

ASX ANNOUNCEMENT

15 August 2006

GASNET ANNOUNCEMENT RE ALTERNATIVE OFFER

Babcock & Brown Infrastructure (“BBI”) and Australian Pipeline Trust (“APA”) note that Colonial First State Global Asset Management today announced an alternative offer for GasNet Australia Group (“GasNet”).

BBI and APA – who jointly have an interest in just over 14% of GasNet’s issued securities – are reviewing the detail of the Colonial First State Global Asset Management Offer announcement and will respond in due course.

The BBI-APA joint offer for GasNet is being made through BBI GP (Aust) Pty Limited – the joint venture vehicle of BBI and APA.

GasNet securityholders can contact the Offer information line if they have inquiries on 1300 651 573 (within Australia) or +613 9415 4272 (outside Australia). Please note that, as required under the Corporations Act, calls to these information lines will be recorded.

Media inquiries contact:

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ENDS

Information on BBI and APA

Babcock & Brown Infrastructure

BBI is a specialist infrastructure entity which provides investors access to a diversified portfolio of quality infrastructure assets. BBI's investment strategy focuses on acquiring, managing and operating quality infrastructure assets in Australia and internationally.

BBI's portfolio is diversified across three asset classes:

Energy Distribution and Transmission

- Powerco – the second largest electricity and gas distribution business in New Zealand;
- IEG – a natural gas and LPG distribution and supply business in the United Kingdom, Channel Islands, Isle of Man and Portugal;
- Cross Sound Cable - a HVDC transmission cable which links the electricity grids of Long Island and Connecticut in the United States; and
- NorthWestern Energy Corporation (NWECC) – an electricity and gas transmission and distribution utility with operations in Montana, South Dakota and Nebraska (completion is subject to US regulatory approvals).

Transport Infrastructure

- Dalrymple Bay Coal Terminal - one of the worlds largest coal export facilities, located in Queensland, Australia;
- PD Ports – a major British ports operator and owner of the second largest port by tonnage in the United Kingdom; and
- WestNet Rail – a 51% equity interest in a rail infrastructure business based in Western Australia.

Power Generation

- Ecogen – a 50% equity stake in gas-fired electricity generation plants in Victoria, Australia;
- Redbank – a 50% equity stake in a coal tailings-fired electricity generation plant in New South Wales, Australia; and
- B&B Wind Partners – an 8.9% equity stake in a portfolio of 23 wind energy farms in the United States, Spain, France, Germany, and Australia.

BBI is managed by Babcock & Brown Infrastructure Management Pty Limited (BBIM), a subsidiary of Babcock & Brown Limited (ASX: BNB), a global investment and advisory firm with longstanding capabilities in structured finance and the creation, syndication and management of asset and cash flow-based investments, particularly infrastructure investments.

BBI is listed on the Australian Stock Exchange and has a market capitalisation of approximately \$2.3 billion.

Australian Pipeline Trust

APA is the major ASX-listed energy transmission company in Australia with interests in more than 8,000km of natural gas pipeline infrastructure, a CSG processing plant, gas storage facilities and a high voltage direct current interconnector system including a 180km underground transmission cable. APA has a varied and quality customer base including AGL, Cooper Eromanga Basin Producers, Xstrata, Newmont, CS Energy, BHP Billiton, Zinifex, Incitec Pivot, Origin, Energex, Rio Tinto, Nickel West and Western Power Corporation.