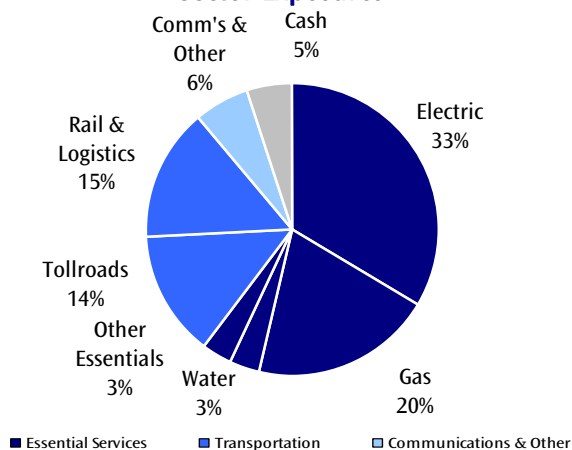
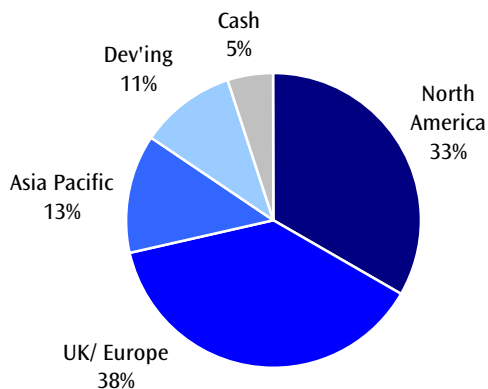
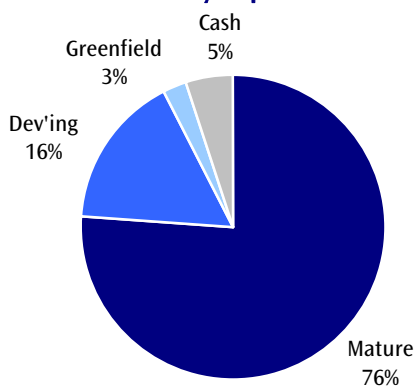


Performance Summary (total returns in AUD after fees)

	This Month	Three Months	Twelve Months	Inception ¹
RARE Series Value Fund	4.1%	8.8%	na	7.1%
Benchmark ²	0.6%	2.2%	na	2.9%
MSCI World (Local Currency)	7.7%	14.5%	na	-8.1%

Overview of Fund Exposures and Portfolio Statistics
Sector Exposures³

Regional Exposures - by Listing

Maturity Exposures³

Portfolio Statistics

Current statistics of the RARE Infrastructure Value Fund are as follows⁴:

Dividend Yield	5.6%
EV ⁵ / EBITDA ⁶	8.3x
Interest Cover	3.8x
Gearing (Net Debt/ EV)	44.7%
Asset Beta	0.48

Fund Details

Fund Size	<\$1m
Number of Holdings	37
Minimum Investment	\$20,000 ⁷
Application Price	0.9745
Redemption Price	0.9697
Distribution Frequency	Quarterly
Distribution for March 09 (cpu)	0.0000
APIR Code	TGP0016AU
Morningstar Ticker	tbc
Management Fee	1.23% per annum
Transaction Costs	0.25%
Performance Fee	10.25% of investment returns made in excess of the Benchmark
Benchmark	An accumulation index comprising the OECD G7 Inflation Index plus 5.5% per annum

¹ Fund inception date 9 July 2008; Performance inception date 30 September 2008

² OECD G7 Inflation Index plus 5.5% pa

³ Based on the exposures of the underlying assets of the stocks in the Fund, as assessed by RARE Infrastructure

⁴ Based on weighted averages

⁵ EV means Enterprise Value (market capitalisation + preferred equity, if any + net debt)

⁶ EBITDA means earnings before interest, tax, depreciation & amortisation

⁷ If you invest through an IDPS operator such as a Master Trust or Wrap Account platform, this minimum may not apply to you

Market Commentary for the Month

In the May factsheet we mentioned “pigs can fly”, and in July they visited the RARE offices with our Head of Retail Distribution, Matt Dell, contracting swine flu. Despite swine flu increasing around the world, it did little to dampen global markets. The S&P 500 had its best 5 month streak since 1938. Developed world markets (MSCI World, local) were up 7.7% and Emerging Markets (MSCI EM local) up 9.5% in July.

Out of 376 companies in the S&P 500 that have reported Q2 numbers 287 (76%) have beaten expectations by an average of 10%. This is a combination of earnings expectations getting beaten down, and management slashing costs (employment, replacement capex, travel, advertising, etc.). Generally revenues fell so earnings upside was not supported by consumer spending.

These upside results were mirrored in other parts of the world, and combined with better credit conditions helped support the rising equity markets.

BUT, what is on our minds as we look to the future?

* Short term we think equity markets may have run ahead of themselves. For markets to continue rising requires consumer confidence to increase, and for this to occur, we believe there needs to be a material turnaround in US unemployment. Consumers will not spend until they feel confident in their employment prospects.

We believe,

* that the current expansionary fiscal policies will eventually lead to higher inflation, despite the so-called 'output' gaps; and

* that a major fiscal tightening designed to reign in expansionary government budgets will create subdued economic growth in future years.

The most relevant events that occurred in July, from an infrastructure perspective, were

* Ferrovial (Spanish Infrastructure / construction company) that owns British airports and tollroads (through their 68% shareholding in Cintra) finally announced details on its merger with Cintra, which was more favourable to Cintra than investors had been expecting. On the day of the announcement, Cintra was up around 20%

* US House of Representatives passed legislation for a cap and trade CO2 scheme from 2012. RARE believes this is a very positive development and some companies in our investment universe will benefit directly and indirectly from such a scheme.

Portfolio Commentary

RARE outperformed its benchmark in July (4.1% vs 0.6%), but underperformed global equities (7.7%).

On a regional basis we decreased our exposure to North America. Our European, Asian and emerging market exposure remained flat.

On a sector basis, as signs of greater economic stability appeared, we further increased our weighting to rail, ports and toll roads and reduced the exposures to the gas and electric utilities.

On a company level we had good performance and contribution from tollroads - Cintra and Vinci - and Shenzhen International (Asia); and US utilities ITC and Spectra. There were only six stocks that contributed negative performance.

We continue to invest in companies with sound balance sheets and in companies in which we have a high conviction in earnings. During the month we continued our gradual reweighting to infrastructure stocks.

*Richard Elmslie & Nick Langley,
Senior Portfolio Managers*

Overview of Fund Holdings

Top 10 Holdings	Weighting
NATIONAL GRID PLC	5.0%
VINCI SA	4.9%
ABERTIS INFRASTRUCTURAS SA	4.8%
ITC HOLDINGS CORPORATION	4.7%
SNAM RETE GAS	4.6%
SPECTRA ENERGY CORP	4.3%
SES	4.2%
TRANSCANADA CORPORATION	4.1%
SHENZHEN INTERNATIONAL HOLDINGS LIM	3.7%
RED ELECTRICA CORPORATION SA	3.7%

Currency Exposure

Currency	Exposure (AUD million)	Hedge (%)
US Dollar (incl. HKI)	0.07	97%
Canadian Dollar	0.01	97%
Euro	0.06	78%
British Pound	0.02	89%
Brazilian Real	0.02	85%
Singapore Dollar	0.01	105%

Important Information:

While the information contained in this report has been prepared with all reasonable care, RARE Infrastructure Limited ("RARE") accepts no responsibility or liability for any errors, omissions or misstatements however caused. This information is not personal advice. This advice has been prepared without taking account of your objectives, financial situation or needs.

Treasury Group Investment Services Limited ("TIS") is the responsible entity for the RARE Infrastructure Value Fund (the "Fund"). Applications can only be made on the form in the current product disclosure statement dated 17 January 2007 for this Fund. The product disclosure statement can be obtained by contacting the RARE Infrastructure investment team on (02) 9397 7300, by fax (02) 9397 7399, by emailing invest@RAREInfrastructure.com or at www.RAREInfrastructure.com. Potential investors should consider the product disclosure statement before deciding whether to invest, or continue to invest in the Fund. The fact that shares in a particular company may have been mentioned should not be interpreted as a recommendation to buy, sell or hold that stock.

Investors should be aware that past performance is not indicative of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments. Potential investors should seek independent advice as to the suitability of the Fund to their investment needs.

TIS may be contacted by writing to Level 5, 50 Margaret Street, Sydney, NSW, 2000, by telephone (02) 8243 0400 or by fax (02) 8243 0410.

TIS receives an investment management fee of 1.23% per annum of the amount invested in the fund (including GST less the maximum applicable reduced input tax credits), which is the entire management fee, out of which responsible entity fees, investment management costs, ongoing administrative expenses and other fees will be paid.