



Prime Infrastructure Holdings Limited
ABN 61 100 364 234
Prime Infrastructure RE Limited
ABN 67 099 717 638; AFSL 219673
as responsible entity of each of
Prime Infrastructure Trust
ARSN 100 375 479
Prime Infrastructure Trust 2
ARSN 108 288 204
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ASX Announcement

26 February 2010

Unmarketable Parcel Security Sale Facility

Further to Prime Infrastructure's announcement yesterday, Prime Infrastructure (ASX: PIH) has established a security sale facility (**Facility**) for eligible securityholders with registered addresses in Australia and New Zealand who held an unmarketable parcel¹ of Prime Infrastructure securities (**Prime Securities**)² as at 7:00pm (Sydney time) on Thursday, 25 February 2010 (**Record Date**), to sell their Prime Securities free of brokerage and handling fees.

Calculation of Unmarketable Parcel

Based on the closing price of Prime Securities on the Australian Securities Exchange (**ASX**) on the Record Date of \$3.55 per Prime Security, an unmarketable parcel was any holding of 140 Prime Securities or fewer.

Facility Documentation

Eligible securityholders as at the Record Date with an unmarketable parcel of Prime Securities will shortly receive the following documents in the form attached:

- a letter containing further information regarding the Facility;
- the terms and conditions of the Facility; and
- a personalised Security Retention Form.

¹ An unmarketable parcel of Prime Securities is defined as being valued at less than A\$500 as at 7:00pm on 25 February 2010.

² Prime Infrastructure securities are stapled securities comprising an ordinary share in Prime Infrastructure Holdings Limited, an ordinary unit in Prime Infrastructure Trust and an ordinary unit in Prime Infrastructure Trust 2.

About Prime Infrastructure

Prime Infrastructure (ASX: PIH) is a specialist infrastructure entity which provides investors access to a diversified portfolio of quality infrastructure assets. Prime Infrastructure's investment strategy focuses on owning, managing and operating quality infrastructure assets in Australia and internationally. For further information please visit our website: www.primeinfrastructure.com.



Under the terms of the Facility, if eligible securityholders with an unmarketable parcel do not advise Prime Infrastructure of their intention to retain the unmarketable parcel (by completing and returning a Security Retention Form), and their securityholding does not increase to a marketable parcel, in either case at any time prior to 5:00pm (Sydney time) on Monday, 12 April 2010 (**Closing Date**), their Prime Securities will be sold on-market on ASX on their behalf and the proceeds remitted to them by cheque, no later than 13 business days after the Closing Date.

ENDS

[Further enquires](#)

David Akers
Acting Investor Relations Manager
Prime Infrastructure
+ 61 2 9229 1800



Prime Infrastructure Holdings Limited ABN 61 100 364 234
Prime Infrastructure RE Limited ABN 67 099 717 638; AFSL 219673
(Responsible Entity of each of Prime Infrastructure Trust ARSN 100 375 479
& Prime Infrastructure Trust 2 ARSN 108 288 204)

25 February 2010

Dear Securityholder

Important Notice

Sale Facility for Securityholders with an Unmarketable Parcel of Prime Securities

As foreshadowed in the notice of annual general meeting dated 15 October 2009, following the Recapitalisation undertaken by Prime Infrastructure last year, I am writing to offer all securityholders as at 7.00pm on 25 February 2010 (the **Record Date**) with a holding of Prime Infrastructure stapled securities (**Prime Securities**)¹ valued at less than A\$500 (called an "unmarketable parcel"), the opportunity to sell their Prime Securities through a security sale facility (**Facility**) free of brokerage and handling fees on the terms and conditions set out in this letter and the attached.

Based on the closing price of Prime Securities on the Australian Securities Exchange (**ASX**) on the Record Date of A\$3.55 per Prime Security, an unmarketable parcel is currently any holding of 140 Prime Securities or fewer. Our records indicate that as at the Record Date you held an unmarketable parcel of Prime Securities.

Prime Infrastructure recognises the difficulty and/or expense that a holder of an unmarketable parcel of Prime Securities may have in disposing of those securities. The Facility is a convenient and cost effective way for you to sell your Prime Securities, free of brokerage and handling fees. Please be aware that you will be responsible for paying any taxes and other charges on the transaction.

The Facility is being offered to you under clause 6.5 of the constitution of Prime Infrastructure Holdings Limited (**PIHL**) and clause 6.4 of the constitutions of Prime Infrastructure Trust and Prime Infrastructure Trust 2 (together, the **Constitutions**), and this letter, along with the enclosed terms and conditions and Security Retention Form, constitute the notice required to be given under the Constitutions.

If you wish to sell your Prime Securities under the Facility, you need take no action.

If you do **not** sign and return the enclosed Security Retention Form and your Prime Securityholding does not increase to a marketable parcel (i.e. more than A\$500) at any time from the date of this letter until 5.00pm on 12 April 2010 (**Closing Date**)², PIHL and Prime Infrastructure RE Limited (**PIRE**) as the responsible entity of Prime Infrastructure Trust and Prime Infrastructure Trust 2 will be entitled, as applicable³, without further notice, to arrange for all of your Prime Securities to be sold on-market on ASX on your behalf. Prime Infrastructure expects to send you the sale proceeds by cheque no later than 13 business days after the Closing Date.

Under the Facility, all of your Prime Securities will be sold. You may not sell only a part of your holding under the Facility.

Sales of Prime Securities under the Facility will be made by Prime Infrastructure's agent, Macquarie Securities (Australia) Limited (the **Broker**). Please note that the Broker will act solely as agent of Prime Infrastructure (rather than as agent for individual securityholders) so any enquiries should be directed to our registry, Link Market Services Limited, using the contact details set out below.

¹ Each Security in Prime Infrastructure comprises a fully paid ordinary share in Prime Infrastructure Holdings Limited, a fully paid ordinary unit in Prime Infrastructure Trust and a fully paid ordinary unit in Prime Infrastructure Trust 2, all stapled together.

² Your Prime Securityholding may increase to a marketable parcel between the date of this letter and the Closing Date by you acquiring additional Prime Securities or changes in the market value of Prime Securities or a combination of these. For example, if due to a change in the market price of Prime Securities at any time before the Closing Date you hold a "marketable parcel" of Prime Securities, your Prime Securities will not be sold even if as at the Closing Date you hold an "unmarketable parcel" due to a fall in the market price.

³ PIRE is the responsible entity of Prime Infrastructure Trust and Prime Infrastructure Trust 2. PIHL will arrange for the sale of PIHL shares and PIRE will arrange for the sale of units in Prime Infrastructure Trust and Prime Infrastructure Trust 2.

You should be aware that the price that you will receive for each Prime Security that is sold under the Facility will be the average price received by the Broker for the sale of all Prime Securities sold through the Facility on ASX, which may be sold in one or more transactions over an expected sale period of up to two weeks after the Closing Date. That average price will be calculated by the Broker. The market price of Prime Securities will depend on a number of factors (including prevailing market conditions) and is subject to change from time to time. Accordingly, the proceeds remitted to a securityholder (being the average price multiplied by the number of Prime Securities held) may be more or less than the actual price received by the Broker for those Prime Securities. Please refer to the enclosed terms and conditions for further information on how the sale price will be determined.

If your Prime Securities are in a CHESS holding (i.e. you hold your Prime Securities through your broker) and remain in a CHESS holding on 12 April 2010, and your Prime Securities are to be sold under the Facility, you should note that PIHL or PIRE, as applicable, may, without further notice to you, sell your Prime Securities while they remain in your CHESS holding, and may initiate a holding adjustment to move those Prime Securities to an issuer sponsored holding or certificated holding for the purposes of that sale.

As noted above, all brokerage costs and handling fees will be met by Prime Infrastructure if you sell your holding under the Facility.

Please note that if you participate in the Facility, it is likely that a capital gain or loss will crystallise on disposal of your Prime Securities. A Tax Guide that provides general taxation information and guidance is available to download from the Prime Infrastructure website at <http://www.primeinfrastructure.com/investor-information/tax-information.aspx>. Alternatively, please contact our registry using the contact details below to request a copy of the Sale Facility Tax Guide to be posted to you.

If you wish to retain your Prime Securities you must complete and return the enclosed form by 12 April 2010.

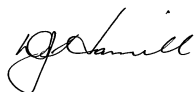
The enclosed Security Retention Form must be completed and returned to the registry by no later than the Closing Date, being 5.00pm on 12 April 2010 in accordance with the instructions set out in the Security Retention Form.

Up to date information on the market price of Prime Securities is available from ASX's website (www.asx.com.au) under the code "PIH". If you have any questions concerning your Prime Securities or how the Facility will work, please contact our registry on 1800 883 072 (from within Australia) or on +61 2 8280 7183 (from outside Australia).

Neither Prime Infrastructure, the Broker, nor the registry makes any recommendation or gives any advice to you regarding whether to buy, sell or hold Prime Securities, or to participate in, or the appropriateness of, the Facility. You should read the enclosed terms and conditions of the Facility carefully.

Please be aware that Prime Infrastructure has not had any regard to your personal objectives, financial or taxation situation or needs, and that neither Prime Infrastructure Holdings Limited nor Prime Infrastructure RE Limited are licensed to provide financial product advice in relation to your Prime Securities. No cooling off regime applies in relation to the sale of your Prime Securities. If you are in any doubt as to whether to participate in the Facility, or if you require information regarding any implications from participating in the Facility, please consult your legal, financial or taxation adviser.

Yours sincerely



Hon Dr David Hamill, AM
Chairman
Prime Infrastructure Holdings Limited
and Prime Infrastructure RE Limited
as responsible entity for
Prime Infrastructure Trust
and Prime Infrastructure Trust 2

Terms of Unmarketable Parcel Security Sale Facility

Terms of Participation

1. Prime Infrastructure Holdings Limited ABN 61 100 364 234 (“**PIHL**”), and Prime Infrastructure RE Limited ABN 67 099 717 638; AFSL 219673 (“**PIRE**”) as responsible entity for each of Prime Infrastructure Trust ARSN 100 375 479 (“**PIT**”) and Prime Infrastructure Trust 2 ARSN 108 288 204 (“**PIT2**”), are offering a security sale facility to eligible holders in Australia and New Zealand of (in the case of PIHL) shares in PIHL (“**Shares**”) and (in the case of PIRE) units in PIT (“**PIT Units**”) and PIT2 (“**PIT2 Units**”) as at 7.00pm on 25 February 2010 (“**Record Date**”) (“**Eligible Securityholders**”), which are valued at less than A\$500 on the following terms (the “**Facility**”).
2. In these terms, reference to “**Prime Securities**” is reference to the stapled security comprised of a Share, PIT Unit and PIT2 Unit, all stapled together, and reference to “**Prime Infrastructure**” is reference to the stapled entity comprised of PIHL, PIT and PIT2. In these terms, any reference to Prime Infrastructure engaging in or instructing its agent to engage in any conduct, including the sale of any Prime Securities, is a reference to PIHL engaging or instructing such conduct in relation to any matter relating to the Shares, and PIRE engaging or instructing such conduct in relation to any matter relating to the PIT Units or PIT2 Units.
3. The Facility is being conducted by PIHL in respect of the Shares pursuant to clause 6.5 of PIHL’s constitution, and by PIRE in respect of the PIT Units and PIT2 Units pursuant to clause 6.4 of the constitutions of each of PIT and PIT2 (collectively, the “**Constitutions**”).
4. This document, along with the attached Chairman’s letter and Security Retention Form, constitutes the notice required to be given under the Constitutions (collectively, the “**Divestment Notice**”).

Notice Period

5. In accordance with the provisions of each Constitution, Eligible Securityholders wishing to retain their Prime Securities must notify Prime Infrastructure by returning the enclosed Security Retention Form in accordance with the prescribed instructions by no later than 5.00pm on 12 April 2010 (“**Closing Date**”). The period between the date of the Divestment Notice and the Closing Date is referred to in this document as the “**Notice Period**”.

Selling your Prime Securities through the Facility

6. Eligible Securityholders who wish to have their Prime Securities sold under the Facility are not required to take any further action. If a Security Retention Form is not returned by the Closing Date then PIHL will be entitled to sell or arrange for the sale of your Shares and PIRE will be entitled to sell or arrange for the sale of your PIT Units and PIT2 Units, in each case without further notice.
7. Eligible Securityholders who wish to sell their Prime Securities through the Facility must sell all of their Prime Securities through the Facility.

Retaining your Prime Securities

8. Eligible Securityholders who wish to retain their Prime Securities must complete and return the enclosed Security Retention Form in accordance with the instructions on that form so that it is actually received by no later than the Closing Date.
9. Eligible Securityholders who have returned a Security Retention Form may revoke that instruction in accordance with paragraphs 20 to 21 below.

Consequence of changes in the value of your Prime Securities

10. If at any time during the Notice Period the value of an Eligible Securityholder’s holding of Prime Securities increases to more than A\$500 then Prime Infrastructure will not sell your Prime Securities. To avoid doubt, Prime Infrastructure is not, under the terms of its Constitutions, entitled to sell your Prime Securities, and will not sell your Prime Securities, if at any time during the Notice Period your Prime Securities are valued at A\$500 or more (whether by a change in the market price of Prime Securities, the acquisition of additional Prime Securities, the consolidation of securityholdings or otherwise), even if at the Closing Date your Prime Securities are valued at less than A\$500.

Responsibility for costs and taxes

11. Prime Infrastructure will pay any brokerage or handling fees for the sale of any Prime Securities under the Facility.
12. Each Eligible Securityholder will be responsible for paying any taxes or other charges on the sale of their respective Prime Securities (including, without limitation, any income or capital gains tax which may arise as a result of or in connection with the transaction).

Sale Process

13. Prime Securities which are eligible under the terms and conditions set out in this document and the attached Chairman’s letter to be sold in the Facility (“**Eligible Prime Securities**”), will be sold on-market on the Australian Securities Exchange (“**ASX**”) by Prime Infrastructure’s agent, Macquarie Securities (Australia) Limited (“**Broker**”), as soon as practicable after the Closing Date.
 14. Prime Infrastructure will instruct the Broker to use its best endeavours to sell the Eligible Prime Securities over a period of up to two weeks after the Closing Date, or such other period as agreed between Prime Infrastructure and the Broker (“**Sale Period**”).
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15. Prime Infrastructure will, and will instruct the Broker to, use reasonable endeavours to obtain the best possible price when selling those securities, having regard, among other things, prevailing market conditions.
16. Eligible Securityholders agree and acknowledge that Prime Infrastructure, in consultation with the Broker, reserves absolute discretion in the manner in which sales of Eligible Prime Securities are to be conducted, including, without limitation, in relation to:
 - a. the timing and pricing of any sales of Eligible Prime Securities;
 - b. whether to sell the Eligible Prime Securities in one or more tranches; and
 - c. the manner in which sales are conducted (including by crossings).

Payment of Proceeds of the Facility

17. Prime Infrastructure or its registry will send you a cheque in Australian dollars at the address to which this Divestment Notice was sent no later than 13 business days after the Closing Date equal to the Number of Eligible Prime Securities multiplied by the Sale Price where:
 - a. “**Number of Eligible Prime Securities**” is the number of Prime Securities registered in your name which are sold during the Sale Period; and
 - b. “**Sale Price**” is the average price received for all sales of Eligible Prime Securities over the Sale Period as calculated by the Broker. This calculation is to be made by the Broker and is not subject to challenge or review except in the case of obvious and manifest error.
18. For the avoidance of doubt, you acknowledge that the Sale Price may be more or less than the actual price received for which your Prime Securities were sold and that the market price of Prime Securities may change from time to time.
19. Prime Infrastructure or its registry will also send you, with the cheque referred to in paragraph 17 (if any), a transaction confirmation indicating the number of your Prime Securities which have been sold and the Sale Price.

Revocation of Security Retention Form

20. If an Eligible Securityholder has returned a Security Retention Form in accordance with paragraph 8 above, that notice may be revoked by sending written notice which:
 - a. details your name, address and shareholder reference number (SRN) or holder identification number (HIN);
 - b. states that you would like to revoke or withdraw your Security Retention Form; and
 - c. is signed by all holders in respect of the Prime Securityholding.
21. A notice under paragraph 20 must be sent to Prime Infrastructure, C/-Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235 and received by the Closing Date in order to be effective.

Withdrawal of the Facility

22. In accordance with each Constitution, Prime Infrastructure’s authority to sell Eligible Prime Securities will lapse if a takeover of Prime Infrastructure is announced.
23. Prime Infrastructure further reserves the right to withdraw the Facility by written notice to Eligible Securityholders.

Acknowledgements

24. By participating in the Facility, you agree and acknowledge that:
 - a. Prime Infrastructure has appointed the Broker as its agent to perform some of its obligations under the Facility, including to conduct the Sale Process set out in paragraphs 13 to 16 above. You further agree and acknowledge that the Broker acts solely as agent of Prime Infrastructure and does not act in any capacity for individual Prime Securityholders, including without limitation as sub-agent of the Prime Securityholder;
 - b. neither Prime Infrastructure, the Broker, nor the registry makes any recommendation or gives any advice to you regarding whether to buy, sell or hold Prime Securities, or to participate in, or the appropriateness of, the Facility, or has had any regard whatsoever to your personal objectives, financial or taxation situation or needs in offering the Facility to you; and
 - c. to avoid doubt, Prime Infrastructure and its agents are irrevocably authorised, without further notice, to do all things and execute all documents, including to effect any holding adjustment, securities transformation, securities transfer or other transmission or transaction in relation to an Eligible Securityholder’s Prime Securities, including converting a CHESS Sponsored Holding into an Issuer Sponsored Holding, to facilitate the sale of Prime Securities under the Facility.

Governing Law

25. The Facility and the documents constituting the Divestment Notice are governed by the laws of New South Wales. You submit to the non-exclusive jurisdiction of the courts of New South Wales.

Prime Infrastructure Holdings Limited ABN 61 100 364 234
Prime Infrastructure RE Limited ABN 67 099 717 638; AFSL 219673
(Responsible Entity of each of Prime Infrastructure Trust ARSN 100 375 479
& Prime Infrastructure Trust 2 ARSN 108 288 204)

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1800 883 072
From outside Australia: +61 2 8280 7183
Facsimile: (02) 9287 0303
ASX Code: PIH
Website: www.linkmarketservices.com.au



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MR AB SAMPLE
123 SAMPLE ST
SAMPLEVILLE NSW 9999



SRN/HIN: X00000000000

Number of Securities held as at the
Record Date, 7:00pm (Sydney time)
on Thursday, 25 February 2010

IMPORTANT NOTICE

Please complete this form if you do **not** wish your Securityholding in Prime Infrastructure to be sold. If you do not understand this notice you should immediately consult your financial adviser.



SECURITY RETENTION FORM

If you wish to retain your Securityholding in Prime Infrastructure (a stapled entity comprising Prime Infrastructure Holdings Limited, Prime Infrastructure Trust and Prime Infrastructure Trust 2) you must complete this form and return it to Prime Infrastructure's Registry, so that it is received no later than 5:00pm (Sydney time), on Monday, 12 April 2010. It may be mailed or delivered to the addresses below.

Mailing Address

Prime Infrastructure
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

or

Hand Delivery

Prime Infrastructure
C/- Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000 *(Do not use this address for mailing purposes)*

If this form is not received by Prime Infrastructure's Registry by 5:00pm (Sydney time), on Monday, 12 April 2010, your Securities will be sold (unless your Securityholding increases to a marketable parcel at any time before 5:00pm on Monday, 12 April 2010).

Retention of Shares

I/We the Securityholder(s) described above by signing this form, hereby give notice that I/we wish to retain my/our Securityholding in Prime Infrastructure, pursuant to clause 6.5 of the constitution of Prime Infrastructure Holdings Limited and clause 6.4 of the constitutions of Prime Infrastructure Trust and Prime Infrastructure Trust 2.

Contact Details

Enter your telephone number(s) where we may contact you regarding this form.

Telephone Number – Business Hours

Telephone Number – After Hours

Contact Name (PRINT)

Securityholder Signature(s) – This MUST be completed

Securityholder 1

Securityholder 2

Securityholder 3

Individual or Sole Director and
Sole Company Secretary

Director

Director/Company Secretary

Date

This form should be signed by the Securityholder. If a joint holding, all Securityholders should sign. If signed by the Securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

**THIS FORM MUST BE RECEIVED BY LINK MARKET SERVICES LIMITED
BY NO LATER THAN 5:00PM (SYDNEY TIME) ON MONDAY, 12 APRIL 2010**

If you require further information on how to complete this form, please contact the Prime Infrastructure Investor Information Line on 1800 883 072 (within Australia) or +61 2 8280 7183 (from outside Australia) between 8:30am and 5:30pm (Sydney time) Monday to Friday.