BABCOCK & BROWN INFRASTRUCTURE

Australian Pipeline Trust

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ASX ANNOUNCEMENT

9 August 2006

RELEASE OF GASNET TARGET'S STATEMENT

Babcock & Brown Infrastructure ("BBI") and Australian Pipeline Trust ("APA") note that GasNet Australia Group ("GasNet") has today released its Target's Statement in response to their joint offer by BBI and APA for all of the stapled securities in GasNet.

BBI and APA will review GasNet's Target's Statement, including the Independent Expert's Report, and formally respond in due course.

BBI and APA believe their offer is an attractive proposition for Gasnet securityholders and that GasNet will benefit from new owners who can unlock value in the business.

The offer for GasNet is being made through BBI GP (Aust) Pty Limited – the joint venture vehicle of BBI and APA.

GasNet securityholders can contact the Offer information line if they have inquiries on 1300 651 573 (within Australia) or +613 9415 4272 (outside Australia). Please note that, as required under the Corporations Act, calls to these information lines will be recorded.

Media inquiries contact:

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ENDS

Information on BBI and APA

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 (NWEC) – an electricity and gas transmission and distribution utility with operations in Montana, South Dakota and Nebraska (completion is subject to NWEC shareholder and US 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 by tonnage 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 Western Power Corporation.