

BABCOCK & BROWN
INFRASTRUCTURE

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1 December 2008

Marta Kielich
Adviser, Issuers
ASX Limited
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

By email

Dear Marta

We refer to your letter dated 28 November 2008 requesting a response to certain questions in relation to the Babcock & Brown Infrastructure Group ("BBI" or the "Group").

We respond to each of the questions as follows:

- 1. Is the Group aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Group?**

BBI is not aware of any information concerning it that has not been announced which could be an explanation for the recent trading in BBI's securities.

- 2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?**

Please see the answer to Question 1.

- 3. Is there any other explanation that the Group may have for the price change and increase in volume in the securities of the Group?**

BBI is not aware of any other explanation for the price change and increase in volume of trading in BBI's securities.

- 4. Please confirm that the Group is in compliance with the listing rules and, in particular, listing rule 3.1.**

We confirm that BBI is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours sincerely

Michael Ryan
General Counsel & Company Secretary
Babcock & Brown Infrastructure



28 November 2008

Mr Michael Ryan
General Counsel & Company Secretary
Babcock & Brown Infrastructure Group
Level 23 The Chifley Tower ·
2 Chifley Square · Sydney NSW

By email

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ABN 26 087 780 489
20 Bridge Street
Sydney NSW 2000
PO Box H224
Australia Square
NSW 1215

Telephone 61 2 9227 0000
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Dear Mr. Ryan

Babcock & Brown Infrastructure Group (the "Group")

RE: PRICE QUERY

We have noted a change in the price of the Group's securities from a close of \$0.043 on 27 November 2008 to an intra-day high of \$0.083 today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Group aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Group?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Group may have for the price change and increase in volume in the securities of the Group?
4. Please confirm that the Group is in compliance with the listing rules and, in particular, listing rule 3.1.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (i.e. before 9.30 a.m. A.E.D.T.) on Monday, 1 December 2008.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Group's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

(Sent electronically without signature)

Marta Kielich
Adviser, Issuers (Sydney)