



Prime Infrastructure Holdings Limited
ABN 61 100 364 234
Prime Infrastructure RE Limited
ACN 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
Level 10 The Chifley Tower
2 Chifley Square
Sydney NSW 2000 Australia
T +61 2 9229 1800
F +61 2 9235 3496
www.bbinfrastructure.com ²

ASX Announcement

6 January 2010

WESTNET RAIL – NOTICE OF STAMP DUTY ASSESSMENT

WestNet Rail Holdings No 1 Pty Ltd, a company wholly owned by Prime Infrastructure Group¹ (formerly known as Babcock & Brown Infrastructure) (ASX: PIH) has received an assessment notice from the Western Australian Office of State Revenue in the amount of \$71.3 million, being stamp duty assessed in respect of the 2006 acquisition of the ARG Group by Babcock & Brown WA Rail Pty Limited. Prime Infrastructure believes the assessment is incorrect at law and intends to vigorously challenge it.

Notwithstanding Prime Infrastructure's intention to object to the assessment, payment of this amount is required to be made by 5 February 2010.

Babcock & Brown WA Rail Pty Limited, the immediate parent of WestNet Rail Holdings No 1 Pty Ltd, and also wholly owned by Prime Infrastructure Group, intends to exercise its contractual rights of indemnity against Queensland Rail as acquirer of the above rail ARG Group business in 2006 to recover approximately \$24.9 million and to use that amount to partially fund the liability of WestNet Rail Holdings No 1 Pty Limited under the assessment. Accordingly, if it is ultimately determined that WestNet Rail Holdings No 1 Pty Ltd is liable for the stamp duty, the net duty required to be funded by the Prime Infrastructure Group would be \$46.4 million.

¹ Prime Infrastructure is comprised of Prime Infrastructure Holdings Limited (formerly known as Babcock & Brown Infrastructure Limited) (ABN 61 100 364 234), Prime Infrastructure RE Limited (formerly known as Babcock & Brown Investor Services Limited) (ACN 099 717 638; AFSL 219673) as responsible entity of each of the Prime Infrastructure Trust (formerly known as Babcock & Brown Infrastructure Trust) (ARSN 100 375 479) and Prime Infrastructure Trust 2 (formerly known as Prime SPARCS Trust) (ARSN 108 288 204).

About Prime Infrastructure (formerly known as Babcock & Brown Infrastructure)

Prime Infrastructure¹ (formerly known as Babcock & Brown 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.



The ongoing review of certain transactions by the Office of State Revenue was highlighted in Prime Infrastructure's Prospectus and Product Disclosure statement dated 8 October 2009.

Prime Infrastructure has the capacity (without drawing down under any debt facilities) to fund payment of the assessment.

There is no change to Prime Infrastructure's distribution guidance announced to the ASX on 30 December 2009.

ENDS

Further enquires

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