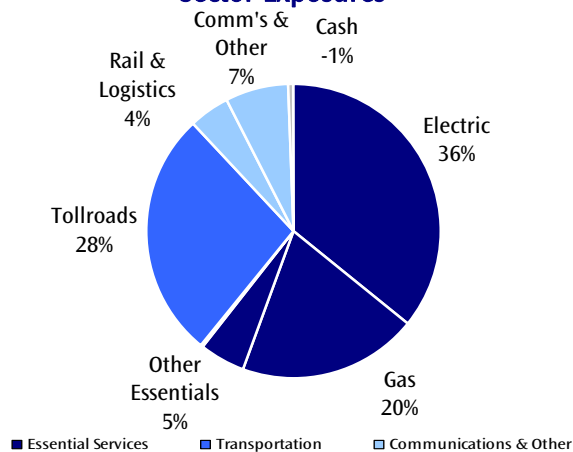
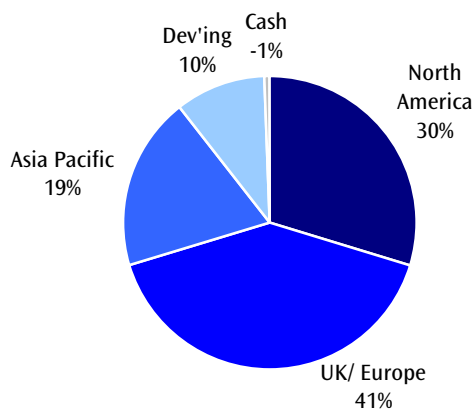
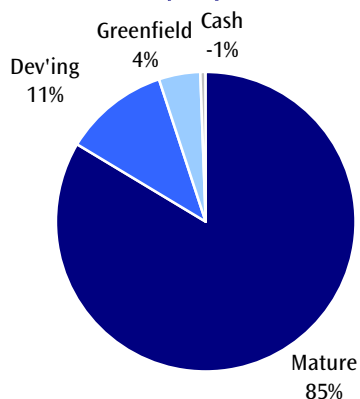


Performance Summary (total returns in AUD after fees)

| | This Month | Three Months | Twelve Months | Inception ¹ |
|--------------------------------|------------|--------------|---------------|------------------------|
| RARE Infrastructure Value Fund | -7.7% | -8.4% | -16.1% | 0.2% |
| Benchmark ² | 1.2% | 3.3% | 9.8% | 8.5% |
| MSCI World (Local Currency) | -10.9% | -12.4% | -25.1% | -3.8% |

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 | 5.5% |
| EV ⁵ / EBITDA ⁶ | 9.5x |
| Interest Cover | 4.7x |
| Gearing (Net Debt/ EV) | 35.9% |
| Asset Beta | 0.52 |

Fund Details

| | |
|-------------------------------|--|
| Fund Size | \$135m |
| Number of Holdings | 36 |
| Minimum Investment | \$500,000 ⁷ |
| Application Price | 0.9155 |
| Redemption Price | 0.9109 |
| Distribution Frequency | Quarterly |
| Distribution for September 08 | 0.0000 cpu |
| APIR Code | TGP0008AU |
| Morningstar Ticker | 14651 |
| Management Fee | 1.025% 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 Inception date 13 November 2006. Results Annualised

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

Global markets collapsed in September, panicked by the failures battering the US financial system. In exceptional conditions, the Federal Reserve stepped in to rescue AIG, one of the world's largest insurers and Freddie Mac and Fannie Mae, while the month saw the demise of Lehman Brothers, WaMu and Wachovia, the enforced takeover of Merrill Lynch and the unprecedented imposition of short-selling market restrictions. The subsequent failure of Congress to approve a USD700b bailout of problematic mortgage related assets held by financial institutions savaged markets (DJ -6.0%; S&P500 -9.2%; NASDAQ -12.0%). The crisis in the financial sector was compounded by deteriorating economic data relating to retail sales, rising unemployment levels and weakening housing statistics. The global financial systems will survive the seismic shifts, however the depth and duration of the expected tsunami in the real economy is still unknown.

The falls in European markets exceeded that of the US (UK -13.0%; France -10.0%; Italy -11.3%; Spain -6.1%; Germany -9.2%) reflecting the financial uncertainty, growth concerns and falling commodity prices. In the UK, the Central Bank rescued Bradford & Bingley and Lloyds bought HBOS, while in Europe governments bailed out Fortis, Glitnir and Dexia.

AsiaPac markets fell even further than Europe (HK -15.3%; Singapore -13.9%; Japan -13.9%; Taiwan -18.8; Australia -10.4%) driven by the expectation that slowing economies in the USA and Europe would negatively impact earnings and regional growth prospects. While most economies recorded moderating inflation pressures (lower oil and food prices) and latitude to reduce interest rates, lower earnings dominated markets.

Infrastructure related activity included the announcement that Electricite de France had purchased British Energy for GBP12.4b, a subsidiary of Warren Buffett's Berkshire Hathaway acquired Constellation Energy Group for USD4.7b and the German railway company Deutsche Bahn was listing c.25% of its operating company, DB Mobility Logistics, targeting to raise some EUR5.0b. Ferrovial announced the sale of its Belfast City Airport for GBP133m and following the recommendation of the UK Competition Commission will also sell its Gatwick airport (expected value of GBP2-4b).

**Richard Elmslie, Nick Langley & George Raftopoulos,
Senior Portfolio Managers**

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 1.025% 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.

Portfolio Commentary

The fund underperformed in September, finishing negative at -7.7% compared to the -10.9% performance for global markets, as measured by the MSCI World Index.

On a sector and regional basis, RARE benefited from its exposure to Gas and Electric utilities in Latin, North America and Europe, some of which delivered positive returns for the month. Performance was negatively impacted by RARE's exposure to tollroads in Latin America and Hong Kong and to Australian utilities.

As a result of realised losses, primarily relating to foreign exchange hedging, the RARE Infrastructure Value Fund does not have profits to distribute to unit holders for the September quarter.

The overall cash & liquidity position of the Fund is -1%, representing 4.7% cash and -5.8% unrealized loss on foreign exchange contracts related to foreign exchange hedging.

RARE continues to believe that global markets will be volatile, and continues to weight the portfolio towards stocks that exhibit more defensive investment characteristics.

Overview of Fund Holdings

| Top 10 Holdings | Weighting |
|------------------------------|-----------|
| CINTRA CONCESIONES DE INFRAE | 7.1% |
| PROGRESS ENERGY | 5.4% |
| NATIONAL GRID PLC | 4.8% |
| ABERTIS INFRAESTRUCTURAS SA | 4.4% |
| TRANSCANADA CORPORATION | 4.4% |
| VINCI SA | 4.3% |
| SES | 4.3% |
| SINGAPORE POST LIMITED | 4.2% |
| SNAM RETE GAS | 4.2% |
| ENBRIDGE INC | 4.1% |

Currency Exposure

| Currency | Exposure (AUD million) | Hedge (%) |
|-----------------------|---------------------------|--------------|
| US Dollar (incl. HKI) | 36.9 | 100% |
| Canadian Dollar | 15.1 | 91% |
| Euro (incl. CZK) | 48.9 | 90% |
| British Pound | 6.5 | 94% |
| Brazilian Real | 13.5 | 106% |
| Singapore Dollar | 5.7 | 104% |