Australian **Infrastructure** Fund

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FROM: Jim Hallam, Company Secretary

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PAGES: 2

AUSTRALIAN INFRASTRUCTURE FUND (CODE AIX)

ANNOUNCEMENT HEADING:
AIF INCREASES DISTRIBUTION

The Australian Infrastructure Fund (AIF) today estimated that it would increase its distribution from 5.5 cents to 6.0 cents for the six months ending 30 June 2004. This represents an increase of 9 percent over the six months to 31 December 2003.

The distribution payment increases the yield in AIF to 7.5 percent, based on the closing price of $1.60 at 16 June 2004. It is estimated that the payment will be partly franked.

The increased distribution is due to the improved performance from assets in the fund and driven primarily by the strong performance from AIF's airport investments. The directors of AIF considered it appropriate to increase the distribution taking into account this performance and the level of cash generated by all the assets in the portfolio.

AIF is now a total transport infrastructure fund, comprising airports 74 percent, toll roads 10 percent, rail 3 percent and seaports 13 percent.

Please find attached further details of the estimated distribution

For further enquiries, please contact:
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Jim Hallam
Company Secretary
Australian Infrastructure Fund

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Australian Infrastructure Fund (ASX code: AIX)
Estimated distribution for the six months ending 30 June 2004

The directors of Hastings Funds Management Limited, as responsible entity of the Australian Infrastructure Fund Trust and the directors of Australian Infrastructure Fund Limited, today announced the following estimated distribution payment to Australian Infrastructure Fund (AIF) stapled security holders (the stapled combination of the trust and the company) for the six months ending 30 June 2004:

Total estimated payment to AIF stapled security holders	6.0 cents per stapled security
Record closing date	30 June 2004
Latest date to advise of any changes to Distribution Reinvestment Plan (DRP) participation	30 June 2004
Announcement of full year end audited results	27 July 2004
Estimated date of distribution payment	30 July 2004
DRP discount applicable	2.5% to market price

The components of the trust distribution and the level of franking credits will be notified in July 2004.

It is estimated that the 6.0 cents distribution payment will be partly franked.

The DRP will apply to the distribution for the six months ending 30 June 2004. AIF stapled security holders must lodge any change to their DRP participation by 30 June 2004 with AIF's registry as follows:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne, Victoria 3001

A discount of 2.5% to the market price, calculated during a five day period from 24 June 2004 to 30 June 2004 (inclusive) will apply to the stapled securities issued under AIF's DRP.

Jim Hallam
Company Secretary
Australian Infrastructure Fund