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FROM:	Jim Hallam, Company Secretary
DATE:	30 July 2004
PAGES:	2

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AUSTRALIAN INFRASTRUCTURE FUND (CODE AIX)

ANNOUNCEMENT HEADING:

DISTRIBUTION FOR THE SIX MONTHS ENDED 30 JUNE 2004

Australian Infrastructure Fund (AIF) distribution for the six months ended 30 June 2004.

The attached letter has been sent to AIF investors today in regards to the AIF distribution for the six months ended 30 June 2004.

For further enquiries, please contact:

Mitchell King
Chief Operating Officer
Australian Infrastructure Fund
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Jim Hallam
Company Secretary
Australian Infrastructure Fund

Australian **Infrastructure** Fund

30 July 2004

Dear Investor

AIF distribution for the half-year ended 30 June 2004

The directors of Australian Infrastructure Fund Limited (AIFL) and Hastings Funds Management Limited (Hastings), as responsible entity of Australian Infrastructure Fund Trust, are pleased to enclose your distribution for the six months to 30 June 2004 for Australian Infrastructure Fund (AIF). The distribution is 6.0 cents per stapled security of which 2.24 cents is franked. This represents an increase in the distribution for the second half by 0.5 cents. The distribution is payable to all investors on the AIF stapled security register at 30 June 2004.

Transport focus paying dividends for AIF

On Tuesday 27 July 2004, AIF reported an operating profit after tax of $37.3 million for the year ended 30 June 2004, a 23 percent increase from 2003. The result represented earnings per stapled security of 18.3 cents.

The result was supported by an increase in the gross cashflows from AIF's transport assets of $30.5 million, an increase of 19 percent on 2003. The gross cashflow contribution from transport assets provided coverage of 1.29 times the distribution.

The weighting of the AIF portfolio is 100 percent transport infrastructure investments, in line with the vision and strategy for the fund.

Investors can access the full ASX announcements on the AIF website www.aif.net.au.

Annual distribution statement

We have enclosed an annual statement of your AIF distributions to assist with the preparation of your 2004 tax return.

Taxation treatment of your AIF distributions

To further assist our investors, we have enclosed a Taxation Guide that provides guidance in the treatment of your AIF distribution in the 2004 tax return. This Guide provides specific commentary for Individuals, Companies, Superannuation Funds and Trust investors. It has been prepared for general instruction only and is not intended to be a substitute for the Australian Taxation Office's instructions. Investors should read this Guide in conjunction with Taxation Office instructions and should seek individual taxation advice when required.

Reinvesting your distribution

The AIF distribution reinvestment plan (DRP) applies to the enclosed distribution. Stapled securities were issued at $1.63, which was at a 2.5% discount to the weighted average market price over the specified period of 24 June 2004 to 30 June 2004.

Please note that to reinvest your half-year distribution, you must have elected to join the DRP by 30 June 2004. Investors wanting to invest future distributions through DRP should please contact Computershare Investor Services on 1300 132 288.

Annual report

The AIF annual report will be sent to investors during September 2004.

If you have any questions about the enclosed distribution, DRP or any other matters relating to your investment, please call Computershare Investor Services on 1300 132 288 or send an e-mail to investor_relations@aif.net.au

Yours sincerely,

Cliff W Breeze AM
Chairman
Australian Infrastructure Fund Limited