for our security holders, the joint bid combines APA's expertise as an owner and manager of energy transmission assets with one of Australia's leading diversified infrastructure funds."

APA will fund the cash required to acquire 50% of the joint venture bid vehicle through committed debt facilities.

Details of the Offer

Under the terms of the Offer, BBI is offering 1.545 stapled securities for each GAS stapled security. Based on the BBI closing price on the Australian Stock Exchange (ASX) of $1.65 on 16th June 2006, the offer values GAS at approximately $371.7[1] million representing $2.55[1] (cum) or $2.45[2] (ex) per GAS stapled security.

This is a premium of 12.3%[1,3] (cum) or 7.9%[2,3] (ex) to the Volume Weighted Average Price ("VWAP") for the month to 16th June 2006[5].

Notes

5 *GAS's VWAP of $2.27 for the one-month period from 17 May 2006 to 16 June 2006 being the trading day immediately prior to the announcement of the Offer*

The BBI stapled securities to be issued under the Offer will not be entitled to participate in the 6.75 cents estimated final distribution announced by BBI today. BBI stapled securities will trade ex-distribution on 26 June 2006.

Conditions of the Offer

The Offer is subject to a number of conditions which will be substantially in the form set out in Appendix I to this release.

Timetable

APA and BBI expect the timetable for the progress of the Offer will be as follows:

• Announcement of Offer	19 June 2006
• BBI's Bidder Statement lodged	Late June 2006
• BBI's Bidder Statement dispatched and Offer opens	Mid July 2006
• Expected Offer close (unless extended)	Mid August 2006

Bidder's Statement

Further information concerning the Offer will be contained in BBI's Bidder Statement which will be lodged with the ASX and the Australian Securities and Investments Commission as soon as practicable.

BABCOCK & BROWN INFRASTRUCTURE

Australian Pipeline Trust

For Enquiries:

GAS security holders

Georgeson (from 20 June 2006)
Within Australia: 1300 651 573
Outside Australia: +61 3 9415 4272

BBI security holders

Steve Boulton, Chief Executive Officer
Telephone: +61 2 9229 1800

Elizabeth Hawke, Investor Relations
Telephone: +61 2 9229 1800

APA security holders

Mick McCormack, Chief Executive Officer
Telephone: +61 2 9693 0011

Colin Richardson, Managing Director
Rothschild Australia
Telephone: +61 2 9323 2185

Media enquiries

Paula Hannaford, Managing Director
Gavin Anderson & Company
Telephone: +61 413 940 180
Email: phannaford@gavinanderson.com.au

BBI's advisers

Financial:
Babcock & Brown Australia Pty Limited
Deutsche Bank AG
Wilson HTM Corporate Finance Limited

Legal:
Atanaskovic Hartnell (Chang Pistilli & Simmons will assume this role on 1 July)

APA's advisers:

Financial:
Rothschild Australia

Legal:
Freehills

Appendices

I Conditions of the Offer

II Information on BBI, APA and GAS

Appendix I

Conditions of the offer

(a) Minimum Acceptance Condition

By the end of the Offer Period Bidder and its associates have a relevant interest in at least 90% of all GasNet Securities on issue at that time and Bidder becomes entitled to compulsorily acquire all GasNet Securities in accordance with Chapter 6A of the Corporations Act.

(b) Foreign Investment Review Board Approval

One of the following occurring:

(i) the Treasurer of the Commonwealth of Australia ("**Treasurer**") advising Bidder before the end of the Offer Period to the effect that there are no objections to the Offer, the Joint Bidding Agreement, BNB Agreement, or the Joint Venture Operating Agreement in terms of the Federal Government's foreign investment policy; or

(ii) no order being made in relation to the Offer, the Joint Bidding Agreement, BNB Agreement or the Joint Venture Operating Agreement under section 22 of the *Foreign Acquisitions and Takeovers Act 1975* within a period of 40 days after Bidder has notified the Treasurer that it proposes to acquire GasNet Securities under the Offer and no notice being given by the Treasurer to Bidder during that period to the effect that there are any such objections; or

(iii) where an order is made under section 22 of the *Foreign Acquisition and Takeovers Act 1975*, a period of 90 days having expired after the order comes into operation and no notice having been given by the Treasurer to Bidder during that period to the effect that there are any such objections.

(c) ACCC Approval

(i) Between the Announcement Date and the end of the Offer Period (each inclusive) the ACCC has not commenced or threatened to commence legal proceedings seeking orders to restrain the acquisition of GasNet Securities by Bidder or APA Group or the operation of the Joint Bidding Agreement, BNB Agreement or the Joint Venture Operating Agreement;

and either

(ii) before the end of the Offer Period, either Bidder or APA has received notice in writing from the ACCC stating, or stating to the effect, that the ACCC does not propose to intervene or seek to prevent the acquisition of GasNet Securities by Bidder or APA Group or the operation of the Joint Bidding Agreement, BNB Agreement or the Joint Venture Operating Agreement; or

(iii) before the end of the Offer Period, either Bidder or APA has received notice in writing from the ACCC stating, or stating to the effect, that the ACCC does not seek to impose conditions on the acquisition of GasNet Securities by Bidder or APA Group or the operation of the Joint Bidding Agreement, BNB Agreement or the Joint Venture Operating Agreement or require undertakings from Bidder, APA or any member of the Bidder's or APA's Group in relation to the acquisition of GasNet Securities or the operation of the Joint Bidding Agreement, BNB Agreement or the Joint Venture Operating Agreement;

(iv) and, in the case of a notice referred to in (ii) or (iii) above, that notice has not been withdrawn, revoked or amended.

(d) No Regulatory Action Adversely Affecting the Offer

Between the Announcement Date and the end of the Offer Period:

(i) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority; and

(ii) no application is made to any Public Authority (other than by any member of BBI Group or the APA Group), or action or investigation is announced, threatened or commenced by a Public Authority in consequence of or in connection with the Offer, the Joint Bidding Agreement, BNB Agreement or the Joint Venture Operating Agreement or the transactions contemplated by them

(other than an application to or a determination by ASIC or the Takeovers Panel in the exercise of the powers and discretions conferred by the Corporations Act), which restrains, impedes or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts upon, the making of the Offer or the operation of the Joint Bidding Agreement, BNB Agreement or the Joint Venture Operating Agreement or any transaction contemplated by this Bidder's Statement (including, without limitation, full, lawful and effectual implementation of the intentions set out in the Bidder's Statement), the Offer (whether subject to conditions or not) or the rights of Bidder (or its nominee) or BBI Group or APA Group in respect of the GasNet Group and the GasNet Securities to be acquired under the Offer and the Joint Bidding Agreement and the BNB Agreement, or requires the divestiture by Bidder or BBI Group or APA Group (or their respective nominee) of any GasNet Securities, or the divestiture of any assets of the GasNet Group, Bidder, BBI Group or APA Group or otherwise.

(e) Material Adverse change to GasNet

Between the Announcement Date and the end of the Offer Period (each inclusive) there not having occurred, been announced or becoming known to Bidder (whether or not becoming public) any event, change, matter, thing or condition which has had, or is reasonably likely to have, or which evidences that there has been a material adverse effect on the operations, assets or liabilities, material contracts (taken as a whole), business or condition (financial or otherwise), profitability or prospects of GasNet Group (taken as a whole) since 31 December 2005 (except for any event, change or condition disclosed in public filings by GasNet Group before the Announcement Date), including where it becomes known to Bidder that information publicly filed by GasNet Group is or is likely to be incomplete, incorrect or untrue or misleading. As at the Announcement Date, Bidder is not aware or any event, change or condition that has had or is reasonably likely to have such a material adverse effect.

(f) No material transactions or other changes

Between the Announcement Date and the end of the Offer Period, no entity comprising the GasNet Group:

(i) acquires, offers to acquire or agrees to acquire one or more securities, companies or assets (or an interest in one or more securities, companies or assets) for an amount, or having a market value, in aggregate greater than $10 million;

(ii) disposes (including by grant of an Encumbrance), offers to dispose or agrees to dispose of one or more entities or assets (or an interest in one or more entities or assets);

(iii) enters into any corporate transaction which would or would be likely to involve a material change in the manner in which GasNet Group conducts its business, the nature (including balance sheet classification), extent or value of GasNet Group's assets, or the nature (including balance sheet classification), extent or value of the liabilities of GasNet Group of an amount having a market value in aggregate greater than $5 million;

(iv) enters into or offers to enter into any joint venture, asset or profit sharing, partnership, merger of businesses or of corporate entities (including through a dual listed companies or stapled structure), involving a commitment of or securities, assets or liabilities in aggregate greater than $5 million;

(v) incurs, commits to, or brings forward the time for incurring or committing, or grants to another person a right the exercise of which would involve and member of the GasNet Group incurring or committing to any capital expenditure or liability, or foregoes any revenue, for one or more related items or amounts of in aggregate greater than $5 million, except for the incurrence of any capital expenditure announced by GasNet prior to the Announcement Date or the incurrence of any capital expenditure in accordance with the day-to-day operating activities GasNet as conducted prior to the Announcement Date;

(vi) makes any changes to its constitution or passes any special resolution;

(vii) issues or agrees to issue any equity, debt or hybrid security other than GasNet Securities issued as a result of exercise or conversion of any the existence of which had been notified to ASX prior to the Announcement Date;

(viii) enters, agrees to enter into or renews any contract of service or varies or agrees to vary any existing contract of service with any current or proposed responsible entity, director or manager or makes or agrees to make any substantial change in the basis or amount of remuneration;

(ix) pays or agrees to pay any retirement benefit or allowance to any responsible entity, current or proposed director, executive officer, manager or other employee, or makes or agrees to make any substantial change in the basis or amount of remuneration or the terms of redundancy or other employee entitlements of any current or proposed director, executive officer, manager or other employee (except as required by law or provided under any superannuation, provident or retirement scheme as in effect on the Announcement Date);

(x) announces, makes, declares, distributes or resolves to pay or provide any dividend, distribution, bonus or other share of its profits or assets or any distribution of capital (and whether in cash or in specie and whether by way of capital reduction or otherwise);

(xi) is or becomes the subject of any litigation which is commenced, is threatened to be commenced, is announced, or is made known to Bidder (whether or not becoming public) or GasNet which claims or may reasonably result in a judgement of $5 million or more, other than that which has been announced to the ASX prior to the Announcement Date;

(xii) discloses (without having disclosed to ASX prior to the Announcement Date) the existence of any matter described in sub-paragraphs (i) to (xi) above, or announces an intention or proposal to do anything described in sub-paragraphs (i) to (xi) above.

(g) Prescribed Occurrences

No Prescribed Occurrence occurs between the Announcement Date and the end of the Offer Period.

(h) Trust Prescribed Occurrence

No Trust Prescribed Occurrence occurs between the Announcement Date and the end of the Offer Period.

(i) Approvals by Public Authorities

Before the end of the Offer Period:

(i) all Approvals, including but not limited to any Approvals under the Trade Practices Act 1974 or similar legislation, are obtained which are required by law or by any Public Authority to permit the Offers to be made and accepted or the operation of the Joint Venture Operating Agreement or the Joint Bidding Agreement or the BNB Agreement, in all applicable jurisdictions; and

(ii) all Approvals are obtained which are required by law or by any Public Authority as a result of the Offers or the operation of the Joint Venture Operating Agreement or the Joint Bidding Agreement or the BNB Agreement or the successful acquisition of the GasNet Securities by Bidder, BBI Group and APA Group and which are necessary for the continued operation or ownership of the business or any part of the business of the GasNet Group or of any member of the APA Group or the Babcock & Brown Infrastructure Group,

and, in each case, those Approvals are on an unconditional basis and remain in force in all respects and there is no notice , intimation or indication of intention to revoke, suspend, restrict, modify or not review those Approvals.

(j) Minimum Security Price

(i) Before the end of the Offer Period, the price of Babcock & Brown Infrastructure Securities on ASX does not fall below $1.50 for a period of more than 5 trading days in any consecutive rolling 20 day trading period.

(ii) The Bidder is not, at any time during the period for dispatch of the Bidder's Statement under section 633(1) of the Corporations Act, able to dispatch the Bidder's Statement without changing the offer consideration including having regard to ASIC Class Order No. 00/2338.

(k) Change in control

(i) After the Announcement Date and before the end of the Offer Period, no person exercises or purports to exercise, or states an intention or claims a right to exercise, any rights under any provision of any agreement or any other instrument to which any member of the GasNet Group is a party, or by or to which any member of the GasNet Group or any of its assets may be bound or be subject, which results, or could result, to an extent which is material in the context of GasNet Group as a whole, in:

a. any moneys borrowed by any member of the GasNet Group or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;

b. any such agreement or other instrument being terminated or modified or any action being taken or arising thereunder;

c. the interest of any member of the GasNet Group in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) or asset being terminated or modified; or

d. the business, assets or liabilities of any member of the GasNet Group being adversely affected,

as a result of the acquisition of GasNet Securities by Bidder, BBI Group or APA Group.

(ii) After the Announcement Date and before the end of the Offer Period, GasNet receives from each person who is entitled to exercise any right under any provision of any material agreement to which any member of the GasNet Group is a party, that entitles the person to terminate or modify the agreement as a result of the acquisition of GasNet Securities by Bidder, BBI Group or APA Group, an irrevocable and unconditional waiver or release of that right in writing and provides Bidder with a copy of that written waiver or release.

(l) Equal Access to Information

At all times during the period from the Announcement Date to the end of the Offer Period, GasNet promptly (and in any event within 2 business days) provides to Bidder (on terms which allows it to be disclosed to BBI and APA) a copy of all information that is not generally available (within the meaning of the Corporations Act) relating to the GasNet Group or any of its businesses or operations that has been provided by GasNet Group or any of its respective officers, employees, advisers or agents to any person (other than Bidder) for the purpose of soliciting, encouraging or facilitating a proposal or offer by that person, or by any other person, in relation to a transaction under which:

(i) any person (together with its associates) may acquire voting power of 10% or more in GasNet or any member of the GasNet Group (whether by way of takeover bid, compromise or arrangement under Part 5.1 of the Corporations Act or otherwise);

(ii) any person may acquire, directly or indirectly (including by way of joint venture, dual listed company structure. stapled security structure or otherwise), any legal or economic interest in or exposure to all or a substantial part of the business or assets of any member of the GasNet Group; or

(iii) any person may otherwise acquire control of or merge or amalgamate (including by way of dual listed company structure or stapled structure) with any member of the GasNet Group.

Defined Terms

In these Offer Conditions, defined terms have the following meanings:

ACCC means Australian Competition and Consumer Commission.

Announcement Date means 19 June 2006.

APA means Australian Pipeline Trust (ARSN 091 678 778) and includes any registered managed investment scheme, the units in what are stapled to units in Australian Pipeline Trust.

APA Group means APA and its controlled entities and where the context allows (including without limitation references to members of the APA Group) means any one or more of them.

Approvals means licences, authorities, consents, approvals, orders, exemptions, waivers, rulings, determinations or decisions.

ASIC means Australian Securities and Investments Commission.

ASX means Australian Stock Exchange.

Babcock & Brown Infrastructure means the stapled entity known as Babcock & Brown Infrastructure comprising Babcock & Brown Infrastructure Limited (ABN 61 100 364 234) and Babcock & Brown Infrastructure Trust (ARSN 100 375 479).

Babcock & Brown Infrastructure Security means a stapled security issued by Babcock & Brown Infrastructure comprising one share in Babcock & Brown Infrastructure Limited and one unit in Babcock & Brown Infrastructure Trust which must be dealt with together.

BBI Group means Babcock & Brown Infrastructure and its controlled entities and where the context allows (including without limitation references to members of the BBI Group) means any one or more of them.

Bidder means BBI GP (Aust) Pty Ltd (ACN 120 198 718).

Bidder's Statement means the Bidder's Statement in respect of the Offer given by Bidder pursuant to Part 6.5 of the Corporations Act relating to the Offer.

BNB Agreement means so entitled between Babcock & Brown Limited, Australian Pipeline Limited (as responsible entity of Australian Pipeline Trust and APT Investment Trust) and .

Controlled Entity means any entity that is controlled by GasNet.

Corporations Act means Corporations Act 2001 (Cth).

Encumbrance means any of the following:

(a) a mortgage, charge, pledge, lien, hypothecation or title retention arrangement;

(b) a notice under section 255 of the Income Tax Assessment Act 1936 (Cth), subdivision 260-A in Schedule 1 to the Taxation Administration Act 1953 (Cth) or any similar legislation;

(c) any other interest in or right over property (including a right to set off or withhold payment of a deposit or other money);

(d) any other thing that prevents, restricts or delays the exercise of a right over property, the use of property or the registration of an interest in or dealing with property; and

(e) an agreement to create anything referred to above or to allow any of them to exist.

GasNet means the stapled entity known as GasNet Australia Group comprising GasNet Australia Investment Limited, GasNet Australia Trust and GasNet Australia Investments Trust.

GasNet Group means GasNet and its controlled entities and where the context allows (including without limitation references to members of the GasNet Group) means any one or more of them.

GasNet Securities means stapled securities issued by GasNet Australia Group consisting of one unit in GasNet Australia Trust, one unit in GasNet Australia Investments Trust and one share in GasNet Australia Investments Limited which must be dealt with together.

GasNet Securityholder means a registered holder of a GasNet Security.

Joint Bidding Agreement means the agreement so entitled between Australian Pipeline Limited (as responsible entity of Australian Pipeline Trust and APT Investment Trust), Babcock & Brown Investor Services Limited (as responsible entity of Babcock & Brown Infrastructure Trust), Babcock & Brown Infrastructure Limited, BBI GP (Aust) Pty Ltd, BBI GP (Aust) Holdings I Pty Ltd and BBI GP (Aust) Holdings II Pty Ltd.

Joint Venture Operating Agreement means the agreement so entitled between Australian Pipeline Limited (as responsible entity of Australian Pipeline Trust and APT

Investment Trust), Babcock & Brown Investor Services Limited (as responsible entity of Babcock & Brown Infrastructure Trust), Babcock & Brown Infrastructure Limited, BBI GP (Aust) Pty Ltd, BBI GP (Aust) Holdings I Pty Ltd, BBI GP (Aust) Holdings II Pty Ltd and Babcock & Brown Limited.

Offer means each of the following offers:

(a) the offer by Bidder in its personal capacity to acquire each of your shares in GasNet Australia Investment Limited for the allotment and issue of 0.0002 BBIL Shares;

(b) the offer by Bidder in its personal capacity to acquire each of your units in GasNet Australia Trust for the allotment and issue of 1.5453 BBIL Shares; and

(c) the offer by Bidder on behalf of, and in its capacity as bare trustee of, BBIS (in its capacity as Responsible Entity of BBIT) to acquire each of your units in GasNet Australia Investments Trust for the allotment and issue of 1.5455 BBIL Units.

Offer Period means the period the Offer is open for acceptance.

Prescribed Occurrences means the occurrence of any of the following events:

(a) GasNet converts all or any of its shares into a larger or smaller number of shares;

(b) GasNet or a subsidiary resolves to reduce its share capital in any way;

(c) GasNet or a subsidiary:

  (i) enters in to a buyback agreement; or

  (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or section 257D(1) of the Corporations Act;

(d) GasNet of a subsidiary issues shares, or grants an option over its shares or agrees to make such an issue or grant such an option;

(e) GasNet or a subsidiary issues, or agrees to issue, convertible notes;

(f) GasNet or a subsidiary disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;

(g) GasNet or a subsidiary charges, or agrees to charge, the whole, or a substantial part, of its business or property;

(h) GasNet or a subsidiary resolves that it be wound up;

(i) A liquidator or provisional liquidator of GasNet or of a subsidiary is appointed;

(j) A court makes an order for the winding up of GasNet or of a subsidiary ;

(k) An administrator of GasNet, or of a subsidiary, is appointed under Sections 436A, 436B or 436C of the Corporations Act;

(l) GasNet or a subsidiary executes a deed of company arrangement; or

(m) A receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of GasNet or of a subsidiary.

Public Authority means any government or any governmental, semi-governmental, administrative, statutory or judicial entity, authority or agency, whether in Australia or elsewhere, including any self regulatory organisation established under statute or any stock exchange.

Takeovers Panel means the panel established by Part 10 of the Australian Securities and Investments Commission Act 2001 (Cth) and having the functions specified in Part 6.10, Division 2 of the Corporations Act.

Treasurer means Treasurer of the Commonwealth of Australia.

Trust Prescribed Occurrence means the occurrence of any of the following events:

(a) GasNet converts all or any of its units in GasNet Australia Trust or all or any of its units in GasNet Australia Investments Trust into a larger or smaller number of units;

(b) GasNet or a Controlled Entity resolves to reduce its capital in any way;

(c) GasNet or a Controlled Entity:

  (i) buys-back or redeems its units and/or shares;

  (ii) enters in to a buyback agreement; or

  (iii) resolves to approve the terms of a buy-back agreement under section 257C(1) or section 257D(1) of the Corporations Act;

(d) GasNet or a Controlled Entity issues units and/or shares, or grants an option over its units and/or shares or agrees to make such an issue or grant such an option;

(e) A Controlled Entity issues, or agrees to issue, convertible notes;

(f) A Controlled Entity disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;

(g) A Controlled Entity charges, or agrees to charge, the whole, or a substantial part, of its business or property;

(h) A Controlled Entity resolves that it be wound up;

(i) The appointment of a liquidator or provisional liquidator of a Controlled Entity;

(j) The making of an order by a court for the winding up of a Controlled Entity;

(k) An administrator of a Controlled Entity, being appointed under Sections 436A, 436B or 436C of the Corporations Act;

(l) A Controlled Entity executing a deed of company arrangement; or

(m) The appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of a Controlled Entity.

Appendix II

Information on BBI, APA and GAS

Babcock & Brown Infrastructure

BBI is a specialist infrastructure entity which provides investors access to a diversified portfolio of quality infrastructure assets. BBI's investment strategy focuses on acquiring, managing and operating quality infrastructure assets in Australia and internationally.

BBI's portfolio is diversified across three asset classes:

Energy Distribution and Transmission

- Powerco – the second largest electricity and gas distribution business in New Zealand;
- IEG – a natural gas and LPG distribution and supply business in the United Kingdom, Channel Islands, Isle of Man and Portugal;
- Cross Sound Cable - a HVDC transmission cable which links the electricity grids of Long Island and Connecticut in the United States; and
- NorthWestern Energy Corporation – an electricity and gas transmission and distribution utility with operations in Montana, South Dakota and Nebraska (completion is subject to shareholder and regulatory approvals).

Transport Infrastructure

- Dalrymple Bay Coal Terminal - one of the worlds largest coal export facilities, located in Queensland, Australia;
- PD Ports – a major British ports operator and owner of the second largest port in the United Kingdom; and
- WestNet Rail – a 51% equity interest in a rail infrastructure business based in Western Australia.

Power Generation

- Ecogen – a 50% equity stake in gas-fired electricity generation plants in Victoria, Australia;
- Redbank – a 50% equity stake in a coal tailings-fired electricity generation plant in New South Wales, Australia; and
- B&B Wind Partners – an 8.9% equity stake in a portfolio of 23 wind energy farms in the United States, Spain, France, Germany, and Australia.

BBI is managed by Babcock & Brown Infrastructure Management Pty Limited (BBIM), a subsidiary of Babcock & Brown Limited (ASX: BNB), a global investment and advisory firm with longstanding capabilities in structured finance and the creation, syndication and management of asset and cash flow-based investments, particularly infrastructure investments.

BBI is listed on the Australian Stock Exchange and has a market capitalisation of approximately $2.4 billion.

Australian Pipeline Trust

APA is the major ASX-listed energy transmission company in Australia with interests in more than 8,000km of natural gas pipeline infrastructure, a CSG processing plant, gas storage facilities and a high voltage direct current interconnector system including a 180km underground transmission cable. APA has a varied and quality customer base including AGL, Cooper Eromanga Basin Producers, Xstrata, Newmont, CS Energy, BHP Billiton, Zinifex, Incitec Pivot, Origin, Energex, Rio Tinto, Nickel West and WPC.

GasNet Australia

GAS is a regulated gas transmission provider with assets situated predominantly in Victoria as well as connecting with NSW. Almost all the natural gas consumed in Victoria is transported through GAS's 1,930km high-pressure gas transmission pipeline network. In addition, GAS is owner of the Telfer Pipeline situated in WA.