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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS

TRANSFIELD SERVICES INFRASTRUCTURE FUND (TSI FUND) – ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER

17 May 2010

The following documents relating to the retail component of TSI Fund's Entitlement Offer will be mailed to Eligible Retail Securityholders and are attached for release to the market (in accordance with Listing Rule 3.17):

- Retail Entitlement Offer Booklet; and
- Sample Entitlement and Acceptance Form.

A notification to ineligible retail securityholders will be released to Australian Securities Exchange separately.

Yours sincerely

Marianne Suchanek
Legal Counsel and Company Secretary

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933 (the "U.S. Securities Act") ("U.S. Person")). Securities may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities have been registered under the U.S. Securities Act or an exemption from registration under the U.S. Securities Act is available. The securities to be offered and sold in the offer have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities are registered under the U.S. Securities Act or in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Neither this announcement nor any of its accompanying documents may be distributed to, or relied upon by, a U.S. Person or a person acting for the account or benefit of a U.S. Person.

Transfield Services Infrastructure Fund (TSI Fund)

Retail Entitlement Offer

TRANSFIELD SERVICES
INFRASTRUCTURE FUND

Details of a 5-for-12 non-renounceable pro-rata Entitlement Offer of TSI Fund stapled securities ("New Securities") at an offer price of $0.70 per New Security

Retail Entitlement Offer closes at 5.00pm (Sydney time) on Thursday, 3 June 2010

Not for distribution or release in the United States or to U.S. Persons

This is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. Please call your professional adviser or the TSI Fund Entitlement Offer Information Line if you have any questions.

Transfield Services Infrastructure Limited (ACN 106 617 332), TSI International Limited (ACN 124 582 547) and

Infrastructure Fund Management Limited (ACN 118 203 731, AFSL 310 497) as responsible entity of Transfield Services Infrastructure Trust (ARSN 125 010 531)

IMPORTANT INFORMATION

Not for distribution or release in the United States or to U.S. Persons.

No cooling-off rights apply to the Retail Entitlement Offer – you cannot withdraw your application once it has been accepted. This Retail Entitlement Offer Booklet ("Booklet") contains certain "forward-looking statements". Forward-looking statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "will", "could", "may", "target", "plan" and other similar expressions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward-looking statements. The forward-looking statements contained in this Booklet involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of TSI Fund, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Forward-looking statements may also be based on estimates and assumptions with respect to future business decisions, which are subject to change. Actual results, performance or achievements may vary materially for any projections because events and actual circumstances frequently do not occur as forecast and these differences may be material. Forward-looking statements including projections, forecasts, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication of and are not, guarantees of future performance. These statements may assume the success of TSI Fund's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond TSI Fund's control, including uncertainties described in the risk factors set out in Appendix A (Key Risks) of the Investor Presentation included herein, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statements may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and TSI Fund assumes no obligation to update or revise such information to reflect any change in expectations or assumptions. The inclusion of the forward-looking statements in this Booklet should not be regarded as a representation, warranty or guarantee with respect to their accuracy or the accuracy of the underlying assumptions or that TSI Fund will achieve, or is likely to achieve, any particular results.

This Booklet and the documents accompanying this Booklet ("Information") do not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933 (the "U.S. Securities Act") ("U.S. Person")). Securities may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities have been registered under the U.S. Securities Act or an exemption from registration under the U.S. Securities Act is available. The securities to be offered and sold in the offer have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities are registered under the U.S. Securities Act or in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.

The Information must not be distributed to, or relied upon by, a U.S. Person or a person acting for the account or benefit of a U.S. Person.

CONTENTS

Chairman's Letter 2
Key Dates 4
How to Apply 5
ASX Offer Announcements
– ASX Offer Announcement dated 11 May 2010 13
– Investor Presentation dated 11 May 2010 20
– ASX Institutional Offer Completion Announcement dated 13 May 2010 62
Additional Information 65
Corporate Directory ..... IBC

CHAIRMAN'S LETTER

17 May 2010

Dear Securityholder,

On 11 May 2010, TSI Fund announced the conclusion of its Capital Structure Review ("Review"). The objectives of the Review were to maximise value for TSI Fund's securityholders and ensure TSI Fund has access to cost-effective capital to fund its future growth. TSI Fund received a range of proposals in response to its Review and has now concluded its assessment of these proposals and is pleased to announce the following initiatives:

- Sale of Mt Millar wind farm for $191 million[1];
- Fully underwritten equity raising of $110 million, supported by Transfield Services Limited ("TSE") as major securityholder; and
- Refinance of TSI Fund's corporate-level debt facilities.[2]

Following the completion of the initiatives, TSI Fund's financial position will be significantly improved with gearing on a pro forma basis as at 31 December 2009 reduced from 66% to 51% and corporate-level debt maturity extended from September 2011 to May 2015. The initiatives will fulfil the objectives of the Review by providing TSI Fund with a strong financial position and a platform to pursue our growth strategy, while continuing to deliver sustainable distributions to our securityholders.

Through the equity raising, TSI Fund intends to raise approximately $110 million, comprising a $30 million placement to institutional investors ("Placement") as well as an $80 million accelerated non-renounceable entitlement offer ("Entitlement Offer" and together with the Placement, the "Equity Offer"). TSE has committed to invest up to $52.4 million (which is equivalent to its pro-rata share of the entire Equity Offer). The Equity Offer is fully underwritten by Macquarie Capital Advisers Limited and RBS Equity Capital Markets (Australia) Limited.

As part of the Equity Offer, TSI Fund announced on Thursday, 13 May 2010 that it had successfully raised approximately $30 million from the Placement and approximately $50 million through the institutional component of the Entitlement Offer ("Institutional Entitlement Offer"). Strong support was received from Eligible Institutional Securityholders (as defined below), including TSE which took up $22.4 million of its entitlement.

This Booklet relates to the retail component of the Entitlement Offer ("Retail Entitlement Offer"), which is expected to raise approximately $30 million. On behalf of the Board of TSI Fund, I am pleased to offer you the opportunity to participate in the Retail Entitlement Offer. If you are an Eligible Retail Securityholder (as defined in the Additional Information section of this Booklet), you will be entitled to subscribe for 5 new TSI Fund stapled securities ("New Securities") for every 12 existing TSI Fund stapled securities held at 7.00pm (Sydney time) on Friday, 14 May 2010 at the offer price of $0.70 ("Offer Price") per New Security representing:

- a yield of 11.7% based upon the FY11 forecast distribution of 8.2 cents per stapled security;
- a discount of 22.2% to the closing price of TSI Fund stapled securities on Monday, 10 May 2010; and
- a 15.4% discount to the theoretical ex-rights price.[3]

Entitlements are non-renounceable and will not be tradeable on the Australian Securities Exchange ("ASX") or otherwise transferable. New Securities issued under the Equity Offer will rank equally with existing TSI Fund stapled securities and will be entitled to the final distribution with respect to TSI Fund's financial year ending 30 June 2010, which is expected to be 4.0 cents per TSI Fund stapled security (subject to FY10 audit and Board sign-off procedures).

Details of your Entitlement

As an Eligible Retail Securityholder, you are entitled to subscribe for 5 New Securities for every 12 existing TSI Fund stapled securities held at 7.00pm (Sydney time) on Friday, 14 May 2010 ("Entitlement"). The Offer Price of $0.70 per New Security under the Retail Entitlement Offer is the same as that paid by eligible institutional securityholders under the Institutional Entitlement Offer ("Eligible Institutional Securityholders") and eligible institutional investors under the Placement.

Eligible Retail Securityholders may also apply for additional New Securities at the Offer Price in excess of their entitlements ("Additional New Securities"). Additional New Securities will only be allocated to Eligible Retail Securityholders if and to the extent that TSI Fund so determines, in its absolute discretion. TSI Fund may apply any scale-back to applications for Additional New Securities in its absolute discretion.

Notes

1 Completion is subject to the satisfaction of certain conditions. Sale proceeds of AUD191 million are subject to completion adjustments. TSI Fund has provided customary representations and warranties in connection with the sale.

2 TSI Fund has entered into a credit approved binding terms sheet with its existing corporate-level lending syndicate which is subject to conditions, including the application of the proceeds of the sale of Mt Millar wind farm and the Equity Offer to repay corporate-level debt and entry into definitive bank documentation (expected to be before 30 June 2010).

3 The theoretical ex-rights price ("TERP") is a theoretical price at which TSI Fund stapled securities should trade immediately after the ex-date of the Entitlement Offer and takes into account the number of new securities to be issued under the Placement. The TERP is a theoretical calculation only and the actual price at which TSI Fund stapled securities trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP.

4 ® Registered to BPAY Pty Ltd ABN 69 079 137 518.

In this Booklet you will find the following:

- Key dates for the Retail Entitlement Offer;
- Instructions on "How to apply" setting out how to accept all or part of your Entitlement and apply for Additional New Securities in the Retail Entitlement Offer if you choose to do so;
- Investor Presentation dated 11 May 2010;
- ASX Announcements relating to the Capital Structure Review and Equity Offer;
- Additional information; and
- A personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions provided on the form and the instructions on "How to apply".

There are two alternative ways you can pay your Application Monies:

- Post to the Registry your completed Entitlement and Acceptance Form, along with your Application Monies by cheque, bank draft or money order. The Registry address is specified on the Entitlement and Acceptance Form; or
- Pay your Application Monies via BPAY®.[4] If you pay by BPAY® you do not need to complete and post your Entitlement and Acceptance Form to the Registry.

There are two alternative deadlines for the payment of your Application Monies:

- If you choose to pay by 5.00pm (Sydney time) on Monday, 24 May 2010 and cleared funds are received by the commencement of settlement on the first settlement date, being Thursday, 27 May 2010, your New Securities will be allotted to you on Friday, 28 May 2010 ("Initial Allotment"). This is the same allotment date as the Institutional Entitlement Offer and the Placement; or
- If you choose to pay by 5.00pm (Sydney time) on Thursday, 3 June 2010, your New Securities will be allotted to you on Thursday, 10 June 2010 ("Final Allotment").

See Section 6 of the "How to apply" section of this Booklet for further information about payment methods.

Further information

Further information on the Entitlement Offer and TSI Fund's business is detailed in this Booklet. You should read the entirety of this Booklet carefully, in particular the "Key Risks" outlined in Appendix A of the Investor Presentation, before deciding whether to participate in the Retail Entitlement Offer.

If you would like further information regarding the Retail Entitlement Offer please call the TSI Fund Entitlement Offer Information Line on 1300 086 035 (within Australia) or +61 3 9415 4018 (from outside Australia) or visit our website at www.tsifund.com. For other questions, you should consult your broker, solicitor, accountant, taxation adviser, financial adviser or other professional adviser. You should be aware that TSI Fund has not had regard to your individual circumstances or needs, including your personal taxation or financial position, in sending this Booklet and accompanying information to you and TSI Fund is not licensed to provide financial product advice to you in relation to your TSI Fund stapled securities. If you have any doubt about whether you should invest in the Retail Entitlement Offer, you should seek professional advice before making any investment decision. Please note that no cooling-off period applies in relation to the Retail Entitlement Offer – you cannot withdraw your application once it has been accepted.

On behalf of the Board and management team of TSI Fund, I invite you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

Peter Young AM
Chairman

KEY DATES

EVENT	DATE
Institutional Entitlement Offer and Placement	**Tuesday, 11 May 2010 to Wednesday, 12 May 2010**
Record Date for the Entitlement Offer	**7.00pm (Sydney time) Friday, 14 May 2010**
Retail Entitlement Offer Booklet dispatched	**Monday, 17 May 2010**
Last day for receipt of applications for early settlement of the Retail Entitlement Offer ("Early Retail Closing Date")	**5.00pm (Sydney time) Monday, 24 May 2010**
Settlement of New Securities under the Institutional Entitlement Offer, Placement and Retail Entitlement Offer for applications received by the Early Retail Closing Date	**Thursday, 27 May 2010**
Allotment of New Securities issued under the Institutional Entitlement Offer, Placement and Retail Entitlement Offer for applications received by the Early Retail Closing Date ("Initial Allotment")	**Friday, 28 May 2010**
Normal trading of New Securities issued under the Initial Allotment	**Friday, 28 May 2010**
Dispatch of confirmation of issue for New Securities under the Initial Allotment	**Friday, 28 May 2010**
Retail Entitlement Offer closes ("Final Retail Closing Date"). Payments must be received by this time	**5.00pm (Sydney time) Thursday, 3 June 2010**
Settlement of remaining New Securities and Additional New Securities under the Retail Entitlement Offer	**Wednesday, 9 June 2010**
Final allotment of New Securities and Additional New Securities under the Retail Entitlement Offer ("Final Allotment")	**Thursday, 10 June 2010**
Normal trading of New Securities and Additional New Securities issued under the Final Allotment expected to commence on ASX	**Friday, 11 June 2010**
Dispatch of confirmation of issue for New Securities and Additional New Securities issued under the Final Allotment	**Friday, 11 June 2010**
Record date for the FY10 final distribution	**Wednesday, 30 June 2010**

Dates and times in this Booklet are indicative only and subject to change. All times and dates refer to Sydney time.

TSI Fund reserves the right, subject to the Corporations Act 2001 (Cth) ("Corporations Act"), ASX Listing Rules and other applicable laws to vary the dates of the Retail Entitlement Offer, including extending the Retail Entitlement Offer or accepting late applications, either generally or in particular cases, or to withdraw the Retail Entitlement Offer without prior notice. Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible. Applicants who make payment of application monies in respect of the Retail Entitlement Offer ("Application Monies") so that payment is received by TSI Fund by no later than 5.00pm (Sydney time) on the Early Retail Closing Date on Monday, 24 May 2010 will receive an early allotment of New Securities on Friday, 28 May 2010. No cooling-off rights apply to applications submitted under the Retail Entitlement Offer.

Enquiries

If you have any questions, please call the TSI Fund Entitlement Offer Information Line on 1300 086 035 (local call cost from within Australia) or +61 3 9415 4018 (from outside Australia) at any time from 8.30am to 5.00pm (Sydney time) Monday to Friday during the Retail Entitlement Offer period. We recommend you consult your broker, accountant, financial adviser, taxation adviser or other independent professional adviser if you are in any doubt as to whether to participate in the Retail Entitlement Offer.

Website

www.tsifund.com

HOW TO APPLY

1

The Retail Entitlement Offer

Eligible Retail Securityholders are being offered the opportunity to subscribe for 5 New Securities for every 12 existing TSI Fund stapled securities held at 7.00pm (Sydney time) on Friday, 14 May 2010 ("Entitlement"), at the Offer Price of $0.70 per New Security.

Eligible Retail Securityholders may also apply for Additional New Securities in excess of their Entitlement. The allocation of any Additional New Securities will be limited to the extent that there are sufficient New Securities from Eligible Retail Securityholders who do not take up their full Entitlement, or there are New Securities that would have been offered to ineligible retail securityholders if they had been entitled to participate in the Retail Entitlement Offer.

Additional New Securities will only be allocated to Eligible Retail Securityholders if and to the extent that TSI Fund so determines, in its absolute discretion. TSI Fund may apply any scale-back to applications for Additional New Securities in its absolute discretion.

New Securities and Additional New Securities issued pursuant to the Retail Entitlement Offer will be fully paid and rank equally with existing TSI Fund stapled securities on issue and will be entitled to the final distribution with respect to TSI Fund's financial year ending 30 June 2010, which is expected to be 4.0 cents per stapled security (subject to FY10 audit and Board sign-off procedures).

2

Please carefully read the information in this Booklet and the personalised Entitlement and Acceptance Form

The Retail Entitlement Offer is not being made under a product disclosure statement or prospectus. Rather, the Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be offered by providing certain confirmations to the market on the basis that all information that investors and their professional advisers would reasonably require to make an informed investment decision in relation to the Entitlement Offer, when read with this Booklet and the accompanying information, is publicly available. The Booklet does not contain all of the information which may be required in a prospectus or product disclosure statement. As a result, before accepting all or part of your Entitlement to New Securities or applying for Additional New Securities in excess of your Entitlement, you should carefully read and understand the publicly available information on TSI Fund and the Entitlement Offer. In particular, please refer to the materials contained in this Booklet, TSI Fund's Annual Reports and other announcements by TSI Fund made available at www.tsifund.com or www.asx.com.au.

3

Please consider the Retail Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer. In particular, please refer to Appendix A (Key Risks) of the Investor Presentation, which is included in this Booklet on pages 37 to 43.

4

Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 5 New Securities for every 12 TSI Fund stapled securities you held as at the Record Date of 7.00pm (Sydney time) on Friday, 14 May 2010, rounded up to the nearest whole New Security. If you have more than one holding of TSI Fund stapled securities, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

If you decide to take up all or part of your Entitlement, or apply for Additional New Securities, please refer to the personalised Entitlement and Acceptance Form and apply for New Securities (and Additional New Securities, if any) pursuant to the instructions set out on the personalised Entitlement and Acceptance Form. If you take no action you will not be allocated New Securities and your Entitlement will lapse. Securityholders who do not take up their Entitlement in full will not receive any payment or value for that part of their Entitlement they do not take up.

TSI Fund will treat you as applying for as many New Securities as your payment will pay for in full up to your full Entitlement and, in respect of amounts received by TSI Fund in excess of your Entitlement ("Excess Amount"), may treat your application as applying as many Additional New Securities as your Excess Amount will pay for in full, subject to any scale-back it may determine to implement in its absolute discretion in respect of Additional New Securities.

5

Acceptance of the Entitlement Offer

If you are an Eligible Retail Securityholder, you may do any one of the following:

- take up all or part of your Entitlement;
- take up all of your Entitlement and also apply for Additional New Securities in excess of your Entitlement; or
- do nothing, in which case all of your Entitlement will lapse and you will not receive any payment or value for those Entitlements.

If you wish to take up all or part of your Entitlement, or apply for Additional New Securities, you have two options.

OPTION 1 – Early acceptance by the Early Retail Closing Date

Eligible Retail Securityholders have the opportunity to be allotted New Securities at the same time as Eligible Institutional Securityholders on Friday, 28 May 2010 ("Initial Allotment") if you make payment of Application Monies so that payment is received by TSI Fund no later than 5.00pm (Sydney time) on the Early Retail Closing Date on Monday, 24 May 2010.

If you take up this option, you must either:

- pay by BPAY® so that your payment is received by no later than 5.00pm (Sydney time) on the Early Retail Closing Date (Monday, 24 May 2010). If you pay by BPAY® you do not need to submit your personalised Entitlement and Acceptance Form. For instructions on how to pay by BPAY®, refer to Section 6.1; or
- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies in the form of a cheque, bank draft or money order so that your Entitlement and Acceptance Form and payment are received by no later than 5.00pm (Sydney time) on the Early Retail Closing Date (Monday, 24 May 2010). For instructions on payment by cheque, bank draft or money order, refer to Section 6.2.

For both options, if cleared funds are not received by TSI Fund by commencement of settlement on the first settlement date being Thursday, 27 May, 2010, the Registry will retain your Application Monies and process your application as part of the Retail Entitlement Offer as though you submitted your payment after the Early Retail Closing Date. In this circumstance, your New Securities will be allotted at Final Allotment being Thursday, 10 June 2010.

If you apply for Additional New Securities beyond your Entitlement, subject to TSI Fund's discretion to scale-back your allocation of Additional New Securities, you will be allotted these Additional New Securities at Final Allotment being Thursday, 10 June 2010. TSI Fund's decision on the number of Additional New Securities to be allocated to you will be final.

OPTION 2 – Acceptance by the Final Retail Closing Date

Alternatively, Eligible Retail Securityholders may choose to participate by the Final Retail Closing Date (Thursday, 3 June 2010). In this event New Securities will be allotted to you on the Final Allotment date, being Thursday, 10 June 2010. If you take this option, you must either:

- pay by BPAY® so that your payment is received by no later than 5.00pm (Sydney time) on the Final Retail Closing Date (Thursday, 3 June 2010). If you pay by BPAY® you do not need to submit your personalised Entitlement and Acceptance Form. For instructions on how to pay by BPAY®, refer to Section 6.1; or
- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies in the form of a cheque, bank draft or money order so that your personalised Entitlement and Acceptance Form and payment are received by no later than 5.00pm (Sydney time) on the Final Retail Closing Date (Thursday, 3 June 2010). For instructions on payment by cheque, bank draft or money order, refer to Section 6.2.

No New Securities or Additional New Securities will be issued to you in respect of an application if payment of the Application Monies is not received by TSI Fund by no later than 5.00pm (Sydney time) on the Final Retail Closing Date (Thursday, 3 June 2010).

If you apply for Additional New Securities beyond your Entitlement, subject to TSI Fund's discretion to scale-back your allocation of Additional New Securities, you will be allotted these Additional New Securities at Final Allotment being Thursday, 10 June 2010. TSI Fund's decision on the number of Additional New Securities to be allocated to you will be final.

6

Payment methods

Your application for Additional New Securities may not be successful (wholly or partially). Any surplus Application Monies received for more than your final allocation of Additional New Securities will be refunded. You are not entitled to any interest that accrues on any Application Monies received or returned (wholly or partially).

TSI Fund reserves the right (in its absolute discretion) to reduce the number of New Securities allocated to Eligible Retail Securityholders, or persons claiming to be Eligible Retail Securityholders, if their claims prove to be overstated or otherwise incorrect or if they fail to provide information to substantiate their claims.

If you take no action you will not be allocated New Securities and your Entitlement will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred. Securityholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

6.1 BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the Biller Code and your unique Customer Reference Number ("CRN")). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that if you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Securities (and Additional New Securities, if any) as is covered in full by your Application Monies.

When completing your BPAY® payment, please be sure to use the specific Biller Code and unique CRN provided on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the CRN specific to the Entitlement on that Form. If you inadvertently use the same CRN for more than one of your Entitlements, you will be deemed to have applied only for New Securities (and Additional New Securities, if any) on the Entitlement to which that CRN applies.

You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payments and you should therefore take this into consideration when making your payment. It is your responsibility to ensure that funds submitted through BPAY® are received by 5.00pm (Sydney time) on Monday, 24 May 2010 if you wish to be included in the Initial Allotment of New Securities (as described in Section 5) or otherwise by 5.00pm (Sydney time) on Thursday, 3 June 2010.

6.2 Cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the Form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to "TSI Fund Entitlement Offer" and crossed "Not Negotiable".

7

Warranties made on acceptance of the Retail Entitlement Offer

Your cheque, bank draft or money order must be:

- for an amount equal to $0.70 multiplied by the number of New Securities (and Additional New Securities, if any) that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.

The completed Entitlement and Acceptance Form, together with Application Monies, should be mailed using the reply paid envelope provided with this Booklet or otherwise mailed to the Registry at the following address:

TSI Fund Entitlement Offer
c/o Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001
Australia

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies. If the amount of your cheque for Application Monies is insufficient to pay in full for the number of New Securities (and Additional New Securities, if any) you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Securities (and Additional New Securities, if any) as your cleared Application Monies will pay for and to have specified that number of New Securities (and Additional New Securities, if any) on your personalised Entitlement and Acceptance Form. Alternatively, your application will not be accepted.

Cash payments will not be accepted. Receipts for payment will not be issued.

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have acknowledged, represented and warranted that you, and each person on whose account you are acting, are an Eligible Retail Securityholder or otherwise eligible to participate.

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will also be deemed to have acknowledged, represented and warranted on your behalf and on behalf of each person on whose account you are acting that:

(a) you and each person on whose account you are acting are not in the United States or a U.S. Person, or acting for the account or benefit of a U.S. Person, and are not otherwise a person to whom it would be illegal to make an offer of or issue of New Securities (and Additional New Securities, if any) under the Retail Entitlement Offer and under any applicable laws and regulations;

(b) the Entitlements and the New Securities (and Additional New Securities) have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia or New Zealand and, accordingly, the New Securities (and Additional New Securities) may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws; and

(c) you and each person on whose account you are acting have not and will not send any materials relating to the Retail Entitlement Offer or the Equity Offer to any person in the United States, or that is, or is acting for the account or benefit, of a U.S. Person.

8

Refunds

Any Application Monies received for more than your final allocation of New Securities and Additional New Securities will be refunded on or around Wednesday, 16 June 2010 (except for where the amount is less than $1.00, in which case it will be donated to a charity chosen by TSI Fund). No interest will be paid to applicants on any Application Monies received or refunded. Refunds will be paid by cheque or direct credit in accordance with the instructions the Registry holds in respect of distribution payments.

9

Withdrawals

You cannot, in most circumstances, withdraw your application once it has been accepted. Cooling-off rights do not apply to an investment in New Securities (and Additional New Securities, if any).

10

Confirmation of your application and managing your holding

You may access information on your holding, including your Record Date balance and the issue of New Securities (and Additional Securities, if any) from this Entitlement Offer, and manage the standing instructions the Registry records on your holding on the Investor Centre website www.investorcentre.com. To access the Investor Centre you will need your SRN or HIN and you will need to pass the security challenge on the site.

ASX OFFER ANNOUNCEMENT DATED 11 MAY 2010

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11 May 2010

ASX STATEMENT

CAPITAL STRUCTURE REVIEW INITIATIVES TO STRENGTHEN FINANCIAL POSITION AND UNDERPIN SUSTAINABLE DISTRIBUTIONS

Transfield Services Infrastructure Fund (TSI Fund) today announced the conclusion of its Capital Structure Review (Review) which has resulted in a series of initiatives that are expected to provide financial flexibility and strengthen TSI Fund's balance sheet, as well as deliver sustainable future distributions.

The initiatives include:

- The sale of Mt Millar Wind Farm for $191 million, representing a valuation of over 13x FY10F normalised EBITDA attributable to Mt Millar;
- A fully underwritten equity raising of $110 million launching today (Equity Offer), supported by major securityholder Transfield Services Limited (TSE); and
- Extending TSI Fund's corporate-level debt maturity to May 2015.

Chief Executive Officer, Mr Steve MacDonald said today: "The Review has been a comprehensive and thorough process and we are satisfied the outcome is in the best interests of securityholders. The initiatives are expected to provide TSI Fund with a solid financial platform from which we can deliver attractive and sustainable distributions to securityholders, while further developing our high quality asset portfolio."

The combined initiatives provide the following outcomes to securityholders:

- The receipt of the proceeds of the sale of Mt Millar Wind Farm combined with additional equity from the Equity Offer will result in a substantially improved balance sheet:
  - TSI Fund pro forma corporate-level Net Debt as at 31 December 2009 reduced from $728 million to $465 million
  - Estimated Net Debt at 30 June 2011 to FY11F EBITDA of 4.7x
- An attractive yield of 11.7 per cent (based on FY11 forecast distribution of 8.2 cents per security and the offer price of $0.70 per security) which will be fully funded from operating free cashflow after paying maintenance capex and servicing debt and not reliant on cash distributions from TSI Fund's investment in the Loy Yang A Power Station (LYA); and
- Potential upside through exposure to the renewables market and cash distributions from TSI Fund's investment in LYA.

Further information on the initiatives is provided below. Additional information, including with respect to the preparation of the pro forma and forecast financial information set out in this announcement and the risks associated with an investment in TSI Fund, is contained in a detailed Investor Presentation which was filed with the Australian Securities Exchange (ASX) today. The presentation is available at www.tsifund.com.

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Transfield Services Infrastructure Fund (TSI Fund) is a public listed entity owning a portfolio of interests in essential infrastructure assets including five power stations, two water filtration plants and four wind farms. TSI Fund's key differentiator is its highly beneficial relationship with global asset management company, Transfield Services which provides expertise in asset development, project management, operations and maintenance.

Sale of Mt Millar Wind Farm

TSI Fund has entered into a share sale agreement with Meridian Energy Limited, New Zealand's largest energy generator, for the sale of 100% of the shares in the TSI Fund subsidiary that owns the 70 megawatt Mt Millar Wind Farm in South Australia for $191 million[1].

Sale proceeds of $191 million represents approximately $2.7 million/MW capacity and more than 13x FY10 forecast normalised EBITDA attributable to Mt Millar Wind Farm, representing good value for TSI Fund securityholders. TSI Fund will retain a portfolio of operating wind assets and a platform for future growth through its first right of refusal over TSE's wind farm development pipeline.

The Mt Millar Wind Farm sale is expected to complete by 31 May 2010, subject to the satisfaction of conditions precedent.

Equity Offer

The fully underwritten Equity Offer will raise $110 million and is comprised of a placement to institutional investors of approximately $30 million (Placement) and an accelerated non-renounceable pro-rata entitlement offer to raise approximately $80 million (Entitlement Offer).

Under the Entitlement Offer, eligible securityholders may subscribe for 5 new TSI Fund securities (New Securities) for every 12 existing TSI Fund securities held at 7.00pm (Sydney time) on Friday, 14 May 2010 (Record Date).

New Securities will be offered in the Placement and the Entitlement Offer at the same offer price of $0.70 per New Security. The offer price represents:

- a yield of 11.7 per cent based upon the FY11F distribution of 8.2 cents per security;
- a 22.2 per cent discount to the last closing price of TSI Fund securities on 10 May 2010, being $0.90 per security; and
- a 15.4 per cent discount to the theoretical ex-rights price, being $0.8272[2] per security.

The Placement and institutional component of the Entitlement Offer (Institutional Entitlement Offer) will be conducted upfront via an institutional bookbuild from 11 to 12 May 2010.

A retail entitlement offer booklet with details on how to subscribe under the retail component of the Entitlement Offer (Retail Entitlement Offer) will be sent to eligible retail securityholders on Monday, 17 May 2010.

Eligible Retail Securityholders may apply for New Securities in excess of their Entitlement subject to availability and scale-back at the sole discretion of TSI Fund. The Retail Entitlement Offer will close at 5.00pm (Sydney time) on Thursday, 3 June 2010.

The Entitlement Offer is non-renounceable. Entitlements cannot be traded on ASX nor otherwise transferred. This means that TSI Fund securityholders who do not take up their entitlement to participate in the Entitlement Offer will not receive any value for those entitlements and their equity interest in TSI Fund will be diluted.

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[1] Completion is subject to the satisfaction of certain conditions. Sale proceeds of AUD191 million are subject to completion adjustments. TSI Fund has provided customary representations and warranties in connection with the sale.

[2] The theoretical ex-rights price (TERP) is a theoretical price at which TSI Fund stapled securities should trade immediately after the ex-date of the Entitlement Offer and takes into account the number of New Securities to be issued under the Placement. The TERP is a theoretical calculation only and the actual price at which TSI Fund stapled securities trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP.

Participation by TSE in the Equity Offer

The Equity Offer is supported by TSI Fund's 47.5 per cent major securityholder, TSE, which has committed to invest up to approximately $52.4 million, equivalent to its pro rata share of the $110 million Equity Offer. TSE's commitment is structured as a partial take up of its entitlements in the Institutional Entitlement Offer and full sub-underwriting of the Retail Entitlement Offer. Assuming a Retail Entitlement Offer of approximately $30 million, TSE's participation in the Institutional Entitlement Offer will be approximately $22.4 million. TSE's interest in TSI Fund may be diluted depending on the final take-up under the Retail Entitlement Offer.

The Equity Offer is fully underwritten by Macquarie Capital Advisers and RBS who are acting as Joint Lead Managers to the Equity Offer. Macquarie Capital Advisers also acted as financial adviser to TSI Fund in relation to the Review.

Appendix 1 contains more information about the Equity Offer, including an indicative timetable.

Debt Refinancing

TSI Fund received strong support from its existing corporate-level lending syndicate and has entered into a credit approved binding terms sheet[3] for an amended $500 million corporate-level debt facility. The key changes under the amended facility include:

- Facility expected to be drawn to approximately $478 million as at 30 June 2010, with junior corporate-level debt to be repaid in full; and
- Maturity extended from September 2011 to May 2015[4], with the facility limit reducing to $425 million by June 2015.

The Directors of TSI Fund believe it is now appropriately geared having regard to the nature of its underlying assets:

- TSI Fund pro forma corporate-level Net Debt as at 31 December 2009 reduced from $728 million to $465 million, a reduction of $263 million;
- Pro forma book gearing as at 31 December 2009 reduced from 66 per cent to 51 per cent; and
- Estimated Net Debt (as at 30 June 2011) to FY11F EBITDA of 4.7x.

Updated Distribution Guidance

TSI Fund's FY10 forecast final distribution is expected to be 4.0 cents per security. New Securities issued under the Equity Offer will rank equally with existing securities and will be entitled to the FY10 final distribution.

The distribution for FY11 is expected to be 8.2 cents per security, which represents a distribution yield of 11.7 per cent at the offer price of $0.70. The FY11 distribution is expected to be paid from operating free cash flow after paying maintenance capex and servicing debt and is not dependent on cash distributions from the TSI Fund investment in LYA.

In the medium term, TSI Fund expects to be able to maintain future distributions at least at the 8.2 cents per security forecast for FY11. These distributions will not be reliant on TSI Fund receiving cash distributions from its investment in LYA.

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[3] The terms sheet (which includes a consent to the sale of Mt Millar Wind Farm) is subject to conditions, including the application of the proceeds of the sale of Mt Millar Wind Farm and the Equity Offer to repay corporate-level debt and entry into definitive bank documentation (expected to be before 30 June 2010).

[4] The exact maturity date of the refinanced corporate-level debt facility is 5 years after the satisfaction of the conditions in the terms sheet. For convenience, we have referred to this as 'May 2015' in this announcement.

Forecast for FY10 and FY11

TSI Fund is forecasting FY10 pro forma EBITDA of $101.2 million and pro forma Net Profit After Tax of $18.7 million. Incorporating the one-off impacts resulting from the Review (including the sale of Mt Millar, swap break costs and transaction costs), FY10 Reported EBITDA is expected to be $75 million with a FY10 Reported Net Loss After Tax of $39.5 million.

TSI Fund is forecasting FY11 EBITDA of $95.4 million and Net Profit After Tax of $16.4 million.

The financial information set out in this announcement should be read together with the basis of preparation, assumptions, sensitivity analysis and risk factors set out in the detailed Investor Presentation which was filed with ASX today.

Securityholder Enquiries

Securityholders who have questions regarding the Entitlement Offer should phone the TSI Fund Entitlement Offer Information Line on 1300 086 035 (local call cost from within Australia) or +61 3 9415 4018 (from outside Australia) at any time between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Entitlement Offer period or visit our website at www.tsifund.com.

The various initiatives of the Review referred to in this announcement are described in more detail in the Investor Presentation. The Investor Presentation contains important information including risk factors and foreign selling restrictions with respect to the Equity Offer.

APPENDIX 1: FURTHER DETAIL ABOUT THE EQUITY OFFER

Equity Offer Timetable

The following table contains key dates for securityholders under the Equity Offer:

Event	Date
Commence trading halt	Tuesday, 11 May 2010
Placement and Institutional Entitlement Offer	Tuesday – Wednesday, 11 - 12 May 2010
Trading resumes	Thursday, 13 May 2010
Record date for Entitlement Offer	7.00pm (Sydney time), Friday, 14 May 2010
Retail Entitlement Offer booklet dispatched	Monday, 17 May 2010
Early acceptances due for the Retail Entitlement Offer	5.00pm (Sydney time), Monday, 24 May 2010
Settlement of the Placement, Institutional Entitlement Offer and early acceptances under the Retail Entitlement Offer	Thursday, 27 May 2010
Allotment and trading of New Securities under the Placement, Institutional Entitlement Offer and early acceptances under the Retail Entitlement Offer	Friday, 28 May 2010
Retail Entitlement Offer closes	5.00pm (Sydney time), Thursday, 3 June 2010
Settlement of remaining New Securities under the Retail Entitlement Offer	Wednesday, 9 June 2010
Allotment of remaining New Securities under the Retail Entitlement Offer	Thursday, 10 June 2010
Trading commences for New Securities allotted under the final Retail Entitlement Offer allotment	Friday, 11 June 2010
Ex-distribution date	Thursday, 24 June 2010
Record date for the distribution	Wednesday, 30 June 2010

Dates and times are indicative only and subject to change. All times and dates refer to Sydney time.

TSI Fund reserves the right, subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws to vary the dates of the Entitlement Offer, including extending the Entitlement Offer or accepting late applications, either generally or in particular cases, or to withdraw the Entitlement Offer without prior notice. Applicants are encouraged to submit their personalised Entitlement and Acceptance Forms as soon as possible after the Retail Entitlement Offer opens. Applicants who make payment of application monies in respect of the Retail Entitlement Offer (Application Monies) so that payment is received by TSI Fund by no later than 5.00pm (Sydney time) on the early retail closing date on Monday, 24 May 2010 will receive an early allotment of New Securities on Friday, 28 May 2010. No cooling-off rights apply to applications submitted under the Retail Entitlement Offer.

Retail Entitlement Offer

The Retail Entitlement Offer booklet will be dispatched on Monday, 17 May 2010 and the Retail Entitlement Offer will close at 5.00pm (Sydney time) on Thursday, 3 June 2010. Eligible Retail Securityholders may apply for New Securities in excess of their Entitlement subject to availability and scale-back at the sole discretion of TSI Fund. The Retail Entitlement Offer is not being extended to any securityholder outside Australia or New Zealand.

Eligible Retail Securityholders will receive the retail entitlement offer booklet including a personalised Entitlement and Acceptance Form in relation to the Retail Entitlement Offer which will provide further details of how to participate.

Stock lending and other transactions

TSI Fund has been granted a waiver by the ASX so that, in determining securityholder entitlements for the Entitlement Offer, it may ignore any changes in securityholdings that occur after the announcement of the trading halt in TSI Fund stapled securities earlier today (other than registrations of transactions that were effected through ITS before that announcement).

Accordingly, a person who is a registered securityholder of TSI Fund at 7.00pm (Sydney time) on the Record Date as a result of a dealing after the announcement of the trading halt (other than the registration of a transaction effected through ITS before the announcement) may not receive an entitlement under the Entitlement Offer. This means, for example, that in the event a TSI Fund securityholder has existing TSI Fund stapled securities out on loan, the borrower will be regarded as the securityholder for the purposes of determining the entitlement (provided that those borrowed stapled securities have not been on-sold or used to cover a short sale).

IMPORTANT NOTICE

This announcement contains certain “forward-looking statements” or opinions. The words “expect”, “should”, “could”, “may”, “predict”, “plan”, “forecast”, “estimated” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, distributions and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, forecasts, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. This announcement contains such statements that are subject to risk factors. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the risks outlined in the Investor Presentation filed with ASX today.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933 (U.S. Securities Act) (U.S. Person)). Securities may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities have been registered under the Securities Act or an exemption from registration under the Securities Act is available. The securities to be offered and sold in the offer have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities are registered under the U.S. Securities Act or in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

INVESTOR PRESENTATION DATED 11 MAY 2010

Capital Structure Review Outcome

Investor Presentation

11 May 2010

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Important Notice

This investor presentation (**Presentation**) is issued by Transfield Services Infrastructure Fund (**TSI Fund**), which comprises Transfield Services Infrastructure Limited (ACN 106 617 332), TSI International Limited (ACN 124 582 547) and Transfield Services Infrastructure Trust (ARSN 125 010 531) (of which Infrastructure Fund Management Limited (ACN 118 203 731) is the responsible entity).

Summary information: This Presentation contains summary information about TSI Fund and its subsidiaries (**TSIF Group**) and their activities as at the date of this Presentation and should not be considered to be comprehensive or to comprise all the information which a securityholder or potential investor in TSI Fund may require in order to determine whether to deal in TSI Fund securities. The information in this Presentation is a general background and does not purport to be complete. It should be read in conjunction with TSI Fund's periodic reports and other continuous disclosure announcements released to the Australian Securities Exchange, which are available at www.asx.com.au.

Not financial product advice: This Presentation is for information purposes only and is not a prospectus or product disclosure statement under Australian law, financial product or investment advice or a recommendation to acquire TSI Fund securities (nor does it or will it form any part of any contract to acquired TSI Fund securities). It has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Cooling off rights do not apply to the acquisition of TSI Fund securities.

Financial data: Unless otherwise stated, all dollar values are in Australian dollars (A$). The financial information included in this Presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the US Securities and Exchange Commission.

Past performance: Past performance and pro forma historical financial information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information included in this Presentation is, or is based on, information that has previously been released to the market.

Future performance: This Presentation contains certain "forward-looking statements" or opinions. The words "expect", "should", "could", "may", "predict", "plan", "forecast", "estimated" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, distributions and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, forecasts, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. This Presentation contains such statements that are subject to risk factors. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to the risks outlined in Appendix A (Key Risks) of this Presentation.

Investment risk: An investment in TSI Fund securities is subject to investment and other known and unknown risks, some of which are beyond the control of TSIF Group, including possible delays in repayment and loss of income and principal invested. None of TSI Fund, any of its related bodies corporate or any other person or organisation guarantees any particular rate of return or the performance of TSIF Group, nor do any of them guarantee the repayment of capital from TSI Fund or any particular tax treatment. Persons should have regard to the risks outlined in Appendix A (Key Risks) of this Presentation.

Not an offer: This Presentation is not and should not be considered an offer or an invitation to acquire TSI Fund securities or any other financial products and does not and will not form any part of any contract for the acquisition of TSI Fund securities. This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any 'U.S. person' (as defined in Regulation S under the US Securities Act of 1933, as amended (Securities Act)) (U.S. Person). TSI Fund securities have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any U.S. Person without being so registered or pursuant to an exemption from registration.

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Agenda

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Section		
1	Overview	4
2	Details of Initiatives	6
3	The 'New' TSI Fund	9
4	Financial Information	18
5	Equity Offer	26
6	Conclusion	29
Appendices		31
A	Key Risks	
B	Financial Information	
C	Overview of TSI Fund's Assets	
D	Investigating Accountant's Report	
E	Offer Jurisdictions	

3

TRANSFIELD SERVICES INFRASTRUCTURE FUND

1. Overview

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Outcomes of Capital Structure Review

Background	In June 2009, TSI Fund announced a detailed Capital Structure Review with the objectives of maximising value for TSI Fund's securityholders and ensuring TSI Fund has access to cost-effective capital to fund its future growth
Initiatives	TSI Fund received a range of proposals in response to the Capital Structure Review. TSI Fund has now concluded its assessment of these proposals and is pleased to announce the following initiatives: • Sale of Mt Millar wind farm for $191m • Fully underwritten equity raising of $110m (Equity Offer), supported by Transfield Services Limited (TSE) as major securityholder • TSI Fund corporate-level debt facility reduced by $263m and maturity extended to May 2015[1]
Outcomes: **1 Financial Flexibility and Strong Balance Sheet**	• TSI Fund pro forma corporate-level Net Debt as at 31 December 2009 reduced from $728m to $465m[2] • Pro forma book gearing as at 31 December 2009 reduced from 66% to 51%[2,3] • Estimated Net Debt (as at 30 June 2011) to FY11F EBITDA of 4.7x • Corporate-level debt maturity extended from September 2011 to May 2015
2 Sustainable Distribution	• FY11F distribution of 8.2 cents per security represents a yield of 11.7% at the Offer Price of $0.70 • Distribution paid from operating free cash flow (FCF) after paying maintenance capex and servicing debt and are not dependent on distributions from TSI Fund's interest in Loy Yang A Power Station (LYA)

The initiatives provide securityholders with a sustainable distribution yield and exposure to potential future growth

1: The terms sheet (which includes a consent to the sale of Mt Millar) is subject to conditions, including the application of the proceeds of the sale of Mt Millar and the Equity Offer to repay corporate-level debt and entry into definitive bank documentation (expected to be before 30 June 2010). The corporate-level debt facilities amortise to $425m in May 2015. See slide 23 for further details on debt refinancing. The exact maturity date of the refinanced corporate-level debt facility is 5 years after the satisfaction of the conditions in the terms sheet. For convenience, we have referred to this as 'May 2015' in this Presentation.

2: See pro forma historical and forecast financial information and debt metrics in Section 4: Financial Information, together with Appendix B: Financial Information which sets out the basis of preparation of the pro forma financial information, the pro forma transactions and the material best estimate assumptions underlying the forecast financial information. Unless otherwise stated, all of the pro forma financial data in this Presentation has been prepared on the basis described in Appendix B: Financial Information.

3: Pro forma Net Debt / (Pro forma Net Debt + Book Value of Equity).

5

2. Details of Initiatives

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Overview of Initiatives

1 Sale of Mt Millar wind farm to Meridian	• Sale proceeds of $191m[1] represents approximately $2.7m/MW capacity and more than 13x FY10F normalised EBITDA attributable to Mt Millar • Price reflects good value for TSI Fund securityholders • Acquired by Meridian Energy Limited, a New Zealand state owned enterprise specialising in renewable energy
2 Equity Offer	• Fully underwritten equity raising of $110m – $30m institutional placement (Placement) – $80m accelerated non-renounceable entitlement offer (Entitlement Offer) • Offer price of $0.70 per new security for the Placement and the Entitlement Offer • New securities entitled to TSI Fund's FY10F final distribution expected to be 4.0 cents per security (record date of 30 June 2010) • TSE has committed to invest up to $52.4m under the Equity Offer, equivalent to its pro-rata share of the entire Equity Offer • FY11F distribution yield of 11.7% at the offer price of $0.70
3 Debt re-financing	• TSI Fund has entered into a credit approved binding terms sheet with its lenders to extend the maturity of $500m of its corporate-level debt facilities from September 2011 to May 2015[2] • Facilities expected to be drawn to approximately $478m, leaving approximately $38m in undrawn debt and cash as at 30 June 2010

TSI Fund will have substantially improved financial flexibility following the initiatives

1: Completion is expected by 31 May 2010 and is subject to the satisfaction of certain conditions. Sale proceeds are subject to completion adjustments. TSI Fund has provided customary representations and warranties in connection with the sale.

2: The terms sheet (which includes a consent to the sale of Mt Millar) is subject to conditions, including the application of the proceeds of the sale of Mt Millar and the Equity Offer to repay corporate-level debt and entry into definitive bank documentation (expected to be before 30 June 2010). The corporate-level debt facilities amortise to $425m in May 2015. See slide 23 for further details on debt refinancing.

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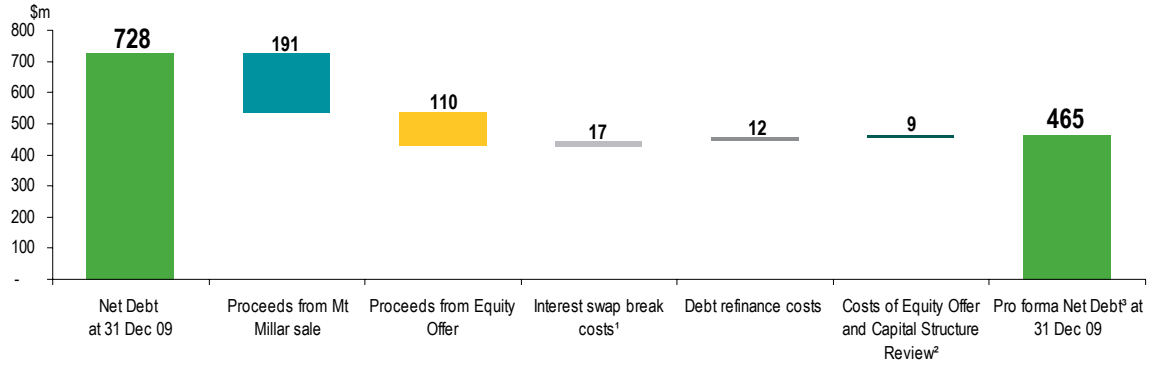
Net Debt Position

- Net proceeds from the initiatives will be used to reduce corporate-level debt
  - TSI Fund pro forma corporate-level Net Debt as at 31 December 2009 reduced from $728m to $465m
  - Estimated Net Debt (as at 30 June 2011) to FY11F EBITDA of 4.7x



Pro forma Net Debt reduced to approximately $465m

1: Swap break costs have been estimated using current market pricing. If market pricing is different at the date that the swaps are actually broken (assumed to be 31 May 2010), then the swap break costs will also change. Indicative modelling estimates that a 10 basis point change in interest rates could result in swap break costs changing by approximately $2.7m.

2: Refer to slide 45.

3: Pro forma corporate-level Net Debt is calculated as at 31 December 2009, adjusted for the Mt Millar sale, the Equity Offer, debt refinance and fees and costs associated with the initiatives.

3. The 'New' TSI Fund

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Investment Highlights

1 Diversified Portfolio	• Diversified range of high quality infrastructure assets providing predictable, low risk cashflows • Assets diversified by operational type, geography and fuel type • Assets provide essential services in established markets across Australia
2 Long Term Contracted Revenues	• Substantial majority of revenues from long term contracts with high quality counterparties • Long term contracts have Change in Law provisions that provide substantial protection to adverse effects from new or changed legislation • In excess of 84% of FY11F EBITDA derived from contracted revenues[1] • Weighted average remaining contract life of 12 years (weighting based on FY11F EBITDA) • LYA recently announced an 820MW contract with Alcoa to 2036. The contract begins in 2014 and expands to approximately 40% of annual output in 2016; with future smelter expansion options the contract could represent more than half of annual output
3 Strategic Alliance with TSE	• Strategic alliance with TSE (a service company with strong technical background) will continue including Maintenance Services Agreement (MSA) and outsourcing of operations and maintenance (O&M) • Demonstrated track record of enhancing TSI Fund's assets

TSI Fund provides investors with exposure to high quality infrastructure assets

1: Calculated as forecast EBITDA from contracted assets and TSI Fund's share of profits from contracted investments and LYA investment income divided by forecast EBITDA from all assets for the period.

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Investment Highlights cont.

4 Financial Flexibility and Strong Balance Sheet	• Pro forma corporate-level debt (as at 31 December 2009) reduced by $263m (approximately 35% of total corporate-level facilities pre-Capital Structure Review initiatives) • Estimated Net Debt (as at 30 June 2011) to FY11F EBITDA of 4.7x • Corporate-level debt maturity extended from September 2011 to May 2015 • No other debt on 100% owned projects with asset level debt only in respect of Macarthur, LYA and Kwinana in FY11
5 Attractive Distribution Guidance	• FY11F distribution of 8.2 cents per security represents a yield of 11.7% at the offer price of $0.70 • Distributions for FY11F are expected to be paid from operating FCF after paying maintenance capex and servicing debt and are not dependent on distributions from LYA • In the medium term, TSI Fund expects to be able to maintain future distributions at least at the 8.2 cents per security forecast for FY11. These distributions are not reliant on TSI Fund receiving distributions from LYA
6 Growth Opportunities	• Proposed LRET legislations has the potential to increase REC pricing. TSI has the ability to recontract its wind assets and take advantage of increase pricing • Enhancement of existing assets through expansion of gas fired plants (e.g. Townsville blade upgrade), conversion of coal fired plants and repowering of wind farms • Pipeline of TSE wind farm and other infrastructure developments over which TSI Fund retains first right of refusal

Financial flexibility will provide TSI Fund with a platform for growth going forward

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Capital Management

1 Management of Balance Sheet	• The Directors believe that TSI Fund is now appropriately geared having regard to the nature and risk profile of its underlying assets • TSI Fund is committed to maintaining prudent gearing levels going forward • A minimum of 75% of drawn debt to be hedged in regards to interest rate movements over the term of the debt facility
2 Distribution Policy	• TSI Fund intends to pay distributions from operating FCF after meeting average maintenance capital expenditure and debt obligations, and retaining such other amounts that the Directors determine are prudent to retain to meet working capital and other requirements
3 Maintaining Financial Flexibility and Funding Future Growth	• Incremental future growth opportunities expected to be funded from a variety of sources including: – Surplus FCF – Cashflows from potential distributions from LYA – Potential cash inflow arising from a recontracting and refinancing of the Macarthur water filtration plant – Debt (including undrawn facilities) – Equity (including distribution reinvestment plan) – Additional returns from optimising existing assets

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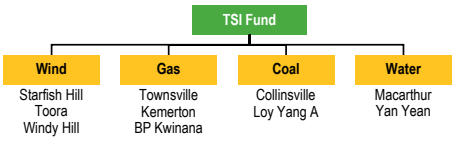
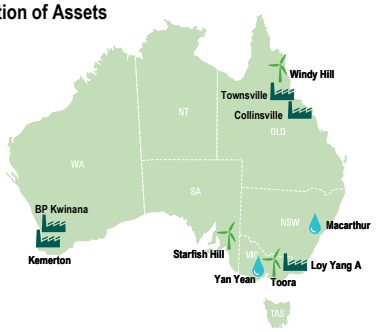
Asset Portfolio



Location of Assets



Asset	TSI Fund Equity	Cap.	Equity Cap.	Type	Fuel	PPA	PPA expiry
Kemerton PS	100%	300MW	300MW	Peak	Gas	Verve	2030
Townsville PS	100%	234MW	234MW	Base	Gas	AGL & Arrow	2025
Collinsville PS	100%	180MW	180MW	Int.	Black Coal	CSE	2016
Starfish Hill WF	100%	35MW	35MW	Base*	Wind	AGL**	2010
Toora WF	100%	21MW	21MW	Base*	Wind	Energy Aus.	2012
Windy Hill WF	100%	12MW	12MW	Base*	Wind	Ergon	2015
BP Kwinana PS	30%	118MW	35MW	Base	Gas	BP/Verve	2021
Loy Yang A PS	14%	2,200MW	309MW	Base	Brown Coal	Alcoa / merchant	2036
Total		**3,100MW**	**1,126MW**				
Macarthur WFP	50%	265ML per day		Base	n/a	Sydney Water	2020
Yan Yean WFP	50%	155ML per day		Base	n/a	Melbourne Water	2020

PS = Power Station, WF = Wind Farm, WFP = Water Filtration Plant

* When generating

** Contracted black (energy output sold in the grid) to 30 June 2010, Renewable Energy Certificates (RECs) banked

TSI Fund is a geographically diverse portfolio of high quality thermal, wind generation and water assets

13

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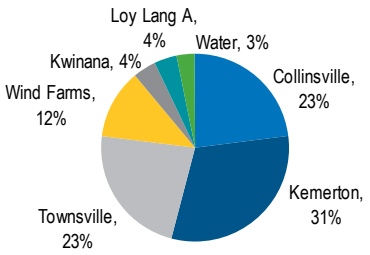
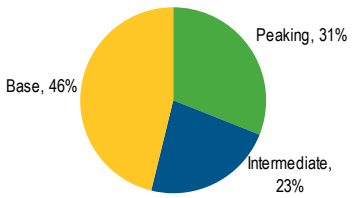
Diversification of Asset Base[1]

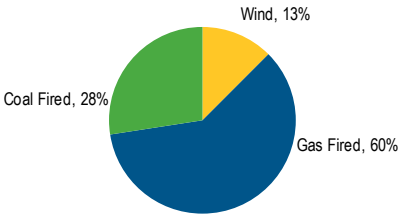
FY11F EBITDA by Asset



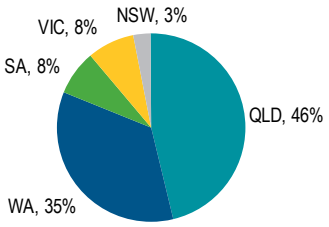
FY11F EBITDA by Operational Type



FY11F EBITDA by Fuel Type[2]



FY11F EBITDA by Geography



TSI Fund EBITDA is diversified by operational type, geography and fuel type

1: EBITDA from LYA represents LYA investment income and from Kwinana and the water assets represents TSI Fund's share of net profits.
2: Water assets are not included as a fuel type.

14

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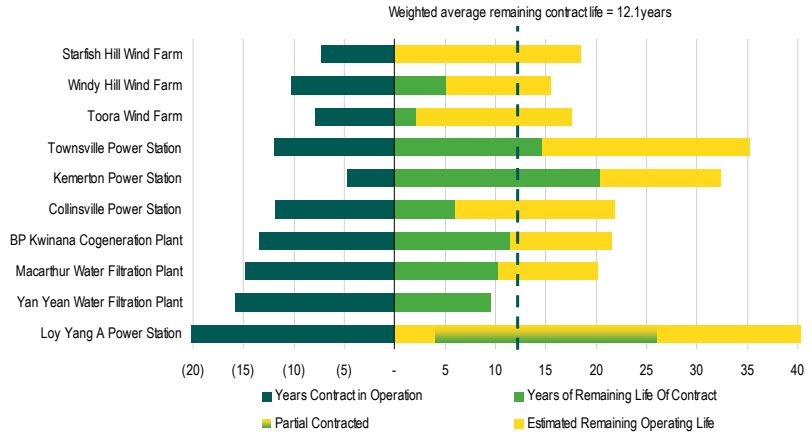
Long Term Contracted Revenues

- Majority of portfolio underpinned by Power Purchase Agreement (PPA) style contracts with government owned entities or other highly credit worthy counterparties
- Substantial majority of revenues from long term contracts
  - In excess of 84% of FY11F EBITDA derived from contracted revenues[1]
  - Weighted average remaining contract life of 12 years[2]
- LYA recently announced an 820MW contract with Alcoa to 2036. The contract begins in 2014 and expands to approximately 40% of annual output in 2016; with future smelter expansion options the contract could represent more than half of annual output



Portfolio backed by long-term PPA-style contracts with high quality counterparties

1: Calculated as forecast EBITDA from contracted assets and TSI Fund's share of profits from contracted investments and LYA investment income divided by forecast EBITDA from all assets for the period FY11.

2. Weighting based on FY11F EBITDA.

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Growth Opportunities - Brownfield

- TSI Fund has a number of opportunities to expand and improve its existing controlled assets

Asset	Opportunities
Kemerton	• Black start (start up of the power station without grid support) • Expansion in capacity in the medium term (operating as a peaker) • Potential conversion to Combined Cycle and operating as baseload • Efficiency enhancement projects
Townsville	• Capacity expansion by adding a second unit which could double base-load capacity of the station (dependent on demand)
Collinsville	• Conversion to Coal Seam Gas (CSG) plant (post PPA) to take advantage of accessible CSG reserves in the region • Potential implementation of Solar Thermal technology (Collinsville has been included in a submission to the Solar Flagship government initiative)
Wind farms	• Potential repowering of existing wind farms to allow for higher efficiency and increased operating life • Expansion of existing sites

The forecast financial information included in this Presentation does not include revenue, earnings and expenditure from or relating to any of these brownfield opportunities.

TSI Fund has a number of value enhancing brownfield opportunities

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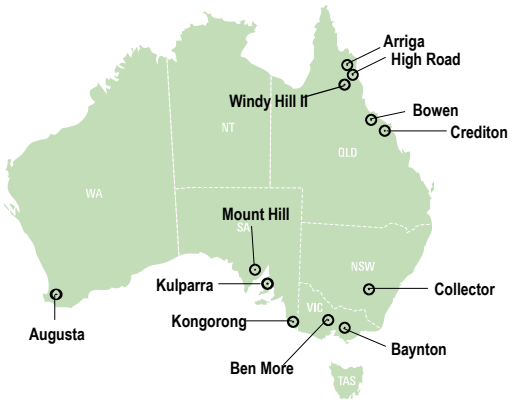
Growth Opportunities - Greenfield

- Focus on low risk assets with long-term contracted revenues, low risk profile, predictable cashflows and credit worthy counterparties
- Invest in assets where TSE's expertise in O&M can be used to enhance returns on capital
- Ability to exercise first right of refusal over TSE's infrastructure investment opportunities, including wind farm development opportunities
  - Currently 12 TSE wind farm development sites with a potential capacity of more than 1,000 megawatts
  - Focus on Queensland wind farm opportunities



Development Site	Potential Capacity	Est. Wind Speed
High Road	Up to 85 MW	7.9 m/s
Arriga	130 MW	7.7 m/s
Baynton	130 MW	7.8 m/s
Kulparra	100 MW	8.1 m/s
Collector JV	50% of 150 MW	7.5 m/s
Kongorong	120 MW	7.9 m/s
Ben More	90 MW	7.5 m/s
Mount Hill	80 MW	8.3 m/s
Windy Hill II	12 MW	7.3 m/s
Augusta	50 MW	7.1 m/s
Crediton	40 MW	7.2 m/s
Bowen	100 MW	7.1 m/s
Total	1,012 MW	

The forecast financial information included in this Presentation does not include revenue, earnings and expenditure from or relating to any of these greenfield opportunities.

TSI Fund has first right of refusal in a significant pipeline of renewable energy assets

17

4. Financial Information

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Historical and Forecast Income Statements[1,2]

$ million	FY09A Pro forma	FY10F Pro forma	FY11F
Operating revenue	164.2	155.6	151.5
EBITDA[3]	**98.3**	**101.2**	**95.4**
Depreciation & amortisation	39.3	42.3	41.6
EBIT	**59.0**	**58.9**	**53.8**
Interest	37.3	37.4	36.6
Net profit before tax	**21.7**	**21.5**	**17.2**
Tax expense/(benefit)	(2.5)	2.8	0.8
Net profit after tax[4]	**24.2**	**18.7**	**16.4**
EPS[5]	5.6c	4.3c	3.8c
EBITDA / security[5]	22.8c	23.4c	22.1c

1: The Income Statements should be read together with the basis of preparation, assumptions and sensitivity analysis set out in Appendix B: Financial Information. The Income Statements for FY09 and FY10 are presented on a pro forma basis so as to adjust reported income for FY09 and forecast income for FY10 to exclude the financial performance of Mt Millar, to restate interest and tax expense for lower debt levels and hedging arrangements as a consequence of the debt refinancing and the Equity Offer as if these transactions occurred on 1 July 2008. One off profits on the disposal of capital assets have been excluded for the presentation of FY09 pro forma.

2: The historical and forecast Income Statements shown above have been reviewed by PricewaterhouseCoopers Securities Ltd, whose report appears in Appendix D: Investigating Accountant's Report.

3: EBITDA includes interest income from LYA, 30% of Kwinana net profit before tax and 50% of net profit after tax for water assets which is consistent with TSI Fund's management reporting. Refer to next slide for breakdown of EBITDA by Asset.

4: See Appendix B: Financial Information a reconciliation of Pro forma FY10 forecast net profit after tax to Statutory FY10 forecast net profit after tax.

5: Based on the pro forma number of TSI Fund securities post the Equity Offer, being approximately 432m securities.

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EBITDA by Asset[1]

$ million	FY09A Pro forma	FY10F Pro forma	FY11F	Commentary
Kemerton	35.4	33.9	32.5	Reduced liquid fuel usage after FY09; forecast reduced variable operations and maintenance (VOM) due to availability of other new plants
Collinsville	21.9	23.8	23.3	FY09 affected by floods; forecast assumes continuation of additional revenue from Continuous Operations Agreement
Townsville	31.7	28.6	23.7	Contracted step-down in capacity charge in February 2010
Wind Assets (excl. Mt Millar)	9.0	12.7	12.8	FY10 wind EBITDA reflects Starfish Hill and Toora achieving target capacity and availability. Toora and Windy Hill are under contract through FY11 and Starfish Hill assumed to achieve prices for its output at levels similar to FY10
Total 100% owned assets	**98.0**	**99.0**	**92.3**	
Kwinana (30%)	3.4	3.9	3.7	No significant changes in forecast periods
Water (50%)	3.2	2.8	2.9	No significant changes in forecast periods
Loy Yang A (14%)	4.1	4.1	4.5	Interest at fixed 10% coupon on LYA shareholder loan notes
EBITDA for assets and investments	**108.7**	**109.8**	**103.4**	
Corporate Expenses	(10.4)	(8.6)	(8.0)	Agreed cost reductions under the MSA
EBITDA	**98.3**	**101.2**	**95.4**	

1:The information presented above has been extracted from financial models underlying the Financial Information. TSI Fund does not in any way represent that the EBITDA for individual assets or investments is a forecast or guarantee of financial performance of the individual assets.

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Historical and Forecast Cashflows Available for Distributions[1,2]

$ million	FY09A Pro forma	FY10F Pro forma	FY11F
Operating cashflow before debt service and capital expenditure	**102.5**	**107.3**	**92.0**
Capital expenditure – maintenance	(7.1)	(4.5)	(8.3)
Capital expenditure - growth	(29.4)	-	-
Cashflow before debt service and distributions	**66.0**	**102.8**	**83.7**
Borrowing to fund growth capex	16.0	-	-
Net interest received on infrastructure bonds	6.8	7.5	8.1
Net interest paid on debt facility and swaps[3]	(43.3)	(43.3)	(43.3)
FCF before distribution and debt amortisation[4]	**45.5**	**67.0**	**48.5**
Distribution (net DRP)	n/a	n/a	(31.5)[5]
Net cash before debt amortisation	**n/a**	**n/a**	**17.0**
Closing cash and undrawn facilities	**n/a**	**n/a**	**33.0**
FCF / Security[6]	n/a	n/a	11.2c

1: The Cashflows Available for Distributions should be read together with the basis of preparation, assumptions and sensitivity analysis set out in Appendix B: Financial Information.

2. The historical and forecast Cashflows Available for Distributions shown above have been reviewed by PricewaterhouseCoopers Securities Ltd, whose report appears in Appendix D: Investigating Accountant's Report.

3: Interest paid is presented on a pro forma basis as if the corporate-level debt refinance had occurred on 1 July in that financial year. The pro forma interest paid on BBF and swaps is based on 87% of the total drawn debt being hedged at an interest rate of 6.33% per annum and 13% of the total drawn debt being unhedged at an interest rate of 4.6% per annum. Historical FY09 and FY10 cashflows have been shown before debt amortisation. See further details on slide 42.

4: See Appendix B: Financial Information for a reconciliation of pro forma FY10 FCF before distribution and debt amortisation to forecast FY10 FCF before distribution and debt amortisation.

5: Assumes a 4.0 cents per security final FY10 distribution to be paid in September 2010 and 4.1 cents per security interim FY11 distribution to be paid in March 2011 on total issued securities of approximately 432m. Assumed DRP take-up of 10% based on historical participation levels.

6: FCF per security assumes 432m issued securities.

n/a – not applicable for FY09 and FY10 pro forma.

21

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Pro forma Balance Sheet[1,2]

$ million	Reported 31 Dec 09	Mt Millar sale	Equity Offer	Debt Refinancing	Pro forma 31 Dec 09
Cash and cash equivalents	13.3	(2.8)	31.4	(29.3)	12.6
Other current assets	39.1	(1.6)	-	(0.1)	37.4
Total current assets	**52.4**	**(4.4)**	**31.4**	**(29.4)**	**50.0**
Plant, property & equipment	831.8	(212.6)	-	-	619.2
Intangibles	152.8	(40.3)	-	-	112.5
Other non-current assets	268.2	-	-	5.3	273.5
Total non-current assets	**1,252.8**	**(252.9)**	**-**	**5.3**	**1,005.2**
Total Assets	**1,305.2**	**(257.3)**	**31.4**	**(24.1)**	**1,055.2**
Current borrowings - bank	22.5	(22.5)	-	-	-
Current borrowings - other	25.1	(3.1)	-	-	22.0
Non-current borrowings - bank	718.5	(168.5)	(72.4)	-	477.6
Other liabilities	157.7	(32.7)	(0.3)	(21.5)	103.2
Total Liabilities	**923.8**	**(226.8)**	**(72.7)**	**(21.5)**	**602.8**
Contributed equity	131.4	-	19.0	-	150.4
Reserves (& accumulated losses)	(63.0)	(30.5)	-	(2.6)	(96.1)
Minority interest (equity holders of TSIT & TSIIL)	313.0	-	85.1	-	398.1
Total Equity	**381.4**	**(30.5)**	**104.1**	**(2.6)**	**452.4**

1. Pro forma Balance Sheet should be read together with the basis of preparation and pro forma transactions set out in Appendix B: Financial Information. The pro forma balance sheet reflects the financial effect of the pro forma transactions as if they had occurred at 31 December 2009 and hence does not take account of actual cash generated subsequent to 31 December 2009.

2. The pro forma balance sheet shown above has been reviewed by PricewaterhouseCoopers Securities Ltd, whose report appears in Appendix D: Investigating Accountant's Report.

22

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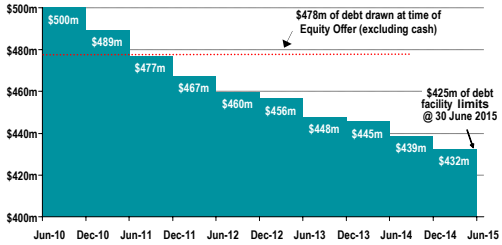
Debt Re-financing and Debt Metrics

- Following the Capital Structure Review TSI Fund will have $500m[1] of corporate-level debt facilities
  - Pro forma net debt reduced by $263m
  - Junior corporate-level debt repaid in full
  - Facility limit reduced to $425m by May 2015
  - Reduced interest payments over the term of the facility
  - No reliance on LYA distributions for debt service
- TSI Fund has received strong support from its existing corporate-level lending syndicate
- Key terms and conditions[2]
  - Maturity extended from September 2011 to May 2015
  - Amended facility will be secured against all of TSI Fund's assets
  - Senior lenders will receive a facility extension fee, with margins reset to current market levels (285bps)[3]
  - Additional terms added for market disruption and adverse impact from Carbon Pollution Reduction Scheme (CPRS)[4]
- TSI Fund expects to comply with the financial covenants in the amended facilities

Debt Metrics Post Initiatives	
Pro forma Net Debt (31 December 2009)	$465m
Pro forma Book Gearing (31 December 2009)[5]	51%
Estimated Net Debt (as at 30 June 2011) / FY11F EBITDA	4.7x
FY11F EBITDA / Pro forma Net Interest[6]	2.1x

Facility Limit Profile



TSI Fund will have a substantially improved credit profile with the corporate-level debt maturity extended to May 2015

1: Should the Macarthur recontracting not be executed within 70 days from when the debt is drawn, the facility limit reduces to $493m.
2: The terms sheet (which includes a consent to the sale of Mt Millar) is subject to conditions, including the application of the proceeds of the sale of Mt Millar and the Equity Offer to repay corporate-level debt and entry into definitive documentation (expected to be before 30 June 2010). The corporate-level debt facilities amortise to $425m in May 2015.
3: If TSI Fund is unable to grant security over certain key assets to its lenders within 12 months, the margin will increase to 300 bps.
4: CPRS review event occurs if CPRS legislation and regulations are enacted which results in TSI Fund failing to meet certain financial ratios (based on an agreed financial model), at which time cash available to equity will be applied to repay debt until such time as the ratios are met. Failure to agree a new financial model reflecting the impact of CPRS on TSI Fund results in cash being locked up.
5: Pro forma Net Debt / (Pro forma Net Debt + Book Value of Equity).
6: FY11F EBITDA / Net interest excluding Townsville infrastructure bonds interest received.

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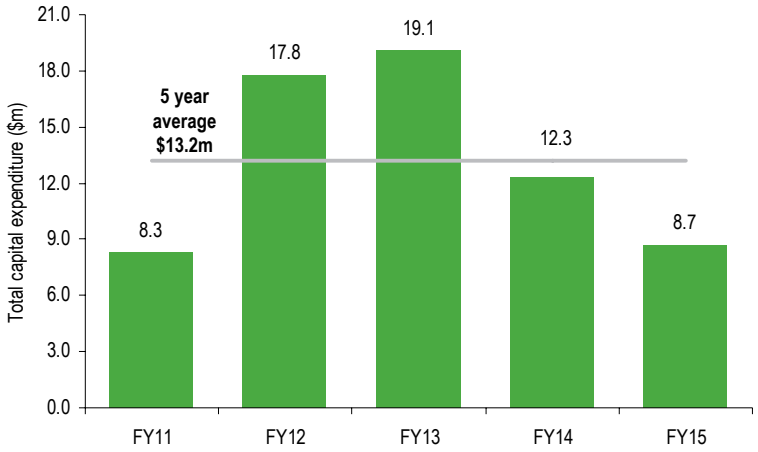
Capital Expenditure

- A total of $66m of maintenance capex is planned over the next 5 years, an average of $13m per annum
- Major overhauls are planned at Townsville and Kemerton during this period
- For Collinsville, the capex profile reflects routine maintenance capex until the end of the PPA in 2016
- Wind farm capex expected to be approximately $2m per annum



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Outlook Beyond Forecast Period

Collinsville

- Revenue and EBITDA step down by $9m in FY14
- Cessation of the Continuous Operations contract (estimated for FY13[1]) results in a $4.3m per annum revenue and EBITDA reduction
- Potential gas conversion by 2016

Townsville

- Infrastructure bond interest ceases in December 2011, increasing net interest by $3.7m in FY12 and $4.4m in FY13

Wind

- Can recontract to take advantage of increasing REC pricing
- Bundled energy pricing expected to increase upon recontracting (e.g. a 20% increase would deliver $3.4m per annum in revenue and EBITDA)

Macarthur

- Potential amendment to concession including 10 year extension to 2030[2]
- Project level refinancing may result in an up front release of cash

Kemerton

- Potential black start project increasing capacity payment

Kwinana

- TSI Fund's share of net profit before tax is approximately $1m lower from FY12 due to the step-down in revenue partially offset by a reduction in interest
- Distributions for FY12 are expected to increase due to the full repayment of project-level debt by July 2011

Loy Yang A

- TSI Fund's receipt of future LYA distributions will be dependent on the outcome of LYA's refinancing of its debt facilities (the $455m Tranche A of which matures in late 2010)
- Whilst LYA is expected to have sufficient cash for increased distributions, LYA's ability to pay them will be conditional on a successful refinancing of its debt facilities
- LYA recently announced an 820MW contract with Alcoa to 2036. The contract begins in 2014 and expands to approximately 40% of annual output in 2016; with future smelter expansion options the contract could represent more than half of annual output

In the medium term, TSI Fund intends to maintain future distributions at least at 8.2 cents per security

1: No assurance can be given that the Continuous Operations contract will continue in FY11 and FY12, or thereafter. See slide 43 for sensitivity analysis for FY11 in the case of the Continuous Operations contract not continuing

2: No assurance can be given that the potential recontracting and refinancing of Macarthur will be concluded, or if concluded, that the terms will not materially be less advantageous to TSI Fund than those described in this Presentation.

25

5. Equity Offer

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Equity Offer Summary

Equity Offer structure and size	• Fully underwritten Equity Offer of $110m – $30m institutional placement – $80m accelerated non-renounceable entitlement offer • Eligible retail securityholders may apply for additional new securities in excess of their entitlement • Placement securities do not participate in the Entitlement Offer
Entitlement ratio and offer price	• 5 new TSI Fund securities (New Securities) for every 12 existing TSI Fund securities held at the Record Date (7.00pm (Sydney time) 14 May 2010) • Offer price of $0.70 per New Security for the Placement and the Entitlement Offer – 22.2% discount to last closing price[1] of $0.90 per security – 15.4% discount to the Theoretical Ex-Rights Price[2] (TERP)
Ranking / distribution yield	• New Securities will rank pari passu with existing securities from the time of allotment including entitlement to TSI Fund's FY10F final distribution expected to be 4.0 cents per security (record date of 30 June 2010) • FY11F distribution of 8.2 cents per security represents a yield of 11.7% at the offer price of $0.70
Underwriting	• Fully underwritten by Macquarie Capital Advisers and RBS
TSE participation	• TSE has committed to invest up to $52.4m under the Equity Offer through partial take up in the Institutional Entitlement Offer and full sub-underwriting of the Retail Entitlement Offer – Commitment equivalent to TSE's pro-rata share of the entire Equity Offer • Assuming a Retail Entitlement Offer of approximately $30m, TSE's participation in the Institutional Entitlement Offer will be approximately $22.4m • TSE's interest in TSI Fund may be diluted depending on take-up in the Retail Entitlement Offer

1: As at close Monday, 10 May 2010.

2: The Theoretical Ex-Rights Price (TERP) is the theoretical price at which TSI Fund securities should trade immediately after the ex-date of the Entitlement Offer, based on the last closing price and taking into account the number of New Securities to be issued under the Placement. The TERP is a theoretical calculation only and the actual price at which TSI Fund securities trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP.

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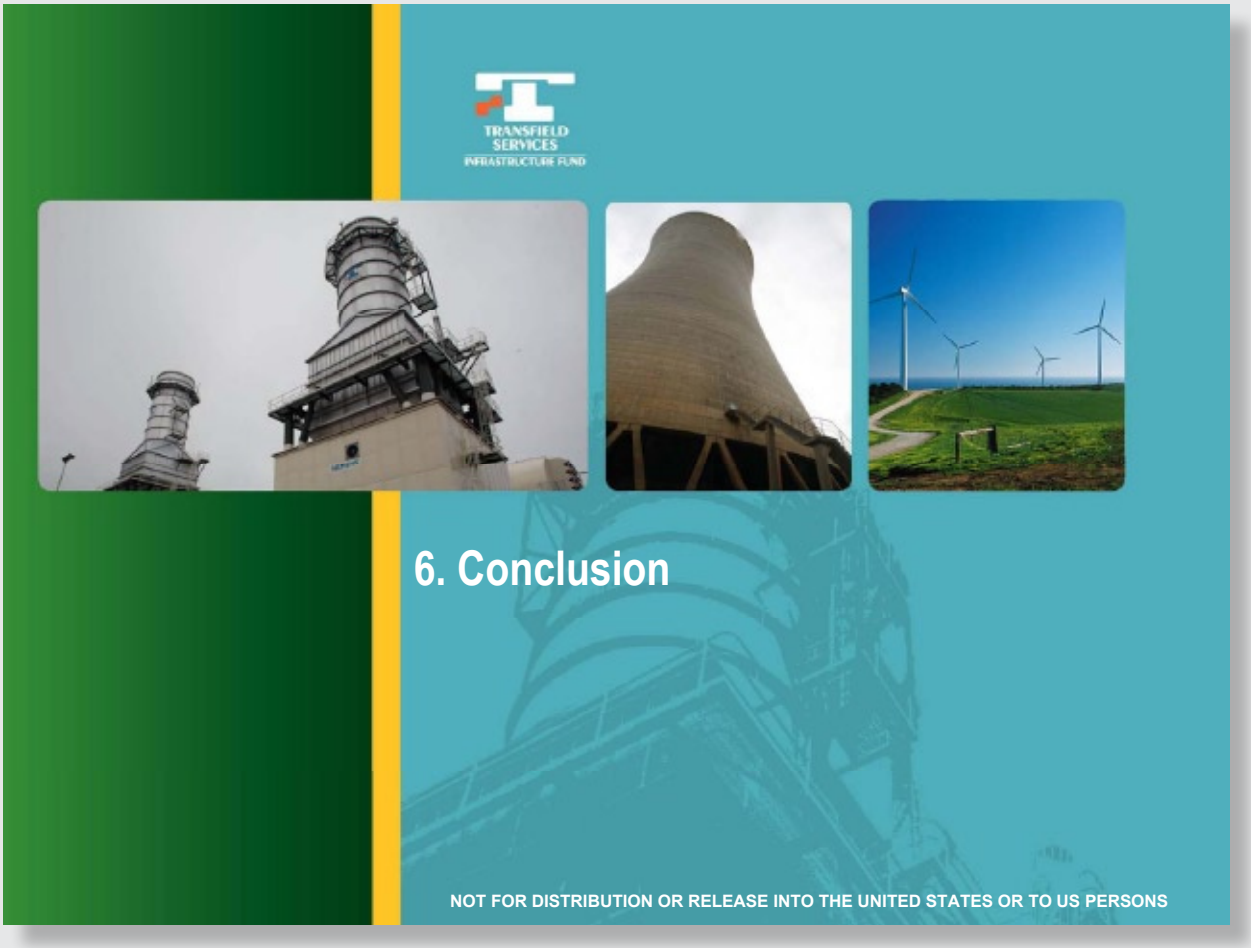
Equity Offer Timetable

Event	
Institutional offer	Tuesday 11 May 2010 to Wednesday 12 May 2010
Trading resumes	Thursday 13 May 2010
Record date for determining entitlements for the Entitlement Offer	7pm (Sydney time), Friday 14 May 2010
Retail Entitlement Offer booklet dispatched	9am (Sydney time), Monday 17 May 2010
Early acceptances due for the Retail Entitlement Offer	5pm (Sydney time), Monday 24 May 2010
Settlement of the Placement, Institutional Entitlement Offer and early acceptances for the Retail Entitlement Offer	Thursday 27 May 2010
Allotment and trading for the Placement, Institutional Entitlement Offer and early acceptances for the Retail Entitlement Offer	Friday 28 May 2010
Retail Entitlement Offer closes	5pm (Sydney time), Thursday 3 June 2010
Allotment of new securities under the final Retail Allotment	Thursday 10 June 2010
Trading commences for new securities allotted under the final Retail Allotment	Friday 11 June 2010

TSI Fund reserves the right subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws to vary the dates of the Equity Offer, including extending the Equity Offer or accepting late applications, either generally or in particular cases, or to withdraw the Retail Entitlement Offer without prior notice.



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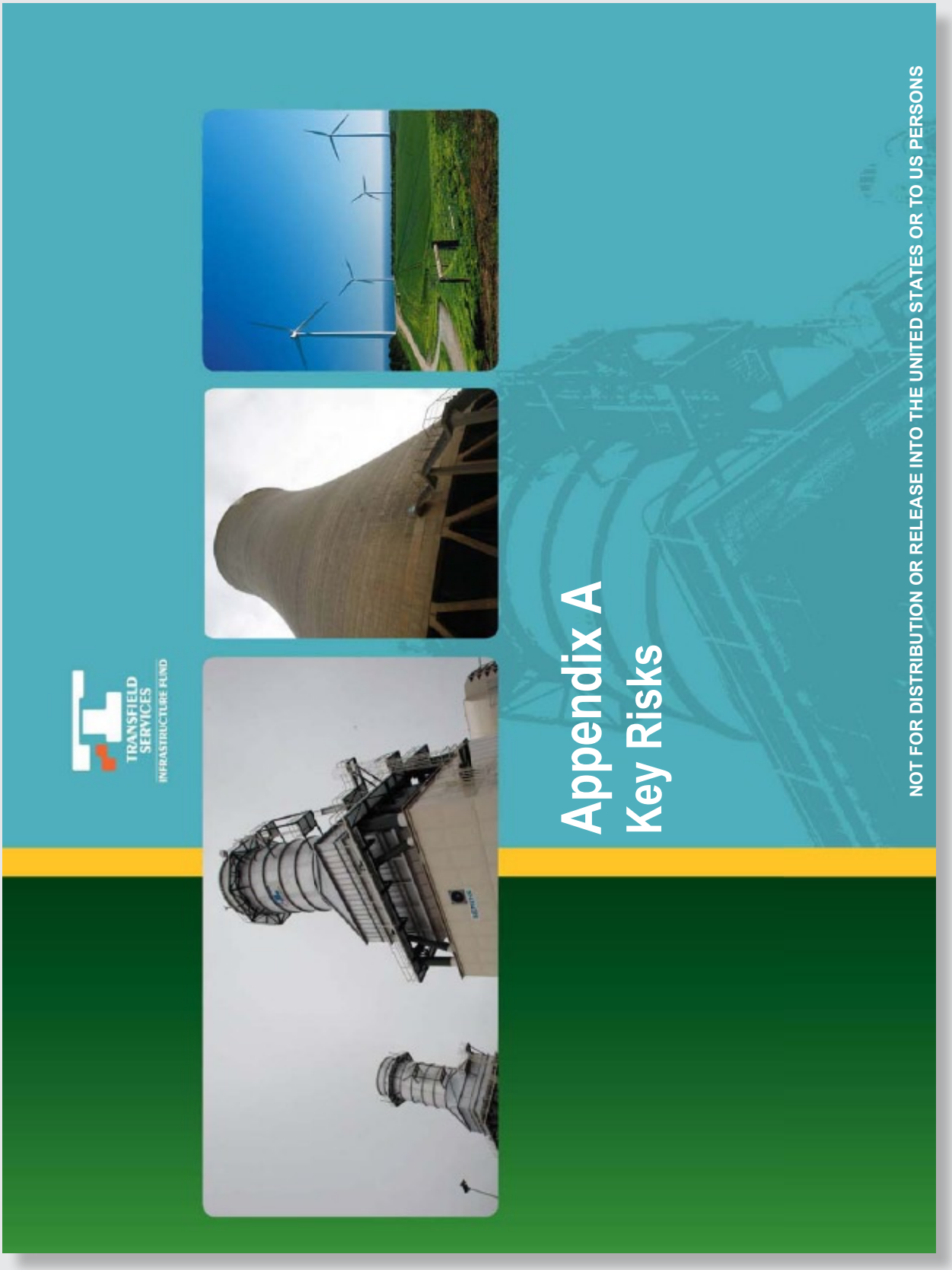
Conclusion

TRANSFIELD SERVICES INFRASTRUCTURE FUND

1. Diversified portfolio of **high quality essential infrastructure assets** with demonstrated **strong historical performance**
2. **Long term contracted** assets producing **predictable and reliable** cash flows
3. **Successful** outcome of the Capital Structure Review
   - Sale of an asset that reflects **an attractive valuation at more than 13x FY10F** normalised EBITDA
   - **Refinancing risk substantially reduced** by extending corporate-level **debt maturity to May 2015**, at a **market competitive** interest rate
   - Asset sale and Equity Offer **reduces Estimated Net Debt (as at 30 June 2011) to FY11F EBITDA to 4.7x**, with pro forma **gearing at 51%** as of 31 December 2009
4. **Attractive yield of 11.7%** (based on FY11 forecast distribution of 8.2 cents per security and an offer price of $0.70), fully funded from **operating FCF and not reliant on LYA** cash distributions
5. **Potential upside** through **exposure to renewables** market and **LYA cash distributions**


TRANSFIELD SERVICES
INFRASTRUCTURE FUND
Appendix A
Key Risks
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Outline of Key Risks

TRANSFIELD SERVICES INFRASTRUCTURE FUND

- This section identifies some of the key risks associated with an investment in TSI Fund. The risks highlighted in this section do not purport to be an exhaustive list of all the risk factors that may impact the future financial performance of TSI Fund. Before investing in TSI Fund, you should carefully consider the risks described here in light of your personal circumstances, together with all other information in this Presentation and other relevant publicly available information, and consult your professional adviser before deciding whether to apply for, or invest in, TSI Fund securities.
- If any of the following (or other) risks to TSI Fund materialise, TSI Fund's business, financial condition and operational results are likely to suffer. In those circumstances, the trading price of TSI Fund securities may fall and you may lose part or all of your investment, and/or TSI Fund's financial position, financial performance or cash flows may be lower than expected, with TSI Fund's ability to pay distributions being reduced accordingly.
- The forecast financial information contained in this Presentation has been prepared by management and adopted by the directors of TSI Fund (Directors), and is based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties and contingencies (many of which are beyond the control of TSI Fund and the Directors), and upon assumptions with respect to future business decisions, which are subject to change.
- The inclusion of forecast financial information in this Presentation should not be regarded as a representation or warranty with respect to its accuracy or the accuracy of the underlying best estimate assumptions or that TSI Fund will achieve, or is likely to achieve, any particular results. This information also assumes the success of TSI Fund's business strategies. The success of these strategies is subject to uncertainties and contingencies beyond the Directors' and management's control, and no assurance can be given that the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forecast financial information has been prepared or otherwise.
- Events and circumstances often do not occur as anticipated and therefore actual results are likely to differ from the forecast financial information. These differences may be material. TSI Fund's operations are subject to many external factors which can materially impact its financial performance. These factors include but are not limited to the risks outlined below.
- The Directors believe that due care and attention has been used in the preparation of the forecast financial information, and consider the assumptions to be reasonable when viewed as a whole. The Directors cannot and do not guarantee the achievement of the forecast financial information. The information is not fact and prospective investors are cautioned not to place undue reliance on it.

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Key Transaction Specific Risks

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Sale of Mt Millar Wind Farm

- The sale of the shares in Mt Millar Wind Farm Pty Ltd (the company that owns the Mt Millar wind farm) to Meridian is subject to a number of conditions including the release of a guarantee of Mt Millar Wind Farm Pty Ltd's obligations under an agreement with ElectraNet Pty Ltd.
- TSI Fund intends to use the proceeds from the sale of Mt Millar Wind Farm Pty Ltd to repay debt (net of costs) and interest. TSI Fund will not be able to draw down on its refinancing facilities until completion of the sale takes place and the proceeds applied.
- Further, Transfield Services Infrastructure Limited has provided a parent guarantee with respect to the obligations, warranties and indemnities of TSI SA Wind Farms Pty Ltd (the current owner of Mt Millar Wind Farm Pty Ltd) in the share sale agreement, including with respect to an indemnity over future revenue loss arising out of cable failures at the Mt Millar wind farm site on or before 31 December 2011. Any claim under the indemnity must be brought by 31 March 2012. Although that indemnity is limited to the extent that Meridian cannot recover such future revenue loss from other sources (including from insurance or from the current contractor at the Mt Millar wind farm), a claim under that indemnity may adversely affect TSI Fund.

Refinancing

- The agreement by TSI Fund's financiers to refinance and amend TSI Fund's corporate-level debt facilities is reflected in a credit approved binding terms sheet, rather than fully documented facilities. The terms sheet includes conditions which TSI Fund must satisfy, the non-satisfaction of which will affect the ability of TSI Fund to complete the refinancing, without the consent of, or the waiver of the relevant condition by, its financiers. Any failure to complete this refinancing or the Equity Offer will mean current debt facilities, which mature in September 2011, will remain in place and no assurance can be given that TSI Fund will be able to refinance those facilities (or will be able to refinance them on terms acceptable to TSI Fund).
- Any failure to refinance the existing corporate-level debt facilities, or a refinancing on terms adverse to TSI Fund, could have a material adverse effect on TSI Fund's ability to service distributions. Failure to refinance the existing corporate-level debt facilities (including because of a failure to reach final agreement with respect to definitive documentation) maturing in September 2011 will give its financiers the right to proceed against TSI Fund. The conditions include the entry into definitive documentation in relation to the refinancing and related security packages by TSI Fund and its financiers.
- Once TSI Fund's amended corporate-level facilities are in place, TSI Fund will be exposed to risk relating to the refinancing of those arrangements on or before their maturity. If these debt facilities are not refinanced before they mature and are required to be repaid, it is possible that TSI Fund will need to sell assets for less than their fair value in order to repay the facilities, which would impact TSI Fund's future cash flows. If the amounts cannot be repaid, secured financiers could proceed against the security granted to them to secure debt owed. Changes in the availability or the cost of debt may impact TSI Fund's earnings and may impact its financial performance and ability to conduct its operations.
- The underwriters of the Equity Offer have entered into an underwriting agreement with TSI Fund on 10 May 2010. Under the terms of the underwriting agreement, the underwriters of the Equity Offer may terminate their obligations upon the occurrence of certain events including among other circumstances: if a statement in the offer documents becomes false, misleading or deceptive, the occurrence of certain materially adverse new circumstances, if in the reasonable opinion of the JLMs TSI Fund is required to give a correcting notice, if there is fall in the ASX 200 Index by a specified amount, if TSI Fund ceases or is forcibly suspended from its listing on the ASX or are refused unconditional (or customarily conditional) approval to the official quotation, if ASIC gives notice of an intention to hold a hearing in relation to TSI Fund or the Equity Offer, if the Equity Offer does not proceed in accordance with the timetable, if TSI Fund withdraw an offer document or the Equity Offer, if the ASX withdraws or amends waivers necessary for the Equity Offer, if management of TSI Fund changes without the JLMs' consent, if proceedings are commenced against TSI Fund or a director, if the forecast financial information set out in Section4 and Appendix B of this Presentation becomes incapable of being met or, in the reasonable opinion of the JLMs, becomes unlikely to be met (subject, in each case, to certain exceptions), if TSI Fund defaults on a material financing arrangement, if any amendment to TSI Fund's constitution is subject to regulatory challenge, if TSE withdraws its commitment to subscribe for the portion of its entitlement or sub-underwrite as described in this Presentation or becomes incapable of doing so, or if a TSI Group Member becomes insolvent. Other termination events subject to materiality include: the occurrence of certain new circumstances, if certain statements with respect to future matters become incapable of being met or, in the reasonable opinion of the JLMs, become unlikely to be met, if international hostilities arise or a terrorist attack is perpetrated on a number of significant countries, if there is an adverse change in economic or political conditions, if new law may adversely affect regulation of the Offer, if the constitutions of TSI Fund are amended without consent of the JLMs, if there is a change in the responsible entity of the Trust, if there is a regulatory contravention by TSI Fund, if TSI Fund defaults in its performance of any of its obligations under the Underwriting Agreement, if a warranty contained in the Underwriting Agreement on the part of TSI Fund becomes untrue or incorrect, or if any member of the TSI Group alters its capital structure other than as a result of the Equity Offer without the prior written consent of the JLMs.
- There is a risk that if the underwriters exercise their right to terminate the underwriting agreement and the Equity Offer proceeds required to repay the amount of debt required to be repaid under the refinancing are not raised, TSI Fund's amended corporate-level debt facilities will not become effective, which will have a material adverse effect on TSI Fund.

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Key TSI Fund-Specific Risks

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Contracting, Recontracting and Renewal

- As at the date of this Presentation, TSI Fund is in negotiations with potential counterparties to Continuous Operations and Weekend Operations Agreements in respect of the Collinsville and Townsville power stations, respectively. Any failure to reach agreement in respect of these Continuous and Weekend Operations Agreements would mean that the estimated amounts expected to be generated under these agreements would not be realised and so would not form part of TSI Fund's EBITDA in FY10 or FY11 and may affect its ability to pay future distributions. The FY11F EBITDA includes an mount of $4.3m in relation to Collinsville Continuous Operations.
- TSI Fund and its subsidiaries have contracts with a number of counterparties. There is a risk that contracts may not be renewed or capacity recontracted (or, if renewal or capacity recontracted, on terms materially less advantageous to TSI Fund), which may adversely impact TSI Fund. For example, in relation to its existing and future wind farm portfolio, upon expiry of current contracts, there is no guarantee regarding the ability to enter into further long term offtake contracts and TSI Fund would be subject to the normal risks associated with merchant wind generation and trading of that generation on the NEM.
- Similarly, the Collinsville PPA expires in 2016 and no assurance can be given that it will be replaced. TSI Fund has commenced a feasibility study, which will explore alternative uses and strategies for the Collinsville power station. However, no assurance can be given that those alternative uses or strategies will be suitable. Any failure to replace the Collinsville PPA or any unsuitable utilisation of the asset may have a material adverse impact on TSI Fund's financial position, financial performance or cash flows, and gives rise to a risk of impairments in the form of non-cash write downs.

LYA Refinancing

- The $455m Tranche A of LYA's debt facilities matures in November 2010. LYA is currently negotiating the refinancing of Tranche A with its financiers. That process is at an early stage and is not expected to be completed until late 2010. Whilst TSI Fund expects that the terms of the refinanced facilities will permit the release by LYA of approximately $2.3m in cash distributions in FY11 to TSI Fund, and increasing cash distributions thereafter, the outcome of the renegotiations may result in these funds being unavailable to TSI Fund. Were this to eventuate, it would reduce TSI Fund's financial flexibility going forward.

LYA economic hardship

- In relation to the 22 year base load electricity supply contracts between Alcoa and LYA (Alcoa Contracts) (in which TSI Fund has a 14.03% stake), as announced on 1 March 2010, the terms and conditions include review provisions relating to the economic performance of the parties to the contract. Accordingly, there is a risk that LYA will not be able to pass on to Alcoa any "economic hardship".

Asset Impairment

- Accounting standards require an assessment at each reporting date as to whether there are indicators for an impairment of the recoverable amount of assets. An opportunity exists for the Collinsville plant to be changed from a coal fired to gas fired plant after expiry of the current PPA in 2016. The TSI Fund Board has resolved to engage a third party to undertake a technical feasibility study for gas re-powering, the results of which should be known in June 2010.
- At this point in time, TSI Fund is not able to determine whether an indicator of impairment will exist as at the next reporting dates, 30 June 2010, 31 December 2010 and 30 June 2011. Accordingly, it is not possible to determine whether an impairment charge will be required, nor the amount of any such charge that may be required at those times. In relation to Collinsville, a possible trigger may be the outcome of the feasibility study and further discussions with proposed suppliers and other counterparties. Hence, at this time, TSI Fund cannot forecast whether an impairment charge would be incurred, and whether that would affect its forecast financial statements. If TSI Fund concluded that re-powering with gas was not feasible and that continued operation as a coal fired plant was no longer viable, then it may be required to recognise an impairment charge of up to $40m, possibly as early as the FY10 financial statements.
- Further, if it is determined that the plant will be changed to a gas fired plant, existing coal-specific assets would need to be depreciated over the shorter period to 2016 rather than their existing useful life to 2030. If this accelerated depreciation was to be incurred from 1 July 2010, the incremental depreciation charge for the each of the 5 years to FY16 would be in the range of $4m to $5m. Neither this accelerated depreciation charge nor an impairment charge would affect cashflows available for distribution or the financial covenants under the debt facility agreements.

Operations

- TSI Fund is exposed to a number of operational risks including equipment failures, major plant breakdowns, information technology system failures, industrial action or disputes and other unforseen accidents. Each asset is exposed to unplanned interruptions caused by significant catastrophic events such as natural disasters, sabotage and acts of terrorism.
- Operational disruption, as well as supply disruption, could adversely impact the cash flows available from the assets of TSI Fund. Costs of repairing or replacing damaged assets could be considerable and unforseen inability to obtain fuel or water supplies, may result in reduced cash flows for TSI Fund, loss of key contracts, substantial litigation or penalties for regulatory or commercial non-compliance. Operational or supply disruptions may result in lower revenues than forecast and result in a mismatch of exposures under hedging and offtake agreements.
- TSI Fund is exposed to the risk of accidents which may result in injury or loss of human life, employee compensation claims, damage to infrastructure and short or long term closure. Whilst TSI Fund has insurance policies in place to cover these types of risks (and may also have insurance to cover losses from operational and supply disruptions), the insurance policies may not cover the full amount of loss.
- TSI Fund may also be exposed to escalating operating costs, including insurance costs as well as increased labour costs, spare part costs, water supply costs and other costs which increase the O&M costs borne by TSI Fund.
- TSI Fund's assets may face financial exposures under contractual arrangements such as PPAs or other offtake arrangements or electricity hedges if it is unable to operate at full capacity when required, as it may have to buy electricity at pool prices to meet its commitments if it cannot generate the electricity. TSI Fund also faces risks under LYA's agreements for the supply of coal and services to Loy Yang B power station if there are interruptions to those services or the services do not comply with the stipulated specifications.

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Key TSI Fund-Specific Risks cont.

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Availability of Wind

- TSI Fund has a portfolio of three wind farms and a strong pipeline of potential wind farm development projects. These assets are heavily reliant on the consistent availability of wind on site. In any given year, the annual output from a particular wind farm may differ materially from the long-term average. Poor availability of wind may have an adverse impact on the operating and financial performance of TSI Fund.

Interest Rates and Foreign Exchange Rates

- TSI Fund's borrowings, including borrowings under its amended corporate-level debt facilities, may at times be denominated in a foreign currency. Borrowings are potentially exposed to adverse interest rate and foreign currency movements. While this risk may be reduced through interest rate and foreign currency hedging, some exposure often remains. The cost of hedging may also increase which may result in an adverse impact on TSI Fund's financial performance.
- Movements in interest rates may also affect the appropriate discount rate to be used to value the projected cash flows from each individual asset or investment.
- Interest rates also impact the cost incurred in breaking existing swaps as part of the debt refinance. Swap break costs have been estimated using current market pricing. If market pricing is different at the date that the swaps are actually broken (assumed to be 31 May 2010), then the swap break costs will also change. Indicative modelling estimates that a 10 basis point change in interest rates could result in swap break costs changing by $2.7m.

Hedge Contracts

- Loy Yang Marketing Management Company Pty Ltd (LYMMCo), the agent for LYA in relation to dispatch and marketing activities, enters hedge contracts in order to manage the risks associated with short term spot prices available on the NEM on behalf of Great Energy Alliance Corporation Pty Ltd (GEAC), the company owning LYA. However, these hedge contracts also expose GEAC to financial losses in circumstances where LYA is not generating sufficient electricity to satisfy its contract position when spot prices are above the level of the agreed price under the hedge contracts. This may occur if LYA had a forced (or unscheduled) outage.
- Revenues from LYA will be adversely affected if LYMMCo has entered a hedge contract which is an in-the-money hedge but is not able to be settled due to the default of the counterparty.
- TSI Fund sometimes enters into hedge contracts which relate to electricity prices in states other than Victoria. Such contracts may not fully offset the effect of a change in such prices on TSI Fund.

Future Distributions and Franking Capacity

- No assurances can be given in relation to the payment of future distributions. Future determinations as to the payment of distributions by TSI Fund will be at the discretion of the Directors and will depend upon the availability of distributable earnings, the operating results and financial conditions of TSI Fund, future capital requirements, covenants in relevant financing agreements, general business and financial conditions and other factors considered relevant by the Directors.

Financing

- TSI Fund's ability to implement its business strategy may depend in part on its ability to raise new capital and/or secure appropriate funding at competitive rates in a timely manner. No assurances can be given that funding will be available on terms acceptable to TSI Fund. Failure to obtain funding, or obtaining funding on terms adverse to TSI Fund, may affect TSI Fund's ability to grow and may adversely impact TSI Fund's financial condition and its ability to pay future distributions.

New Investments

- TSI Fund may invest in new assets and opportunities, including investments which may have a different profile to the current assets in TSI Fund. In particular, TSI Fund may invest in greenfield assets (which have development risk) or may invest a greater proportion of its funds in assets with uncontracted revenue streams. Further, TSI Fund may invest in assets with different growth profiles and, as a result of the reallocation of its cash flow to such assets, may not continue to fully fund distributions out of operating cash flows.
- TSI Fund may also choose to make foreign investments which are subject to additional risks not involved in domestic investments. Foreign investments made by TSI Fund could be materially affected by inflation, currency devaluation, interest rate changes, exchange rate fluctuations, changes in government policies, different business environments, natural disasters, armed conflicts, political or social instability and other developments affecting foreign countries.

General Regulatory Environment

- TSI Fund operates in highly regulated industry segments. TSI Fund may be affected by changes to government policies and legislation, including those relating to the energy industry, the environment, taxation, the regulation of trade practices and competition.
- Future changes in law or in the interpretation of law may materially adversely impact TSI Fund including increasing the costs (including taxes and duties) associated with the Capital Structure Review initiatives and the ongoing businesses of TSI Fund, including to TSE as the contractor under the O&M Alliance Agreement (OMAA).
- Operating in electricity markets such as the National Energy Market (NEM) and Western Australian Energy Market (WEM) involves being subject to laws and regulations which may change. Changes to the regulatory environment TSI Fund operates in can impose additional capital and operational obligations on TSI Fund and may impact it adversely.

General Environmental Regulations

- National and State environmental laws and regulations set various standards regarding certain aspects of health and environmental quality, provide for penalties and other liabilities for the violation of such standards, and establish in certain circumstances, obligations to remediate current facilities and locations where operations are, or were, previously conducted. There is a risk that liability could be imposed on TSI Fund, its associated entities or subsidiaries.
- There is also a risk that future changes to legislation relating to water usage and recycling could have an adverse impact on the operations of the assets or cash flows of TSI Fund.

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Key TSI Fund-Specific Risks cont.

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Climate Change Legislation and Regulation

- There is growing recognition that carbon dioxide emissions from energy consumption potentially contribute to global warming, greenhouse effects and climate change. A number of governments or governmental bodies, including those in Australia, have introduced or are proposing regulatory mechanisms in response to the potential impacts of climate change and greenhouse gas emissions. In Australia, the regulatory mechanisms which have been introduced include emissions reporting and renewable energy targets (RET), and the proposed mechanisms include a carbon pollution reduction scheme (CPRS).
- In relation to RET, on 26 February 2010, the Government announced a major structural change to the RET scheme (RET Scheme), by splitting it into the Small-scale Renewable Energy Scheme (SRES) and the Large-scale Renewable Energy Target (LRET). These proposed changes, which have not yet been introduced into parliament, are intended to address the drop in the price of Renewable Energy Certificates (RECs) in 2009. Until the restructure of the RET Scheme is finalised (which depends on it being successfully passed into law), the impact on TSI Fund's business and financial performance and condition remains uncertain.
- There is no guarantee that, even if the RET Scheme is restructured according to the Government's announcements, medium-to long-term REC prices will recover to a point where new wind farms are viable. If REC prices do not recover to such a point, the cash flows in, and value of, assets in TSI Fund's wind farm portfolio and the value of its first right to acquire TSE's wind farm opportunities may be adversely affected.
- In relation to the proposed CPRS, on 2 February 2010, the Government introduced a CPRS legislative package comprising 11 Bills into the House of Representatives. The Government recently announced that the implementation of a CPRS would be delayed until 2013 at the earliest, and no assurance can be given that a CPRS or any other climate change legislation, regulation or policy will be implemented. The mechanisms described above could directly or indirectly materially impact the cash flows in, and value of, assets in TSI Fund's portfolio. As regards its wholly-owned assets, TSI Fund may be protected from the financial impact of the CPRS legislation as proposed on 2 February 2010 through its contractual arrangements, but whether, and to what extent, TSI Fund is impacted by a CPRS or by other climate change legislation, regulation or policy ultimately depends on the specific form of legislation or regulation that may be passed into law (or policy that is adopted), and the specific provisions of each relevant contract.
- Some of TSI Fund's power station assets, such as the Collinsville Power Station, emit relatively high levels of carbon dioxide, and they, and any contractual arrangements associated with them, may be adversely impacted by the CPRS or the imposition of a carbon tax regime. Such impacts may include direct costs of any carbon tax as well as increased working capital requirements associated with any carbon trading / permit regime.
- Further, in relation to the 22 year base load electricity supply contracts between Alcoa and LYA (Alcoa Contracts) (in which TSI Fund has a 14.03% stake), as announced on 1 March 2010, the arrangements can be reviewed by either party if there is a material adverse change to the CPRS as proposed on 2 February 2010 before December 2013. However, as noted above, the Government recently announced that the implementation of a CPRS would be delayed until 2013 at the earliest, and no assurance can be given that a CPRS or any other climate change legislation, regulation or policy will be implemented.
- Further, TSI Fund's amended corporate-level debt facility includes a term providing that if CPRS legislation is enacted and results in TSI Fund failing to meet certain financial ratios (based on an agreed model), cash available to equity will be applied to repay debt until such time as the ratios are met. Moreover, if TSI Fund and its financiers fail to agree a model incorporating the financial impact of CPRS on TSI Fund, this will result in TSI Fund's cash being locked up.
- Although the precise terms of any proposed mechanisms are unclear, from a medium- and long-term perspective, the regulation of greenhouse gas emissions in Australia is likely to become more stringent and TSI Fund is likely to see changes in the returns on greenhouse gas-intensive assets and energy-intensive assets as a result of regulatory impacts on the industry in which TSI Fund assets operate. Until the CPRS is finalised (which depends on it being successfully passed into law), the impact on TSI Fund's business and financial performance and condition remains uncertain. It will depend on, among other things, energy efficiency, the development of low emissions technology and the carbon price.

Licenses and Permits

- There is a risk that a particular asset does not have, might not obtain, or might lose, permits or licences necessary for it to operate. The conditions of those licences and permits may change over time, or new licences or permits may be required. The cost of compliance may not be fully recoverable from customers. The responsible entity of the Transfield Services Infrastructure Trust (TSIT) is required to hold an Australian Financial Services License (AFSL). In certain circumstances, ASIC can take action to suspend or cancel the AFSL of a responsible entity in which case it would be necessary to locate a replacement responsible entity for the TSIT, or if a replacement responsible entity is not appointed, to wind up TSIT.

LYA Uncontracted Revenues and Adverse Movements in Electricity Prices

- LYA's revenues are derived from sales of electricity into the spot market via the NEM. While LYA enters into short term hedge contracts with retailers and other parties to manage spot price volatility, it remains subject to adverse movements in the medium to long term electricity spot price. Such adverse movements may have a material adverse effect on TSI Fund's financial position, financial performance or cash flows.
- Key factors that may impact the spot price for electricity available from sales into the NEM and the price of forward hedge contracts are:
  - The bidding behaviour of generators in the NEM;
  - The current and future supply of electricity generation capacity;
  - The level of demand in the market;
  - Weather patterns;
  - Regulatory and political changes to the market system or structures;
  - The price of fuel to existing and potential new entrant power stations;
  - The capacity of interconnectors between different regions; and
  - The level of vertical integration in the market (which may impact liquidity or demand for contracts in the wholesale hedging market).

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Key TSI Fund-Specific Risks cont.

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Ongoing Provision of Management and O&M Services

- The operational and corporate services which underpin the performance of TSI Fund's assets are governed by the contractual relationships established by the MSA and the OMAA. TSI Fund is therefore reliant on TSE as the manager under the MSA and as the contractor under the OMAA to perform and has only limited replacement rights.
- In addition, each of the MSA and the OMAA provide each of TSI Fund, TSE as the manager under the MSA and TSE as the contractor under the OMAA with rights to terminate in specified circumstances. This means that there can be no assurance that TSE (or its subsidiaries) will remain in the role of manager under the MSA and provider of operational and corporate services to TSI Fund's assets, or that the relationship between TSI Fund and TSE will continue. In the event that TSE (or its subsidiaries) are no longer bound to provide the services set out in the MSA or the OMAA, TSI Fund will no longer be availed of the skills and contacts of TSE (or fully availed of those skills and contacts, if only one of the agreements ceases to apply). Additionally, if the MSA is terminated, TSI Fund will lose access to the "Transfield Services" name and associated branding.

Change of Control

- Under the terms of the MSA and OMAA, TSE (as Manager under the MSA and contractor under the OMAA) has a discretion (but not an obligation) to terminate the MSA and OMAA in the event of a change of control of TSI Fund.
- There is no ability for TSI Fund to terminate the MSA or OMAA in the event of a change of control of TSI Fund or if the responsible entity is removed and a new responsible entity is appointed.
- If the MSA and OMAA are not terminated by TSE then the fees to be paid to TSE (as the manager under the MSA and as the contractor under the OMAA) would continue to be paid. Accordingly, a person considering appointment as responsible entity or taking over TSI Fund may have a disincentive as they would not necessarily be able to appoint their own manager or manage and operate and maintain the assets of TSI Fund themselves.
- These restrictions may have an adverse effect on the price of TSI Fund securities if TSI Fund does not perform as expected.
- TSI Fund's corporate-level debt facilities (as amended as contemplated by the term sheet) include a change of control review event.

Joint Ventures

- TSI Fund is in a number of partnerships in relation to the ownership of its assets. Structures of this type impose a number of constraints that do not exist where the asset is fully owned. In most cases, TSI Fund cannot make business decisions without consultation with (and, in many cases, unanimous agreement of) the other co-owners, including in relation to cash distributions from these assets. TSI Fund's ability to sell its interest in these assets sometimes requires the prior approval of the co-owners, or (in some cases) is subject to pre-emptive rights. Disagreements between joint venture partners and delays in the approval process may adversely impact the value of the assets.

Counterparties

- TSI Fund and its subsidiaries are party to sales contracts or hedge agreements with a number of energy retailers and other counterparties. Whilst these parties currently have acceptable credit profiles, there is a risk that these parties may be unable to meet their financial obligations which may adversely impact TSI Fund.

Potential Liquidity

- Power generation assets are by their nature illiquid investments. Therefore, it may not be possible for TSI Fund to dispose of assets in a timely manner or at attractive terms. To the extent that TSI Fund invests in assets for which there may be only a limited number of potential investors, the realisable value of those assets may be less than fair value.
- There is also a risk that future changes to legislation relating to water usage and recycling could have an adverse impact on the operations of the assets or cash flows of TSI Fund.

Competition

- TSI Fund faces competition from other organisations within the power generation market. TSI Fund also operates with the threat of new competition entering the market.
- Competition may lead to an oversupply of power generation, which will affect existing energy prices. The existence of such competition may have an adverse impact on the ability of each power generation asset to secure energy supply contracts on attractive terms following the expiry of any existing contracts that are in place, which in turn may impact TSI Fund's financial performance and returns to investors.

Employees

- The loss of key management personnel who have particular expertise, or the inability to attract new qualified personnel, may influence the future earnings of TSI Fund.

Litigation

- Litigation risks relating to TSI Fund include, but are not limited to, contractual claims, native title claims, tenure disputes, environmental claims, occupational health and safety claims, employee claims, regulatory disputes, legal actions from special interest groups, as well as third party losses resulting from power station disruption.

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Key General Investment Risks

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Taxation

- The forecast cash flows of TSI Fund are in part based on TSI Fund's interpretation of the application of Australian tax law to TSI Fund. If Australian taxation authorities take a contrary view in their interpretation of Australian tax law in relation to TSI Fund, this could have a material adverse impact on those forecast cash flows.
- Future changes in Australian or New Zealand tax law, including changes in interpretation or application of those laws by courts or taxation authorities in Australia or New Zealand (or acceptance by courts of certain interpretations of such laws by tax authorities in Australia or New Zealand (including in relation to past transactions)), may affect taxation treatment of an investment in TSI Fund securities, or the holdings and disposals of those securities. Tax considerations may differ between securityholders and, therefore, prospective investors are encouraged to seek professional tax advice in connection with any investment.
- Further, changes in law, or changes in the way tax law is, or is expected to be, interpreted in the various jurisdictions in which TSI Fund operates, may impact the tax liabilities of TSI Fund (including in relation to past transactions). Those changes may also adversely affect the taxation treatment of entities in TSI Fund and that may in turn adversely affect the value of TSI Fund securities or distributions on those securities.
- Changes in tax legislation may increase the amount of tax paid by TSI Fund or affect the treatment of tax losses that may otherwise have reduced the amount of tax paid by TSI Fund, having an adverse impact on the cash flows of TSI Fund or holders of TSI Fund securities.
- Further, there is a risk that Federal or, where relevant, State or Territory governments could alter tax regimes applying to TSI Fund. It is possible that governments may also, through taxation incentives, subsidies or penalties, encourage the use of alternative energy sources. These factors may materially adversely affect TSI Fund or securityholders (although the impact of any future change in law is difficult to predict).
- Finally, as TSI Fund consists of three entities (two companies and a trust) in a stapled arrangement, any changes in the tax laws that specifically affect stapled entities, or changes to the administration of current laws that affect stapled arrangements or the characterisation of transactions between stapled entities, could adversely affect securityholders' interests.

Force majeure

- Force majeure refers to an event beyond the control of the party claiming that the event has occurred, including natural disasters, sabotage and acts of terrorism. Some force majeure risks are uninsurable and, to the extent that such events occur, there may be materially adverse effects on TSI Fund.

Changes in Accounting Policy

- Accounting standards may change. This may affect the reported earnings of TSI Fund and its financial position from time to time.

General Economic Conditions

- Changes in prevailing economic conditions in Australia and other countries around the world may have a negative impact on TSI Fund's financial performance, distributions and the market price of TSI Fund securities. Relevant economic factors include, but are not limited to:
  - international and domestic stock markets;
  - the long term bond rate;
  - inflation rates, interest rates, commodity prices and exchange rates;
  - gross domestic product;
  - employment levels and consumer spending;
  - consumer and investment sentiment;
  - government policy, legislation, regulation and taxation;
  - the nature of competition in the markets in which TSI Fund operates; and
  - other factors such as international hostilities and acts of terrorism.
- The global financial crisis continues to impact these factors to varying extents in different regions.

Market Volatility and TSE's Securityholding in TSI Fund

- The price at which TSI Fund securities trade on ASX may vary from time to time and may or may not exceed the Equity Offer price.
- The sale of a large parcel of TSI Fund securities (whether by TSE or by any other party) may cause fluctuation in the price at which TSI Fund securities trade on ASX from time to time.
- Although TSE's percentage securityholding in TSI Fund may fall as a result of the Equity Offer, it is TSE's current intention to maintain a material holding in TSI Fund in the long term. However, in the event of future capital raisings, TSE may not participate, which may reduce its future holding in TSI Fund.

Appendix B
Financial Information

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Basis of Preparation of Financial Information

- The financial information in Section 4: Financial Information has been presented in an abbreviated form. It does not contain all of the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.
- The historical and forecast income statements on slide 19, the historical and forecast cashflows available for distributions on slide 21 and the pro forma balance sheet on slide 22 have been reviewed by PricewaterhouseCoopers Securities Ltd, whose Investigating Accountant's Report is included in Appendix D.
- Information was extracted from TSI Fund's audited financial statements for FY09 in preparing the historical consolidated income statement and cashflows available for distributions for FY09. Information was extracted from TSI Fund's reviewed financial statements for HY10 and unaudited management accounts for the three months ended 31 March 2010, which together with forecast financial information for the three months ending 30 June 2010 was used in preparing the pro forma forecast income statement and cashflows available for distributions for FY10.
- The historical and forecast income statements and cashflows available for distributions for FY09 and FY10 are presented on a pro forma basis so as to exclude the income and cashflows attributable to the divested Mt Millar wind farm, the difference between interest expense/paid under the existing finance facilities and those forecast from the debt refinance, as well as the income and/or cash effect of non-recurring, non-operating items of revenue and expense. Reconciliation of the FY10 pro forma to FY10 statutory forecast income statements and cashflows available for distributions are included later in this Appendix B: Financial Information.
- The historical and forecast income statements and cashflows available for distributions for FY09 to FY11 have not been normalised for abnormal changes in operating items. For example, the abnormal level of liquid fuel usage at Kemerton in FY09, the floods which affected Collinsville availability in FY09 and the step down in the Townsville contract in FY10 and FY11 have not been normalised in the figures presented.
- Other financial information included in Section 4: Financial Information has been provided for information purposes using management information extracted from financial models.

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Material Assumptions Underlying the Forecasts

EBITDA

Revenue

Revenue from the wholly owned power stations and wind farms is approximately 88% contracted for FY11. The forecasts for FY10 and FY11 are consistent with the provisions in each contract and assume that each asset is able to meet the contracts' performance obligations.

Presently uncontracted revenue from the wholly owned power stations and wind farms, primarily being $4.3m of revenue from Collinsville and $9.5m of revenue from Starfish Hill in FY11, is forecast based on contracts expected to be negotiated or currently being negotiated with identified customers, sales into the grid, or other existing arrangements according to documented terms or customary practice. REC prices for Starfish Hill are based on management expectations having regard to current spot and forward REC observable in the market.

Fuel and Operating Costs

The majority of fuel costs for Collinsville are passed through to the offtaker. Fuel costs for Townsville and Kemerton are borne directly by the offtakers. The forecasts assume that these arrangements continue. Planned usage of liquid fuel at Kemerton is assumed to be minimal.

O&M costs are forecast consistent with the costs borne by TSI Fund under the OMAA. Maintenance expenses are forecast based on scheduled maintenance cycles.

The technical and operating assumptions underlying the assumed performance standards (e.g. availability, plant efficiency, wind assumptions, asset lives and condition) at each of the wholly owned assets which underlie the forecast revenues, fuel and operating costs have been reviewed by an independent consulting engineering company.

Manager Fees and Corporate Costs

Manager fees of $6.2m for FY11 are forecast in accordance with the terms of the MSA and a budget agreed with the Manager. Corporate expenses of $1.9m associated with the running of TSI Fund as a publicly listed entity are forecast based on management's assessment of required cost levels and are assumed to increase each year by inflation.

Share of Net Profits of Equity Accounted Investments and LYA

The share of net profits of equity accounted investments, which includes Macarthur, Yan Yean and Kwinana, are forecast consistent with budgets approved by each of the associate or joint venture management committees.

Investment income from LYA is forecast based on the fixed 10% interest rate accruing on the shareholder loan notes, which had an outstanding balance of $44.5m as at 31 December 2009. The cash distributions received by TSI Fund are forecast based on LYA management's projections of operating cashflows, and TSI Fund management assumptions regarding the outcome of the $455m Tranche A refinancing.

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Material Assumptions Underlying the Forecasts

Depreciation & Amortisation, Interest and Cashflows

Depreciation and Amortisation

Depreciation and amortisation rates are based on useful lives of relevant tangible and intangible assets which have been independently reviewed by an independent consulting engineering company.

The forecast financial information assumes that there are no trigger events which give rise to an impairment charge on non-current assets (which would be a non-cash item). Specific discussion on impairment risk in relation to Collinsville is set out on slide 34.

Interest Expense and Investment Income

Forecast interest expense is based on the terms of the term sheet for the amended corporate-level debt facilities discussed on Section 4: Financial Information.

For the hedged portion of borrowings (87% hedged), interest expense is forecast according to the fixed rates of interest (6.33%) applicable under the relevant interest rate swap hedge agreements. A variable interest rate of 4.6% per annum has been assumed for the unhedged portion (13%) of the borrowings.

The forecast financial information assumes that the interest rate swap agreements will remain effective and qualify for hedge accounting in accordance with Australian Accounting Standards.

Forecast net interest income is earned from infrastructure bonds (which ends in December 2011) based on the Infrastructure Borrowing Agreement relating to Townsville.

Cashflows, Capital Expenditure (including Capitalised Major Maintenance Works) and Working Capital

Capital expenditure is forecast based on planned replacements and maintenance expenditures based on scheduled maintenance cycles and Asset Management Plans, which have been independently reviewed by an independent consulting engineering company.

Dividends and other cashflows received from, or paid to, associates and joint venture entities are based on existing distribution policies or loan arrangements agreed with the relevant joint venture partners.

Cash distributions from LYA are based on TSI Fund's expectation of cash distributions to shareholders according to LYA management revenue, operating expenditure and capital expenditure projections.

Elements of working capital are assumed to be consistent with existing payment terms with customers and suppliers, adjusted for inflation where relevant. RECs generated by Starfish Hill wind farm for the period from January 2010 to April 2010 amounting to $1.3m are assumed to be sold and the relevant cash collected prior to 30 June 2010.

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Sensitivity Analysis

- TSI Fund's forecast financial information is sensitive to movements in the key assumptions used in preparing the forecasts. The sensitivity table demonstrates the potential impact of possible changes in key assumptions on forecast EBITDA and cashflows available for distributions. The key variables included in the sensitivity table are not an exhaustive list of the range of variations which may be experienced and, accordingly, care should be taken while interpreting these sensitivities.
- The sensitivity table should be considered in conjunction with the accompanying discussion of the sensitivity analysis on the subsequent pages. Care should be taken in interpreting this sensitivity analysis. The analysis treats each change in the specific assumption in isolation to the others, whereas in many cases changes may be interdependent, with associated changes having cumulative or mitigating impacts. Proportional variations of the changes presented may not result in a proportional change to the forecast impact.

Change in Assumption	Impact on FY11F EBITDA $m	Impact on FY11F Cashflows $m
FY11 Forecast	**95.4**	**48.5**
Collinsville Continuous Operations Agreement is not signed	(4.3)	(4.2)
Wind at all sites +/- 10% at P50	+/-1.7	+/-1.7
Starfish Hill REC pricing at +/- $10	+/-0.9	+/-0.9
Interest rates change by 50 bps	n/a	+/-0.3
LYA distribution is not received (e.g. change to electricity pool price or final refinance terms agreed with banks)	0.1	(2.3)
Operating costs are 5% more/less than forecast	+/-2.8	+/-2.6
Amendment to Macarthur concession and project-level refinancing	n/a	10.6

43

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Sensitivity Analysis cont.

Collinsville Continuous Operations

The FY11F EBITDA includes an amount of $4.3m in relation to Collinsville Continuous Operations. Discussions in relation to this contract are ongoing and no agreement has been reached. The sensitivity shows the potential impact of no agreement being reached.

Wind Variability

Wind power varies over time, mainly under the influence of meteorological fluctuations. FY11F EBITDA has been forecast assuming wind power at P50 over the course of FY11. The sensitivity analysis illustrates the potential impact of a positive or negative 10% variance around P50.

Renewable Energy Certificates (RECs) Pricing

Starfish Hill is currently uncontracted for FY11F and the forecast revenue is based on management's expected bundled energy prices. The sensitivity analysis illustrates the potential impact of a positive or negative $10 change in the forecast bundled and / or REC prices achieved by Starfish Hill for its output in FY11F.

Interest Rates

The sensitivity tables demonstrate the impact of a 50 basis points increase or decrease in interest rates. The amended debt arrangements require at least 75% of borrowings be hedged (where existing hedge arrangements are greater than 75%). Therefore, when a 50 basis points increase/decrease is applied to interest rates, there is a lower impact of movements in base interest rates, than if they were not hedged.

LYA Distributions

FY11F assumes distributions of $2.3m are received from LYA. There are a number of possible circumstances under which LYA may not pay a distribution. The sensitivity analysis illustrates the potential impact of LYA not paying a distribution. The potential EBITDA impact is not material as the interest receivable on the shareholder loan continues to accrue.

Operating costs

The sensitivity table illustrates the potential impact of a 5% increase or decrease in operating costs. Where operating costs increase by 5%, the OMAA stipulates TSE must share these additional costs by receiving a reduced operator margin. Conversely, when operating costs decrease by 5%, an additional performance related operator margin is payable to TSE.

Macarthur Recontract and Refinance

FY11F reflects the current Macarthur concession agreement and project level financing. Discussions in relation to a recontracting and refinancing are ongoing and no agreement has been reached. The sensitivity shows the potential impact on the forecast of a successful recontracting and refinancing.

44

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Balance Sheet Pro forma Transactions

TSI Fund's consolidated balance sheet as at 31 December 2009 as reported in its HY10 report has been adjusted to reflect the following pro forma transactions as if they had occurred at that date:

- **Sale of Mt Millar Wind Farm**: where gross sale proceeds of $191m are applied to reduce current borrowings – bank by $22.5m and non-current borrowings – bank by $168.5m, a decrease in cash of $2.8m being costs relating to this transaction, a decrease in the assets and liabilities of Mt Millar divested upon the sale (net $27.7m) and a corresponding reduction in reserves being the pro forma loss on the sale of $30.5m.
- **Equity Offer**: being net proceeds of $103.8m applied to reduce non-current borrowings – bank by $72.4m, a decrease in other liabilities by $0.3m being the future tax benefit of deductible offer costs offset against deferred tax liability, an increase in contributed equity of $19.0m (net of tax effected costs of the Equity Offer of $0.8m) (TSIL shares) , an increase in non-controlling interests by $85.1m (TSIT units and TSIIL shares), with the balance of $31.4m retained in cash, part of which will be used to pay for costs associated with the debt refinance discussed below.
- **Costs:** Capital Structure Review costs are expected to be $10.2m of which $3.1m were incurred and expensed in TSI Fund's reported Income Statement for the half year ended 31 December 2009. TSI Fund will pay an amount of $3.6m to TSE in connection with the Capital Structure Review, Equity Offer and debt refinance.
- **The Refinancing of Corporate-Level Debt**: which decreases cash by $29.3m (swap break costs of $17.0m and debt refinance transaction costs of $12.3m), decreases other current assets by $0.1m and increases other non-current assets by $5.3m being the difference between the write-off of capitalised borrowing costs on the existing bank borrowings ($6.8m) and the newly capitalised transaction costs on the debt refinance ($12.3m), a decrease in other liabilities by $21.5m being the write off of the fair value of the swaps (derivatives) as at 31 December 2009 net of tax, and a decrease in reserves and retained profits of $2.6m being the net effect on net profit after tax and cash flow hedge reserve.

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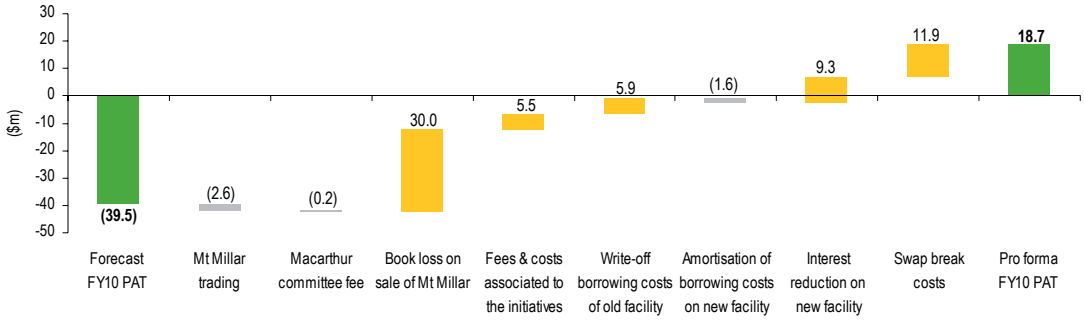
Reconciliation: FY10 Pro forma & Statutory Forecasts

FY10 Forecast EBITDA versus FY10 Pro forma EBITDA

FY10 Forecast Profit after tax versus FY10 Pro forma Profit after tax



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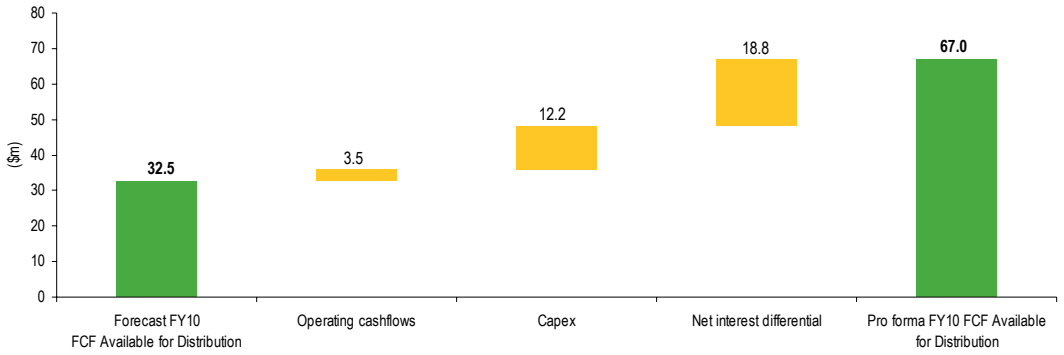
Reconciliation: FY10 Pro forma & Statutory Forecasts

TRANSFIELD SERVICES INFRASTRUCTURE FUND

FY10 Forecast CAFDS versus FY10 Pro forma CAFDS



47

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Appendix C
Overview of TSI Fund's Assets

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Kemerton Power Station

Kemerton Power Station (KPS)	
TSI Fund Ownership	100%
Capacity (MW)	300
Equity (MW)	300
Location	WA
Load Type	Peak
Fuel Type	Gas/Diesel
Contract End Date	Oct-30
Contract Counter Party	Verve Energy

- Open-cycle gas turbine (OCGT) peaking plant developed by TSE and commenced operations in November 2005
- Provides load/availability to the South West Interconnected System (SWIS) in Western Australia
- Capable of operating on either natural gas or liquid (diesel) fuel
- Plant capacity is sold to Verve Energy under a 25 year PPA (expiring in October 2030)
  - KPS receives a payment for available capacity and fixed and variable O&M costs
  - Verve Energy supplies gas at own cost
  - The PPA was expanded by 40MW in 2008 as a result of an increase in capacity arising through a wet compression upgrade project
- FY11 Forecast EBITDA reflects the expected performance excluding the historical contribution from the use of Liquid Fuel

($m)	FY09A	FY10F	FY11F
EBITDA	35.4	33.9	32.5

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Townsville Power Station

Townsville Power Station (TPS)	
TSI Fund Ownership	100%
Capacity (MW)	234
Equity (MW)	234
Location	Qld
Load Type	Base
Fuel Type	Gas
Contract End Date	Feb-2025
Contract Counter Party	AGL/Arrow

- Open Cycle Gas turbine installed in 1999
- Converted to a base load CCGT from an open-cycle peak load plant in 2005 through a $115m TSE redevelopment
- Provides load to the Queensland region of the National Energy Market (NEM)
- All capacity is sold to AGL/Arrow under a 20 Year PPA (expiring in February 2025)
  - TPS receives a payment for available capacity and fixed and variable O&M costs
  - AGL/Arrow supply gas at their own cost
  - PPA expanded by 12.7MW as a result of the gas turbine blade upgrade in October 2008
- First full year of one off PPA step down to be seen in FY11 (approximately $10m impact on annualised EBITDA)

($m)	FY09A	FY10F	FY11F
EBITDA	31.7	28.6	23.7

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Collinsville Power Station

Collinsville Power Station (CPS)	
TSI Fund Ownership	100%
Capacity (MW)	180
Equity (MW)	180
Location	Qld
Load Type	Intermediate
Fuel Type	Coal
Contract End Date	Aug-16
Contract Counter Party	CS Energy

- Coal fired intermediate plant: underwent a $154m refurbishment in 1998
- Provides load/availability to the Queensland region of the NEM
- All output is sold to CS Energy under a PPA (expiring in Aug 2016):
  - CPS receives payments for available capacity, energy actually generated, O&M costs (fixed and variable) and fuel costs
  - Capacity payments 'step down' as the PPA approaches maturity
  - Clause in the PPA granting CS Energy a first right to negotiate an extension to the term of the PPA
- Continuous Operations Agreement in place for summer 2009/10:
  - Ongoing discussions with CS Energy to extend Continuous Operations Agreement for summer 2010/11
- Coal sourced from the Newlands-Collinsville Joint Venture (managed by Xstrata) under a long-term contract which matches the PPA

($m)	FY09A	FY10F	FY11F
EBITDA	21.9	23.8	23.3

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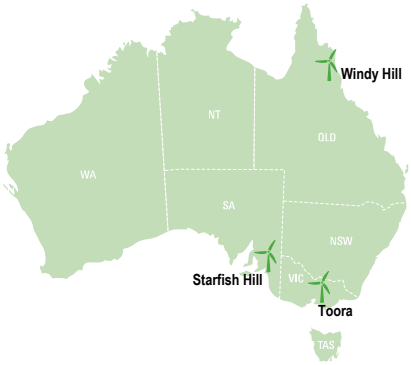
Wind Farm Assets

- Acquired in 2007, the Continuing Wind Farms consist of 3 operating wind farms with total generation capacity of 67.5MW (ex-Mt Millar)
- Wind farms are located in SA, Vic and Qld: providing diversity of wind resource
- Availability of the Continuing Wind Farms has improved from an average of 87% (Jul 08) to over 94% (Mar 10):
  - Improved management of maintenance and spares
- Continuing Wind Farms have operated within +/- 10% of P50 wind model on an annual basis: consistent with industry standards



Wind Farm	Location	Commissioned	Turbines	Equity Capacity (MW)	Contracting Party	Expiry Date	FY09A EBITDA ($m)	FY10F EBITDA ($m)	FY11F EBITDA ($m)
Starfish Hill	SA	2003	23 x NEG Micon (Vestas) NM64C 1.5MW	34.5	AGL (black only)	June 2010	5.6	7.9	8.2
Toora	Vic	2002	12 x 1.75MW Vestas V66	21.0	Energy Australia	2012	2.4	3.2	3.4
Windy Hill	Qld	2000	20 x 0.6MW Enercon E40	12.0	Ergon Energy	2015	1.0	1.6	1.2
TOTAL				**67.5**			**9.0**	**12.7**	**12.8**

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BP Kwinana Cogeneration Plant

BP Kwinana Power Station (KPS)	
TSI Fund Ownership	30%
Capacity (MW)	118
Equity (MW)	35.4
Location	WA
Load Type	Base
Fuel Type	Gas
Contract End Date	Dec-21
Contract Counter Party	Verve / BP

- Gas fired cogeneration base load plant, began operations in December 1996
- TSI Fund has a 30% ownership, with the balance held by IPM Eagle LLP, a partnership between International Power plc and Mitsui & Co
- Provides electrical output to the SWIS in Western Australia and electrical output and steam to the adjoining BP refinery
- Output is sold under an Electricity Supply Agreement (ESA) with BP and a PPA with Verve Energy for 25 years (both expiring in December 2021):
  - Minimum amount of energy must be purchased by each counterparty in any given period
  - ESA with BP provides for fixed capacity payments and payment for back-up electricity by BP if the plant cannot meet BP's actual electricity demand.
  - Gas arrangements are currently being renegotiated to allow BP to toll the gas for their output
  - ESA and PPA also provide for energy payments to cover fuel costs
  - Carbon pass-through under PPA confirmed by BP
- Full repayment of project debt by July 2011

($m)	FY09A	FY10F	FY11F
EBITDA (30% share of PBT)	3.4	3.9	3.7

53

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Loy Yang A Power Station

Loy Yang A Power Station (LYA)	
TSI Fund Ownership	14.03%
Capacity (MW)	2,200
Equity (MW)	309
Location	Vic
Load Type	Base
Fuel Type	Coal
CY09 NPAT (100%) $m	205.5

- Brown coal-fired base load power station with units commissioned between July 1984 and December 1988
- Coal is sourced from the mine located on site which is also owned by LYA
- Among the lowest marginal cost generators in Australia, producing approximately 30% of Victoria's electricity requirements
- Provides load to the Victorian region of the National Energy Market and Alcoa's Victorian smelters
- Alcoa hedge contract announced 1 March 2010:
  - LYA to provide power to two smelters until 2036, commencing 2014 (for Geelong) and 2016 (for Portland)
  - The contract begins in 2014 and expands to approximately 40% of annual output in 2016; with future smelter expansion options the contract could represent more than half of annual output
- O&M undertaken by approximately 500 staff employed by Loy Yang Power Management and complemented by external contractors (recently awarded to TSE through a competitive tender process)
- Project-level debt (excluding shareholder loans) as at 31 December 2009 of $2,754m (non-recourse to TSI)
- TSI Fund owns 14.03% with the balance held by AGL (32.5%), Tokyo Electric Power Company (32.5%), MTAA (12.8%), Westscheme (5.7%) and Statewide Super (2.5%)

($m)	FY09A	FY10F	FY11F
EBITDA (interest on loan note)	4.1	4.1	4.5

54

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Water Filtration Plants

- **Macarthur**
  - Plant commenced operations in September 1995
  - The remaining 50% interest is owned by a subsidiary of United Utilities PLC
  - Availability payments are received for the plant being available to filter water for delivery to Sydney Water
  - The current offtake agreement expires in Sep 2020
  - Discussions are underway to extend the current concession agreement to 2030
- **Yan Yean**
  - Water filtration agreement with Melbourne Water Corp to supply it with treated water under a 25 year contract expiring in February 2020
  - The remaining 50% interest is owned by a subsidiary of United Utilities PLC
  - Availability payments are received for the plant being available to filter water for delivery to Melbourne Water
  - After contract expiry, Yan Yean is either returned to Melbourne Water or the plant needs to be demolished

Water Filtration Plant	Macarthur	Yan Yean
TSI Fund Ownership	50%	50%
Capacity (ML/Day)	265	155
Equity (ML/Day)	132.5	77.5
Location	NSW	Vic
Contract End Date	Sep-20	Feb-20
Contract Counter Party	Sydney Water	Melbourne Water

Water Filtration Plant	Macarthur	Yan Yean
FY09 NPAT (50%)	$2.8m	$0.4m
FY09 cash distribution (50%)	$2.0m	$1.4m
FY10F NPAT (50%)	$2.9m	$(0.1)m
FY10F cash distribution (50%)	$2.7m	$0.3m
FY11F NPAT (50%)	$2.9m	$0.0
FY11F cash distribution (50%)	$2.7m	$0.2m

55

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Agreements with TSE

Management Services Agreement (MSA)

- TSE provides management services to TSI Fund under a 25 year MSA (which commenced on the listing date, June 07), including:
  - Providing all management and administrative resources required for TSI Fund's operation including senior executives and IT
  - Managing the business and its assets, including the preparation of various plans and budgets
  - Managing TSI Fund's contractual arrangements, including the provision of services under the OMAA
  - Managing regulatory compliance and relations with regulators
  - As disclosed in August 2009, the MSA fee structure has been amended to provide that, from 1 July 2009, fees under the MSA would be based on a cost reimbursement basis plus a performance-based margin

O&M Alliance Agreement (OMAA)

- TSE provides O&M services to TSI Fund under a 25 year OMAA (which commenced on the listing date, June 07) for its wholly owned assets
- OMAA provided under market standard fees which are periodically benchmarked and overseen by Owner's Representative
- Services include providing plant operational personnel, attending to projects, major shutdowns and outages, replacement capital works, contract administration and other day-to-day operations
- TSE is the preferred provider for the provision of O&M services for new wholly-owned assets

TSE relationship provides O&M expertise, access to growth opportunities and management expertise

56

TRANSFIELD SERVICES
INFRASTRUCTURE FUND

Appendix D
Investigating Accountant's Report

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Investigating Accountant's Report

TRANSFIELD SERVICES INFRASTRUCTURE FUND

PRICEWATERHOUSECOOPERS

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Transfield Services Infrastructure Limited
Level 10, 111 Pacific Highway
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The Directors
TSI International Limited
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NORTH SYDNEY NSW 2060

The Directors
Infrastructure Fund Management Limited
as responsible entity of Transfield Services Infrastructure Trust
Level 10, 111 Pacific Highway
NORTH SYDNEY NSW 2060

(the above collectively TSI Fund)

11 May 2010

Dear Directors

Subject: Investigating Accountant's Report on Historical and Forecast Financial Information and Financial Services Guide

We have prepared this report on certain historical and forecast financial information of TSI Fund for inclusion in the Investor Presentation (the **Investor Presentation**) included in the Offer Documents dated 11 May 2010 (the **Offer Documents**) relating to the proposed accelerated, undocumented non-renounceable pro rata entitlement offer and placement of stapled securities in TSI Fund (the **Offer**). Expressions defined in the Offer Documents have the same meaning in this report.

The nature of this report is such that it should be given by an entity which holds an Australian financial services licence under the Corporations Act 2001. PricewaterhouseCoopers Securities Ltd, which is wholly owned by PricewaterhouseCoopers, holds the appropriate Australian financial services licence. This report is both an Investigating Accountant's Report, the scope of which is set out below, and a Financial Services Guide, as attached at Appendix A.

Scope

TSI Fund has requested PricewaterhouseCoopers Securities Ltd to prepare this investigating accountant's report (the **Report**) covering the following information included in the Investor Presentation:

Liability limited by a scheme approved under Professional Standards Legislation

PRICEWATERHOUSECOOPERS

Historical financial information

(a) the pro forma historical income statement and pro forma historical cash flows available for distribution of TSI Fund for the year ended 30 June 2009 disclosed on pages 19 and 21 of the Investor Presentation respectively; and

(b) the pro forma balance sheet of TSI Fund as at 31 December 2009 (the **Pro Forma Balance Sheet**) disclosed on page 22 of the Investor Presentation which assumes completion of the proposed transactions disclosed on page 45 of the Investor Presentation (the **Pro Forma Transactions**),

(collectively, the **Historical Financial Information**).

Forecast financial information

(c) the pro forma forecast income statement and pro forma forecast cash flows available for distributions of the TSI Fund for the year ending 30 June 2010 and the forecast income statement and forecast cash flows available for distributions of the TSI Fund for the year ending 30 June 2011 disclosed on pages 19 and 21 of the Investor Presentation respectively (the **Forecasts**).

This Report has been prepared for inclusion in the Investor Presentation included in the Offer Documents. We disclaim any assumption of responsibility for any reliance on this Report or on the Historical Financial Information or the Forecasts to which this Report relates for any purposes other than the purpose for which it was prepared.

Scope of review of Historical Financial Information

The Historical Financial Information set out in Section 4 of the Investor Presentation has been prepared on the basis disclosed on page 40 of the Investor Presentation. The Historical Financial Information incorporates such pro forma transactions and adjustments as the Directors considered necessary to present the Historical Financial Information on a basis consistent with the Forecasts. The Directors of Transfield Services Infrastructure Limited, TSI International Limited and Infrastructure Fund Management Limited as responsible entity of Transfield Services Infrastructure Trust are responsible for the preparation of the Historical Financial Information, including the determination of the Pro Forma Transactions and adjustments.

We have conducted our review of the Historical Financial Information in accordance with Australian Auditing Standards applicable to review engagements. We made such inquiries and performed such procedures as we, in our professional judgement, considered reasonable in the circumstances including:

- analytical review of the financial performance of TSI Fund for the year ended 30 June 2009
- a review of work papers, accounting records and other documents
- a review of the adjustments made to the Historical Financial Information

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Investigating Accountant's Report cont.

TRANSFIELD SERVICES INFRASTRUCTURE FUND

PRICEWATERHOUSECOOPERS

- a review of the assumptions (which include the Pro Forma Transactions) used to compile the Historical Financial Information
- a comparison of consistency in application of the recognition and measurement principles under Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by TSI Fund, and
- enquiry of Directors, management and others.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion on the Historical Financial Information.

Review statement on Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that:

- the Pro Forma Balance Sheet has not been properly prepared on the basis of the Pro Forma Transactions
- the Pro Forma Transactions do not form a reasonable basis for the Pro Forma Balance Sheet
- the Historical Financial Information, as disclosed on pages 19, 21 and 22 of the Investor Presentation, does not present fairly:
  - (a) the pro forma historical income statement and pro forma cash flows available for distributions of TSI Fund for the year ended 30 June 2009; and
  - (b) the pro forma balance sheet of TSI Fund as at 31 December 2009, assuming completion of the Pro Forma Transactions

in accordance with the recognition and measurement principles prescribed under Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies adopted by TSI Fund.

Scope of review of Forecasts

The Directors of Transfield Services Infrastructure Limited, TSI International Limited and Infrastructure Fund Management Limited as responsible entity of Transfield Services Infrastructure Trust are responsible for the preparation and presentation of the Forecasts, including the best estimate assumptions (which include the Pro Forma Transactions) on which they are based.

Our review of the best estimate assumptions underlying the Forecasts was conducted in accordance with Australian Auditing Standards applicable to review engagements. Our procedures consisted primarily of enquiry and comparison and other such analytical review procedures as we

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considered necessary to form an opinion as to whether anything has come to our attention which causes us to believe that:

- (a) the best estimate assumptions do not provide a reasonable basis for the Forecasts;
- (b) in all material respects, the Forecasts are not properly prepared on the basis of the best estimate assumptions and presented fairly in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies of TSI Fund; or
- (c) the Forecasts are unreasonable.

The Forecasts have been prepared by the Directors of Transfield Services Infrastructure Limited, TSI International Limited and Infrastructure Fund Management Limited as responsible entity of Transfield Services Infrastructure Trust to provide investors with a guide to TSI Fund's potential future financial performance and cash flows available for distributions based upon the achievement of certain economic, operating, development and trading assumptions about future events and actions that have not yet occurred and may not necessarily occur. There is a considerable degree of subjective judgement involved in the preparation of Forecasts. Actual results may vary materially from the Forecasts and the variation may be materially positive or negative. Accordingly, investors should have regard to the description of investment risks set out in Appendix A of the Investor Presentation.

Our review of the Forecasts and the best estimate assumptions upon which the Forecasts are based is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards. A review of this nature provides less assurance than an audit. We have not performed an audit and we do not express an audit opinion on the Forecasts included in the Investor Presentation.

Review statement on the Forecasts

Based on our review of the Forecasts, which is not an audit, and the reasonableness of the best estimate assumptions giving rise to the Forecasts, nothing has come to our attention which causes us to believe that:

- (a) the best estimate assumptions set out on pages 41 and 42 of the Investor Presentation do not provide a reasonable basis for the Forecasts;
- (b) in all material respects, the Forecasts are not properly prepared on the basis of the best estimate assumptions and presented fairly in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and the accounting policies of TSI Fund; or
- (c) the Forecasts are unreasonable.

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Investigating Accountant's Report cont.

TRANSFIELD SERVICES INFRASTRUCTURE FUND

PRICEWATERHOUSECOOPERS

The best estimate assumptions set out on pages 41 and 42 of the Investor Presentation are subject to significant uncertainties and contingencies often outside the control of TSI Fund. If events do not occur as assumed, actual results and distributions achieved by TSI Fund may vary significantly from the Forecasts. Accordingly, we do not confirm or guarantee the achievement of the Forecasts, as future events, by their very nature, are not capable of independent substantiation.

Subsequent events

Apart from the matters dealt with in this Report, and having regard to the scope of our Report, to the best of our knowledge and belief no material transactions or events outside of the ordinary course of business of TSI Fund have come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

Independence or disclosure of interest

PricewaterhouseCoopers Securities Ltd does not have any interest in the outcome of the Issue other than the preparation of this Report and participation in due diligence procedures for which normal professional fees will be received.

Liability

PricewaterhouseCoopers Securities Ltd has consented to the inclusion of this Report in the Investor Presentation included in the Offer Documents in the form and context in which it is included. The liability of PricewaterhouseCoopers Securities Ltd is limited to the inclusion of this Report in the Investor Presentation. PricewaterhouseCoopers Securities Ltd makes no representation regarding, and has no liability for, any other statements or other material in, or any omissions from, the Offer Documents.

Financial Services Guide

We have included our Financial Services Guide as Appendix A to our Report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours faithfully

Peter Quast
Authorised Representative
PricewaterhouseCoopers Securities Ltd

Clara Cutajar
Authorised Representative
PricewaterhouseCoopers Securities Ltd

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Appendix A – Financial Services Guide

PRICEWATERHOUSECOOPERS SECURITIES LTD
FINANCIAL SERVICES GUIDE

This Financial Services Guide is dated 11 May 2010

1. **About us**

   PricewaterhouseCoopers Securities Ltd (ABN 54 003 311 617, Australian Financial Services Licence no 244572) (**PwC Securities**) has been engaged by Transfield Services Infrastructure Limited, TSI International Limited and Infrastructure Fund Management Limited as responsible entity of Transfield Services Infrastructure Trust to provide a report in the form of an Investigating Accountant's Report (the Report) in relation to certain historical and forecast financial information of TSI Fund for inclusion in the Investor Presentation included in the Offer Documents dated 11 May 2010.

   You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

2. **This Financial Services Guide**

   This Financial Services Guide (**FSG**) is designed to assist retail clients in their use of any general financial product advice contained in the Report. This FSG contains information about PwC Securities generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the Report, and how complaints against us will be dealt with.

3. **Financial services we are licensed to provide**

   Our Australian Financial Services Licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities, interests in managed investment schemes, derivatives, superannuation products, foreign exchange contracts, insurance products, life products, managed investment schemes, government debentures, stocks or bonds, and deposit products.

4. **General financial product advice**

   The Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs.

   You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

5. **Fees, commissions and other benefits we may receive**

   PwC Securities charges fees to produce reports, including this Report. These fees are negotiated and agreed with the entity who engages PwC Securities to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us.

(6)

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Investigating Accountant's Report cont.

TRANSFIELD SERVICES INFRASTRUCTURE FUND

PRICEWATERHOUSECOOPERS

Directors or employees of PwC Securities, PricewaterhouseCoopers, or other associated entities, may receive partnership distributions, salary or wages from PricewaterhouseCoopers.

6. **Associations with issuers of financial products**

PwC Securities and its authorised representatives, employees and associates may from time to time have relationships with the issuers of financial products. For example, PricewaterhouseCoopers may be the auditor of, or provide financial services to, the issuer of a financial product and PwC Securities may provide financial services to the issuer of a financial product in the ordinary course of its business. PricewaterhouseCoopers is the auditor of TSI Fund.

7. **Complaints**

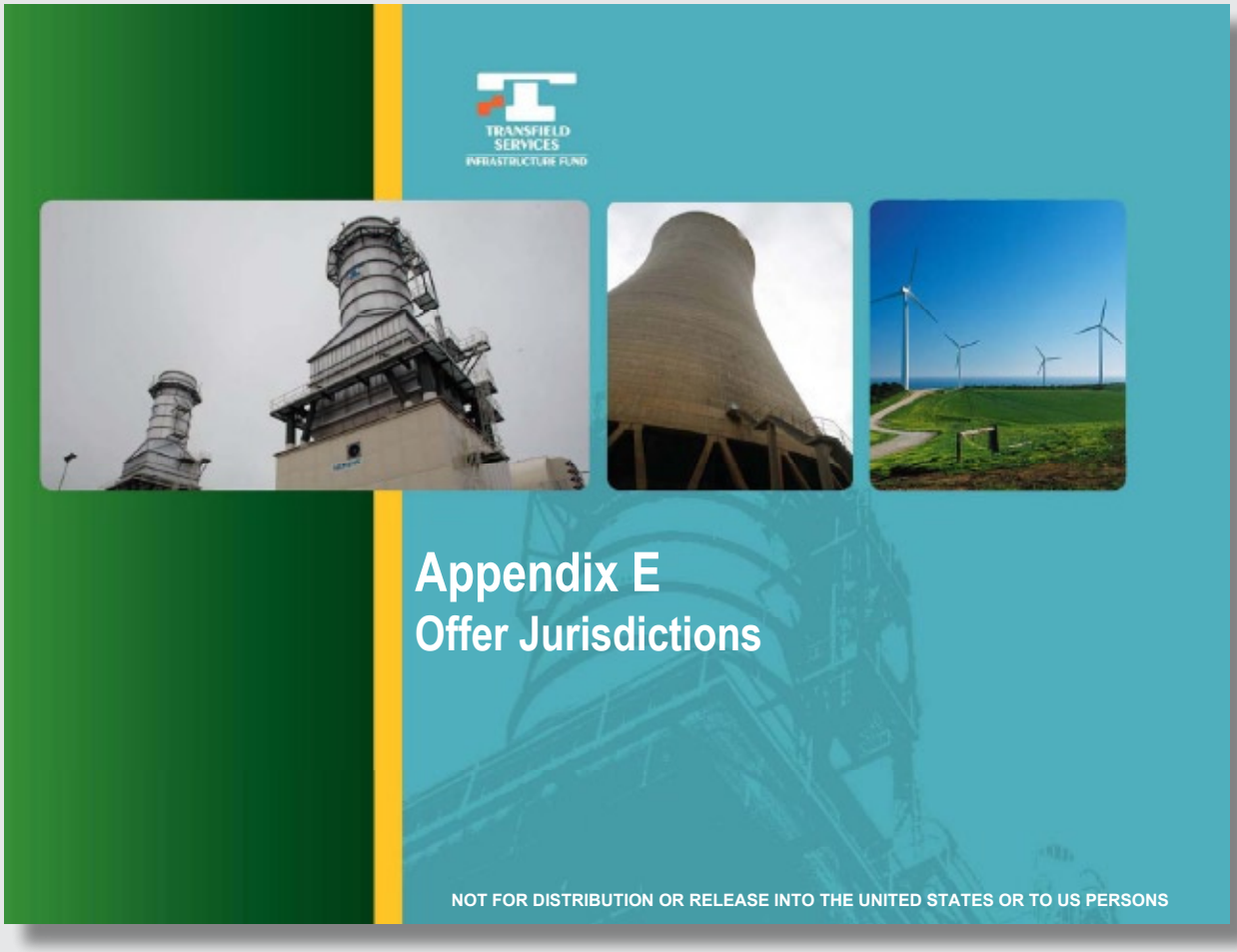
If you have a complaint, please raise it with us first, using the contact details listed below. We will endeavour to satisfactorily resolve your complaint in a timely manner. In addition, a copy of our internal complaints handling procedure is available upon request.

If we are not able to resolve your complaint to your satisfaction within 45 days of your written notification, you are entitled to have your matter referred to the Financial Ombudsman Service (**FOS**), an external complaints resolution service. FOS can be contacted by calling 1300 780 808. You will not be charged for using the FOS service.

8. **Contact Details**

PwC Securities can be contacted by sending a letter to the following address:

Peter Quast and Clara Cutajar
Darling Park Tower 2
201 Sussex Street
GPO Box 2650
SYDNEY NSW 1171



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Offer Jurisdictions

This document does not constitute an offer of securities in any jurisdiction in which it would be unlawful. No action has been taken to permit a general public offer in any jurisdiction.

European Economic Area – Belgium, Luxembourg and The Netherlands

The information in this document has been prepared on the basis that all offers of New Securities will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to produce a prospectus for offers of securities.

An offer to the public of New Securities has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

(a) to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity that has two or more of (i) an average of at least 250 employees during its last fiscal year; (ii) a total balance sheet of more than €43,000,000 and (iii) an annual net turnover of more than €50,000,000;

(c) to fewer than 100 natural or legal persons (other than qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of TSI Fund or any underwriter for any such offer; or

(d) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of New Securities shall result in a requirement for the publication by TSI Fund of a prospectus pursuant to Article 3 of the Prospectus Directive.

Germany

No offer of the New Securities may be made in Germany except to Institutions (Institute) within the meaning of sec. 1 (1b) of the German Banking Act (Kreditwesengesetz), private and public insurance companies, German Investment Companies (Kapitalanlagegesellschaften) and Investment Stock Corporations (Investmentaktiengesellschaften), non-German investment companies and asset management companies commissioned by them as well as pension funds and their asset management companies.

Neither this document nor any other document relating to the New Securities has been or will be submitted for approval nor will the New Securities be registered for public distribution with the German Federal Financial Services Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) and, accordingly, no such document may be communicated to the public in Germany. Any offer or solicitation of New Securities in Germany must be in compliance with the German Investment Act (Investmentgesetz) and with other applicable laws.

The New Securities may not be distributed or offered in Germany by way of public distribution or offer within the meaning of applicable German laws. This document and any other document relating to the New Securities may not be distributed to the public in Germany or used in connection with any offer for subscription of the New Securities to the public in Germany or by any other means of public marketing.

NOT FOR DISTRIBUTION OR RELEASE INTO THE UNITED STATES OR TO US PERSONS

Offer Jurisdictions cont.

France

This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers ("AMF"). The New Securities have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the New Securities have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed or caused to distributed, directly or indirectly, to the public in France.

Such offers, sales and distributions have been and shall only be made in France to (i) qualified investors (investisseurs qualifiés) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-1 to D.411-3, D.734-1, D. 744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation and/or (ii) a restricted number of non-qualified investors (cercle restreint d'investisseurs) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-4, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the New Securities cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Ireland

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by the Irish Financial Services Regulatory Authority or any other Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (the "Prospectus Regulations").

The New Securities have not been offered or sold and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering except to qualified investors (as defined in Regulation 2(1) of the Prospectus Regulations).

The offer does not facilitate participation by the public and accordingly is not an offer for which approval of the Irish Financial Services Regulatory Authority is required under Section 9 of the Unit Trusts Act 1990.

Malaysia

This document may not be distributed or made available in Malaysia. The New Securities are not being offered or made available for purchase in Malaysia. Any offer of New Securities may not be accepted from any investor in Malaysia.

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Offer Jurisdictions cont.

Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorize this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Securities have not been and will not be offered or sold in Hong Kong by means of any document, other than to "professional investors" (as defined in the SFO). No advertisement, invitation or document relating to the New Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Securities may not be offered or sold, directly or indirectly, in Norway except:

(a) to "professional investors" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876);

(b) any natural person who is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and who fulfils two or more of the following: (i) any natural person with an average execution of at least ten transactions in securities of significant volume per quarter for the last four quarters; (ii) any natural person with a portfolio of securities with a market value of at least €500,000; and (iii) any natural person who works, or has worked for at least one year, within the financial markets in a position which presuppose knowledge of investing in securities;

(c) to fewer than 100 natural or legal persons (other than "professional investors", as defined in clauses (a) and (b) above); or

(d) in any other circumstances provided that no such offer of New Securities shall result in a requirement for the registration, or the publication by TSI Fund or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

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Offer Jurisdictions cont.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand).

The New Securities in the entitlement offer are not being offered or sold to the public in New Zealand other than to existing securityholders of TSI Fund with registered addresses in New Zealand to whom the offer of New Securities is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

Other than in the entitlement offer, New Securities may be offered and sold in New Zealand only to:

• persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; or

• persons who are each required to (i) pay a minimum subscription price of at least NZ$500,000 for the securities before allotment or (ii) have previously paid a minimum subscription price of at least NZ$500,000 for securities of TSI Fund ("initial securities") in a single transaction before the allotment of such initial securities and such allotment was not more than 18 months prior to the date of this document.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Securities. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA). This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of s.21 FSMA) received in connection with the issue or sale of the New Securities has only been communicated, and will only be communicated, in the United Kingdom in circumstances in which s.21(1) FSMA does not apply to TSI Fund.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (a) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"); (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

66

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Offer Jurisdictions cont.

Switzerland

The New Securities may not be publicly offered, sold or distributed (directly or indirectly) in Switzerland. No solicitation for investment in the New Securities may be made in Switzerland in any way that could constitute a public offering within the meaning of article 652a of the Swiss Code of Obligations ("CO") or the Swiss Federal Act on Collective Investment Schemes. New Securities may only be offered to institutional investors subject to Swiss or foreign prudential supervision such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations in circumstances such that there is no public offering.

This document does not constitute a public offering prospectus within the meaning of article 652a CO and may not comply with the information standards required thereunder. The Fund has not applied for a listing of the New Securities on the SIX Swiss Exchange or any other regulated securities market in Switzerland and, consequently, the information presented in this document does not necessarily comply with the information standards set out in the listing rules of the SIX Swiss Exchange. This document is personal to the recipient only and not for general circulation in Switzerland.

United States

This document has been prepared for publication in Australia and may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Other Jurisdictions

The New Securities may not be offered or sold in any other jurisdiction except to persons to whom such offer or sale is permitted under applicable law.

67

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Further Information and Contacts

TSI Fund is a public listed entity owning a portfolio of interests in essential infrastructure assets including five power stations, two water filtration plants and, after the sale of Mt Millar wind farm, three wind farms located across Australia in Queensland, Victoria, and Western Australia. TSI Fund is the triple staple structure comprised of Infrastructure Fund Management Limited as Responsible Entity for Transfield Services Infrastructure Trust, Transfield Services Infrastructure Limited and TSI International Limited.

Further information on TSI Fund can be obtained from its website: www.tsifund.com.au

For further information contact:

TSI Fund	TSI Fund
Steve MacDonald	**Steve Loxton**
Chief Executive Officer	Chief Financial Officer
Ph: +61 2 9464 1613	Ph: +61 2 9464 1613

ASX INSTITUTIONAL OFFER COMPLETION ANNOUNCEMENT DATED 13 MAY 2010

13 May 2010

ASX STATEMENT

TRANSFIELD SERVICES INFRASTRUCTURE FUND SUCCESSFULLY COMPLETES $80 MILLION INSTITUTIONAL COMPONENT OF EQUITY RAISING

Transfield Services Infrastructure Fund (TSI Fund) is pleased to announce the successful completion of the institutional component of its $110 million equity raising (Equity Offer).

Approximately $80 million has been raised under the institutional component of the Equity Offer (Institutional Offer), comprising both an accelerated non-renounceable pro-rata entitlement offer (Entitlement Offer) and institutional placement, at an offer price of $0.70 per new TSI Fund security (New Security). The Institutional Offer was very well supported by both existing and new institutional investors. Excluding Transfield Services Limited (TSE), 96% of eligible institutional securityholders subscribed for their entitlement under the Institutional Entitlement Offer.

Chief Executive Officer, Mr Steve MacDonald said, "We are extremely pleased with the strong support we have received from existing and new institutional investors, which will provide us with financial flexibility and a solid platform to further develop our high quality asset portfolio."

TSI Fund's 47.5 per cent major securityholder, TSE, took up $22.4 million under the Institutional Offer. TSE has also agreed to fully sub-underwrite the retail component of the entitlement offer (Retail Entitlement Offer), which will raise approximately $30 million. TSE's overall commitment to invest up to approximately $52.4 million is equivalent to its pro rata share of the $110 million Equity Offer.

New Securities will rank pari passu with existing TSI Fund securities from the time of allotment, including entitlement to TSI Fund's forecast FY10 final distribution, which is expected to be 4.0 cents per security (record date of 30 June 2010).

The Equity Offer is fully underwritten by Macquarie Capital Advisers Limited and RBS Equity Capital Markets (Australia) Limited.

TSI Fund securities are expected to resume trading on ASX today.

COMMENCEMENT OF THE RETAIL ENTITLEMENT OFFER

The Retail Entitlement Offer booklet, providing details of the Retail Entitlement Offer and how to participate, is expected to be mailed to Eligible Retail Securityholders by Monday, 17 May 2010. The Retail Entitlement Offer will close at 5:00pm (Sydney time) on Thursday, 3 June 2010. Eligible Retail Securityholders will have the opportunity to subscribe for 5 New Securities for every 12 existing TSI Fund stapled securities held at 7:00pm (Sydney time) on Friday, 14 May 2010 (Record Date), at the offer price of $0.70 per New Security (Entitlement), the same offer price and offer ratio as the institutional component of the Entitlement Offer.

Eligible Retail Securityholders may apply for New Securities in excess of their Entitlement subject to availability and scale-back at the sole discretion of TSI Fund. The Retail Entitlement Offer is not being extended to any securityholder outside Australia or New Zealand.

Eligible Retail Securityholders wishing to acquire all or part of their Entitlement or for New Securities in excess of their Entitlement will need to complete the personalised Entitlement and Acceptance Form which will accompany the Retail Entitlement Offer booklet.

Transfield Services Infrastructure Fund is the triple stapled structure comprised of Infrastructure Fund Management Limited (ABN 70 118 203 731) as Responsible Entity for Transfield Services Infrastructure Trust (ARSN 125 010 531), Transfield Services Infrastructure Limited (ACN 106 617 332) and TSI International Limited (ACN 124 582 547).

SECURITYHOLDER ENQUIRIES

Retail securityholders who have questions regarding the Retail Entitlement Offer should call the TSI Fund Entitlement Offer Information Line on 1300 086 035 (local call cost from within Australia) or +61 3 9415 4018 (from outside Australia) at any time between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Entitlement Offer period or visit our website at www.tsifund.com.

KEY DATES FOR THE RETAIL ENTITLEMENT OFFER

Event	Date
Record Date for the Entitlement Offer	7.00pm (Sydney time) Friday, 14 May 2010
Retail Entitlement Offer booklet dispatched	Monday, 17 May 2010
Early acceptances due for the Retail Entitlement Offer	5.00pm (Sydney time) Monday, 24 May 2010
Settlement of the Institutional Offer and early acceptances under the Retail Entitlement Offer	Thursday, 27 May 2010
Allotment and trading of New Securities under the Institutional Offer and early acceptances under the Retail Entitlement Offer	Friday, 28 May 2010
Retail Entitlement Offer closes *Payments must be received by this time*	5.00pm (Sydney time) Thursday, 3 June 2010
Settlement of remaining New Securities under the Retail Entitlement Offer	Wednesday, 9 June 2010
Allotment of remaining New Securities under the Retail Entitlement Offer	Thursday, 10 June 2010
Trading commences for New Securities allotted under the final Retail Entitlement Offer allotment	Friday, 11 June 2010
Dispatch of confirmation of issue for New Securities and Additional New Securities issued under the Final Allotment	Friday, 11 June 2010
Ex-distribution date	Thursday, 24 June 2010
Record date for the distribution	Wednesday, 30 June 2010

Dates and times are indicative only and subject to change. All times and dates refer to Sydney time.

For further information:

Media Enquiries

Adrian Howard
Ph +61 2 9464 1615
Mb +61 438 399 435

Investor Relations Enquiries

Steve Loxton
Chief Financial Officer
Ph +61 2 9464 1613

Transfield Services Infrastructure Fund (TSI Fund) is a public listed entity owning a portfolio of interests in essential infrastructure assets including five power stations, two water filtration plants and three wind farms. TSI Fund's key differentiator is its highly beneficial relationship with global asset management company, Transfield Services which provides expertise in asset development, project management, operations and maintenance.

IMPORTANT NOTICE

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933 (U.S. Securities Act) (U.S. Person)). Securities may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities have been registered under the Securities Act or an exemption from registration under the Securities Act is available. The securities to be offered and sold in the offer have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons unless the securities are registered under the U.S. Securities Act or in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

ADDITIONAL INFORMATION

The Information has been prepared by TSI Fund. No party other than TSI Fund has authorised or caused the issue of this Information, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information.

1. Offering Presentation

This Information relates to the Entitlement Offer of New Securities. TSI Fund has applied to ASX for the grant of official quotation of the New Securities and Additional New Securities. It is expected that normal trading on ASX will commence in relation to New Securities issued under the Retail Entitlement Offer on Friday, 28 May 2010, for applications received by the Early Retail Closing Date, and Friday, 11 June 2010 for remaining applications received by the Final Retail Closing Date. TSI Fund will have no responsibility and disclaims all liability (to the maximum extent permitted by law, including for negligence) to persons who trade New Securities and Additional New Securities before the New Securities and Additional New Securities are listed on the official list of ASX or before they receive their confirmation of issue. ASX accepts no responsibility for any statement in this Information.

2. Eligible Retail Securityholders

This Information contains an offer of New Securities to Eligible Retail Securityholders in Australia and New Zealand and has been prepared in accordance with sections 708AA and 1012DAA of the Corporations Act as modified by Australian Securities & Investments Commission ("ASIC") Class Order 08/35.

"Eligible Retail Securityholders" are those holders of TSI Fund stapled securities who:

- are registered as a holder of stapled securities as at 7.00pm (Sydney time) on the Record Date, Friday, 14 May 2010;
- have a registered address in Australia or New Zealand;
- are not in the United States and are not "U.S. Persons" (as defined under Regulation S under the United States Securities Act of 1933 (Securities Act) ("U.S. Persons")) or acting for the account or benefit of a U.S. Person;
- are not an institutional securityholder (whether or not eligible to participate under the Institutional Entitlement Offer); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Retail Securityholders who do not satisfy these criteria are "Ineligible Retail Securityholders".

The Retail Entitlement Offer is not being extended to any securityholders outside Australia or New Zealand. By returning a completed Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above. Eligible Retail Securityholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Persons acting as nominees for other persons must not take up any entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States or any person that is, or is acting for the account or benefit of, a U.S. Person.

3. Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded up to the next whole number of New Securities.

4. No Entitlements trading

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

5. Not investment advice

The Entitlement Offer to which this Information relates complies with the requirements of sections 708AA and 1012DAA of the Corporations Act as modified by ASIC Class Order 08/35. The Information is not a prospectus, product disclosure statement, disclosure document or other offering document under Australian law (or any other law) and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. The Information does not purport to contain all the information that you may require to evaluate a possible application for New Securities or Additional New Securities, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with TSI Fund's other periodic statements and continuous disclosure announcements lodged with ASX, which are available at www.asx.com.au. This Information does not take into account the investment objectives, financial situation or needs of you or any particular investor. You should conduct your own independent review, investigation and analysis of TSI Fund stapled securities, the subject of the Entitlement Offer. You should obtain any professional advice you require to evaluate the merits and risks of an investment in TSI Fund before making any investment decision based on your investment objectives.

6. Foreign jurisdictions

This Information does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, and no action has been taken to register stapled securities of TSI Fund or otherwise permit a public offering of the stapled securities in any jurisdiction outside of Australia and New Zealand. Return of the personalised Entitlement and Acceptance Form or your BPAY® payment will be taken by TSI Fund to constitute a representation by you that there has been no breach of any such laws. TSI Fund is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of stapled securities. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Eligible Retail Securityholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed.

This document does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any U.S. Person. New Securities may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration or an exemption from registration under the U.S. Securities Act. The New Securities to be offered and sold in the Entitlement Offer have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States and, accordingly, the New Securities are only being offered and sold to persons that are not U.S. Persons or acting for the account or benefit of U.S. Persons, in "offshore transactions" within the meaning of Regulation S under the U.S. Securities Act and in compliance therewith. Any U.S. Person or any person that is or is acting for the account or benefit of a U.S. Person with a holding through a nominee may not participate in the Retail Entitlement Offer and the nominee must not take up any Entitlement or send any materials into the United States or to any person it knows to be a U.S. Person. The distribution of this document outside Australia and New Zealand may be restricted by law. In particular, this document or any copy of it must not be taken into or distributed or released in the United States or distributed or released to any U.S. Person or to any person acting for the account or benefit of a U.S. Person. Persons who come into possession of this document should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The New Securities are not being offered or sold to the public within New Zealand other than to existing securityholders of the Fund with registered addresses in New Zealand to whom the offer of New Securities is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

7. Governing law

This Information, the Equity Offer and the contracts formed on acceptance of the personalised Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each securityholder who applies for New Securities and Additional New Securities submits to the jurisdiction of the courts of New South Wales, Australia.

8. Taxation

Set out below are the general Australian tax implications in respect of the Entitlement Offer for Australian resident individual Eligible Retail Securityholders who hold their TSI Fund stapled securities on capital account. It does not, therefore, apply to Eligible Retail Securityholders who hold their TSI Fund stapled securities as assets used in carrying on a business of share trading, banking or insurance, those who hold their TSI Fund stapled securities on revenue account or as trading stock, or those who have acquired their TSI Fund stapled securities for a profit-making purpose. It also does not apply to non-resident Securityholders.

This summary has been prepared for general circulation and does not take into account the objectives, tax position, financial situation, needs or circumstances of any particular Eligible Retail Securityholder. Accordingly, Eligible Retail Securityholders should, before acting on this material, seek independent professional tax advice which is specific to their own particular circumstances.

This summary is based on the relevant Australian tax legislation and administrative practice as at the date of this Booklet.

Issue of Entitlements

The issue of the Entitlements will not result in any amount being included in the assessable income of an Eligible Retail Securityholder.

Sale of Entitlements

There is no opportunity for Eligible Retail Securityholders to sell their Entitlements.

Expiration or lapse of Entitlements

If an Eligible Retail Securityholder does not exercise their Entitlement to acquire New Securities under the Retail Entitlement Offer and allows the Entitlement to expire or lapse, the Eligible Retail Securityholder will not receive any consideration as a result of the expiration of the Entitlement.

On this basis, there should not be any tax implications for an Eligible Retail Securityholder where the Securityholder's Entitlement lapses or expires.

Exercising Entitlements

Eligible Retail Securityholders who exercise some or all of their Entitlements will acquire New Securities and may acquire, in TSI Fund's absolute discretion, Additional New Securities (as applicable). Each New Security and Additional New Security (as applicable) is comprised of three separate capital gains tax ("CGT") assets (being a unit in TSIT, a share in TSIL and a share in TSIIL).

The exercise by Eligible Retail Securityholders of their Entitlements to acquire New Securities under the Entitlement Offer will not result in any capital gain or capital loss being recognised for CGT purposes. Further, Eligible Retail Securityholders should not derive assessable income from the exercise of the Entitlement.

Eligible Retail Securityholders who exercise some or all of their Entitlements and subscribe for New Securities and, in TSI Fund's absolute discretion, Additional New Securities will be taken for tax purposes to have acquired those Securities on the date of exercising the Entitlement and for the amount paid on exercising those rights plus any incidental costs they incur in acquiring those Securities. The cost base of the Securities will need to be allocated on a reasonable basis between a unit in TSIT, a share in TSIL and a share in TSIIL. This will be of particular importance to Eligible Retail Securityholders when calculating the capital gain or loss on any subsequent disposal of the Securities or any receipt of any non-assessable distribution from TSIT, TSIL or TSIIL.

Holding and disposing of securities

The New Securities acquired under the Entitlement will be treated in the same way as existing stapled securities when determining the tax consequences arising from holding or disposing of those stapled securities (other then the acquisition date for CGT purposes, which will be the date of exercising the Entitlement).

Goods and Services Tax

No Australian Goods and Services Tax ("GST") is payable in respect of the issue or exercise of the Entitlements or the acquisition of New Securities and Additional New Securities by a Securityholder.

9. Broker stamping fees

A stamping fee of 1.50% of Application Monies (exclusive of GST) on New Securities and Additional New Securities allotted will be paid to brokers (being those entities named as full service (advisory) brokers or non-advisory brokers on the ASX website) who submit a valid claim for a broker stamping fee on successful Applications, subject to a fee limit of $200 (exclusive of GST) of each such Application. Details of the claims process will be separately communicated to brokers.

10. Underwriting

TSI Fund has entered into an underwriting agreement with Macquarie Capital Advisers Limited and RBS Equity Capital Markets (Australia) Limited (the "Underwriters"), under which the Underwriters have agreed to fully underwrite the Equity Offer. As is customary with these types of arrangements:

- TSI Fund has indemnified the Underwriters and their directors, officers, employees, agents and advisers against losses in connection with the Equity Offer; and
- The Underwriters may terminate the underwriting agreement upon the occurrence of certain events, including among other circumstances: if a statement in the offer documents becomes false, misleading or deceptive, the occurrence of certain materially adverse new circumstances, if in the reasonable opinion of the Underwriters TSI Fund is required to give a correcting notice, if there is fall in the ASX 200 Index by a specified amount, if TSI Fund ceases or is forcibly suspended from its listing on the ASX or are refused unconditional (or customarily conditional) approval to the official quotation, if ASIC gives notice of an intention to hold a hearing in relation to TSI Fund or the Equity Offer, if the Equity Offer does not proceed in accordance with the timetable, if TSI Fund withdraws an offer document or the Equity Offer, if the ASX withdraws or amends waivers necessary for the Equity Offer, if management of TSI Fund changes without the Underwriters' consent, if proceedings are commenced against TSI Fund or a director, if the forecast financial information set out in Section 4 and Appendix B of the Investor Presentation becomes incapable of being met or, in the reasonable opinion of the Underwriters, becomes unlikely to be met (subject, in each case, to certain exceptions), if TSI Fund defaults on a material financing arrangement, if any amendment to TSI Fund's constitution is subject to regulatory challenge, if TSE withdraws its commitment to subscribe for the portion of its entitlement or sub-underwrite as described in the Investor Presentation or becomes incapable of doing so, or if a TSI Group Member becomes insolvent. Other termination events subject to materiality include: the occurrence of

new circumstances, if certain statements with respect to future matters become incapable of being met or, in the reasonable opinion of the Underwriters, become unlikely to be met, if international hostilities arise or a terrorist attack is perpetrated on a number of significant countries, if there is an adverse change in economic or political conditions, if new law may adversely affect regulation of the Equity Offer, if the constitutions of TSI Fund are amended without consent of the Underwriters, if there is a change in the responsible entity of the Trust, if there is a regulatory contravention by TSI Fund, if TSI Fund defaults in its performance of any of its obligations under the Underwriting Agreement, if a warranty contained in the Underwriting Agreement on the part of TSI Fund becomes untrue or incorrect, or if any member of the TSI Group alters its capital structure other than as a result of the Equity Offer without the prior written consent of the Underwriters.

The Underwriters will be remunerated by TSI Fund for providing these services at market rates and will be reimbursed for certain of their expenses.

11. Financial data

All dollar values in this Information are in Australian dollars (A$) unless otherwise stated.

The pro forma historical financial information included in this Information does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission.

12. Forward-looking statements and future performance

Statements, including projections, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Booklet contains certain "forward-looking statements". Forward-looking statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "will", "could", "may", "target", "plan" and other similar expressions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward-looking statements.

The forward-looking statements contained in this Booklet involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of TSI Fund, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Forward-looking statements may also be based on estimates and assumptions with respect to future business decisions, which are subject to change.

Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences may be material. Forward-looking statements including projections, forecasts, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication of, and are not, guarantees of future performance. These statements may assume the success of TSI Fund's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond TSI Fund's control, including uncertainties described in the risk factors set out in Appendix A (Key Risks) of the Investor Presentation included herein, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statements may have been prepared or otherwise.

Readers are cautioned not to place undue reliance on forward-looking statements and TSI Fund assumes no obligation to update or revise such information to reflect any change in expectations or assumptions. The inclusion of the forward-looking statements in this Booklet should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that TSI Fund will achieve, or is likely to achieve, any particular results. An investment in TSI Fund stapled securities is subject to investment and other known and unknown risks, some of which are beyond the control of TSI Fund, including possible delays in repayment and loss of income and principal invested. TSI Fund does not guarantee any particular rate of return or the performance of TSI Fund, nor does it guarantee the repayment of capital from TSI Fund or any particular tax treatment. You should also have regard to the key risk factors set out in Appendix A (Key Risks) of the Investor Presentation included herein.

13. Past performance

Past performance information given in this Information is provided for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information in this Information is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

14. Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Information. Any information or representation that is not in this Information may not be relied on as having been authorised by TSI Fund, or its related bodies corporate, in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of TSI Fund, or any other person, warrants or guarantees the future performance of TSI Fund or any return on any investment made pursuant to this Information.

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CORPORATE DIRECTORY

Registered Office
Transfield Services Infrastructure Fund
Level 10, 111 Pacific Highway
North Sydney NSW 2060
Australia

Securities Registry
Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001
Tel (within Australia): 1300 787 272
Tel (outside Australia): +61 3 9415 4000

Website
www.tsifund.com

TSI Fund Entitlement Offer Information Line
Australia 1300 086 035
International +61 3 9415 4018
Open 8.30am to 5.00pm (Sydney time) Monday to Friday
during the Retail Entitlement Offer period

Stock Exchange Listing
TSI Fund's stapled securities are listed on the
Australian Securities Exchange (code "TSI")

precinct.com.au

TRANSFIELD SERVICES

INFRASTRUCTURE FUND

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Transfield Services Infrastructure Limited (ABN 31 106 617 332)
TSI International Limited (ABN 68 124 582 547)
Infrastructure Fund Management Limited (ABN 70 118 203 731; AFS Licence No. 310497)
As the Responsible Entity of
Transfield Services Infrastructure Trust (ARSN 125 010 531)

Computershare

Please return completed form to:
Computershare Investor Services Pty Limited
GPO Box 505 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 086 035
(outside Australia) 61 3 9415 4018
web.queries@computershare.com.au
www.computershare.com

Entitlement and Acceptance Form for New Securities (including Additional New Securities)

000001
000
SAM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)

I 1234567890 I N D

For your security keep your SRN/HIN confidential.

Use a black pen.
Print in CAPITAL letters inside the grey areas.

A B C 1 2 3

New Transfield Services Infrastructure Fund ("TSI Fund") stapled securities at A$0.70 per New Security

RETAIL ENTITLEMENT OFFER CLOSES ON 3 JUNE 2010 AT 5.00PM (SYDNEY TIME)

IMPORTANT:

- This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Entitlement and Acceptance Form ("Form"), please consult your professional adviser.
- Terms used in this Form have the meanings given in this Form and the Retail Entitlement Offer Booklet (collectively, the "Offer Documents") dated 17 May 2010 (unless otherwise stated). You should read the Offer Documents carefully before completing this Form.
- This Form relates to the non-renounceable Retail Entitlement Offer of 5 New Securities for every 12 existing stapled securities held by Eligible Retail Securityholders on the Record Date at the offer price of A$0.70 per New Security.
- You can pay by BPAY®. If you choose to pay by BPAY®, you do not need to return this Form. Please refer overleaf for details.
- This Form should not be relied upon as evidence of the current entitlement of the person named on this Form.
- Your application is irrevocable and may not be changed or withdrawn, except as required by law.
- If you wish to be allotted New Securities on the Initial Allotment date being Friday, 28 May 2010, you must make payment of Application Monies so that payment is received by no later than 5:00pm (Sydney time) on the Early Retail Closing Date, being Monday, 24 May 2010 and cleared funds are received by the first settlement date being Thursday, 27 May 2010. If cleared funds are not received by this time, the Security Registry will retain your Application Monies and process your application as part of the Retail Entitlement Offer as though you submitted your payment after the Early Retail Closing Date.
- Receipt of your payment by 5.00pm (Sydney time) on Thursday, 3 June 2010 (together with this Form if you are paying by cheque, bank draft or money order) will constitute acceptance of the terms of the Offer Documents.
- If the amount you pay is insufficient to pay for the number of New Securities you apply for, you will be taken to have applied for such lower number of New Securities as that amount will pay for, or your application will be rejected.
- If the amount you pay is more than the amount payable for your full Entitlement, you will be taken to have applied for Additional New Securities.

I/We enclose my/our payment for the amount shown below being payment of A$0.70 per New Security and per Additional New Security (if any).

Applications can only be made in the name(s) printed on this Form.

A Securityholder Entitlement details

Subregister	Issuer
Entitlement Number	XXX,XXX,XXX

Entitlement based on holdings of TSI Fund stapled securities at the Record Date

TSI Fund stapled securities held at Record Date, being 7.00pm (Sydney time) on 14 May 2010	XXX,XXX,XXX
Entitlement to New Securities on a 5 for 12 basis	X,XXX,XXX.XX
Amount payable on full acceptance of Entitlement at A$0.70 per New Security	123456789012

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▼ PLEASE DETACH HERE ▼

TRANSFIELD SERVICES INFRASTRUCTURE FUND

Transfield Services Infrastructure Limited (ABN 31 106 617 332)
TSI International Limited (ABN 68 124 582 547)
Infrastructure Fund Management Limited (ABN 70 118 203 731; AFS Licence No. 310497)
As the Responsible Entity of
Transfield Services Infrastructure Trust (ARSN 125 010 531)

Please see overleaf for guidelines to complete this Form and Payment Options. If you are paying by cheque, bank draft or money order please detach this section of this Form and return it with your cheque, bank draft or money order.

Paperclip cheque(s) here. Do not staple.

B Number of New Securities applied for (being not more than your Entitlement shown in box A)

C Number of Additional New Securities applied for in excess of your Entitlement shown in box A

D Total number of New Securities and Additional New Securities applied for (add boxes B and C)

E Cheque Details
Make your cheque, bank draft or money order payable to "TSI Fund Entitlement Offer" and crossed "Not Negotiable"

Drawer	Cheque number	BSB number	Account number	Cheque Amount (total in box D multiplied by A$0.70)
				A$

F Contact Details -Please provide your contact details in case we need to speak to you about this Form

Name of contact person

Contact person's daytime telephone number ( )

Entitlement Number: <xxxxxxxxxx>

1234567890123456+1234567890-1234+12

NOT FOR USE - SAMPLE ONLY

How to complete the Entitlement and Acceptance Form

Please complete all relevant sections of this Form using BLOCK LETTERS in black ink. Note that photocopies will not be accepted. These instructions are cross-referenced to each section of this Form. This Form should only be used by/for the securityholder(s) whose details appear on the front of this Form.

A **Securityholder Entitlement Details**
Details of your total Entitlement based on your holding of TSI Fund stapled securities at 7.00pm (Sydney time) on 14 May 2010 are shown in box A on the front of this Form.

B **New Securities Applied for**
You can apply to accept either all or part of your Entitlement. Enter in box B the number of New Securities you wish to accept from your Entitlement.
- To apply for your Entitlement in full, write in box B the number of New Securities shown in box A as your Entitlement.
- To apply for part of your Entitlement only, write in box B the number of New Securities for which you wish to apply.

You may apply for more New Securities than your Entitlement using box C.

C **Additional New Securities Applied for**
You may apply for Additional New Securities in excess of your Entitlement. No Eligible Retail Securityholder is assured of receiving any Additional New Securities applied for in excess of their Entitlement. Allocations are subject to the absolute discretion of TSI Fund.
To apply for Additional New Securities, write in box C the number of Additional New Securities for which you wish to apply.
Please ensure you complete box B and box C (if you are applying for Additional New Securities).

D **Total TSI Fund stapled securities Applied For (including Additional New Securities)**
To calculate the total number of New Securities and Additional New Securities applied for, add box B and box C together and enter this amount in box D.

E **Payment Details**
You can apply for New Securities and Additional New Securities utilising the payment options detailed below. It is your responsibility to ensure that payment is received by no later than 5.00pm (Sydney time) on Monday, 24 May 2010 and cleared funds are received by Thursday, 27 May 2010 if you wish to be included in the Initial Allotment, or otherwise by 5.00pm (Sydney time) on Thursday, 3 June 2010.
(1) Payment by BPAY®
You can pay by BPAY® using the details set out at the bottom left of this page (under "Payment Options"). If your payment is being made by BPAY® you are not required to return this Form, and you will be deemed to have applied for such whole number of New Securities and Additional New Securities (if any) for which you have paid.
(2) Payment by cheque, bank draft or money order
If you choose this payment method, your cheque, bank draft or money order must be made in Australian currency and drawn on an Australian branch of a financial institution. Such payment must be made payable to "TSI Fund Entitlement Offer" and crossed "Not Negotiable". Payments that are not properly drawn may be rejected.
Complete the details in the boxes provided in section E. To calculate the amount payable, multiply the total number of New Securities and Additional New Securities applied for in box D by the offer price of A$0.70.
Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Form being rejected. Paperclip (do not staple) your cheque, bank draft or money order to this Form where indicated. Cash will not be accepted. Receipt of payment will not be forwarded.

F **Contact Details**
Enter the name of a contact person and telephone number. These details will only be used in the event that Computershare Investor Services Pty Limited ("Security Registry") has a query regarding this Form.

Declaration
By submitting this Form along with your application monies or making a payment by BPAY®, you:
- agree to be bound by the terms of the Offer Documents and the provisions of the constitutions of the entities comprising TSI Fund;
- agree to be bound by the terms and conditions of issue of the New Securities and Additional New Securities in accordance with the Offer Documents;
- authorise us to register you as the holder(s) of the New Securities and Additional New Securities (if any) allotted to you;
- declare that all details and statements in this Form are complete and accurate;
- declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under this Form;
- acknowledge that once TSI Fund receives your Form or payment by BPAY®, you may not withdraw it;
- agree to apply for, and be issued with, the number of New Securities and Additional New Securities (if any) that you apply for at the offer price of A$0.70;
- authorise TSI Fund and its officers or agents to do anything on your behalf necessary for the New Securities and Additional New Securities (if any) to be issued to you, including to act on instructions of the Security Registry upon using the contact details set out in this Form;
- declare that, as at the Record Date, you are the current registered holder(s) of the stapled securities in your name and are an Australian or New Zealand resident;
- acknowledge that the information contained in the Offer Documents is not investment advice or a recommendation that New Securities are suitable for you, given your investment objectives, financial situation or particular needs;
- represent and warrant that the law of any other place does not prohibit you from being given the Offer Documents or making an application on this Form or by payment by BPAY®;
- represent, warrant and agree (for the benefit of TSI Fund, the underwriters and their respective affiliates) that you are not in the United States and you are not a "U.S. person" (as defined under Regulation S under the United States Securities Act of 1933 (Securities Act) ("U.S. Persons") or acting for the account or benefit of a U.S. Person;
- represent, warrant and agree that the New Securities and Additional New Securities have not, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States or in any other jurisdiction outside Australia or New Zealand and accordingly, the New Securities and Additional New Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable laws;
- will be deemed to have given each of the representations and warranties contained in the Offer Documents including in particular those representations and warranties contained in section 7 under the heading "How to apply" of the Retail Entitlement Offer Booklet;
- agree not to send this Form, the Offer Documents or any other material relating to the Entitlement Offer to any person in the United States or that is a U.S. Person or is acting for the account or benefit of a U.S. Person; and
- agree that if in the future you decide to sell or otherwise transfer your New Securities or Additional New Securities, in each case you will only do so in transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or a U.S. Person.

If you have any enquiries concerning this Form or your Entitlement, please contact the TSI Fund Entitlement Offer Information Line on 1300 086 035 (within Australia) or +61 3 9415 4018 (outside Australia) between 8.30am and 5.00pm (Sydney time) Monday to Friday.

Lodgement of Acceptance
If you wish to participate in the Initial Allotment of New Securities, payment must be received by no later than 5.00pm (Sydney time) on Monday, 24 May 2010 and cleared funds must be received by Thursday, 27 May 2010. Otherwise payment must be received by no later than 5.00pm (Sydney time) on Thursday, 3 June 2010. It is the responsibility of the applicant to ensure that funds submitted through BPAY® are received by this time. If you are paying by cheque, bank draft or money order a reply paid envelope is enclosed for Eligible Retail Securityholders in Australia. Eligible Retail Securityholders in New Zealand will need to affix the appropriate postage. Return the bottom section of this Form with the cheque, bank draft or money order attached.

Neither the Security Registry nor TSI Fund accepts any responsibility if you lodge the Form at any other address or by any other means.
This Form will not be processed if received via facsimile to the Security Registry. Only hardcopy Forms will be accepted and processed.
CHESS holders must contact their Controlling Participant to notify a change of address.
The New Securities have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons.

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NOT FOR USE – SAMPLE ONLY

Payment Options:

1. **BPAY®**

Biller Code: 152579
Ref No: 1234 5678 9012 3456 78

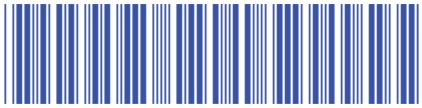
Telephone & Internet Banking – BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account. For more information please refer to www.bpay.com.au. You must check the processing cut off time for BPAY® transaction with your bank, credit union or building society as it may be earlier than the close of the Retail Entitlement Offer. It is the responsibility of the applicant to ensure funds submitted through BPAY® are received by the close of the Retail Entitlement Offer being 5.00pm (Sydney time) on Thursday, 3 June 2010.

2. **Cheque, bank draft or money order**

Made Payable to:
"TSI Fund Entitlement Offer" and crossed "Not Negotiable"

Mail to:
TSI Fund Retail Entitlement Offer
Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001
AUSTRALIA



Entitlement Number: <xxxxxxxxxx>

SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000