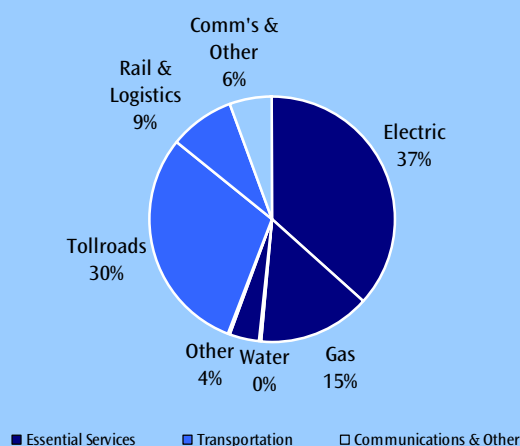
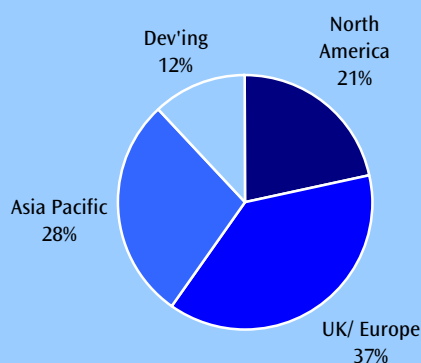
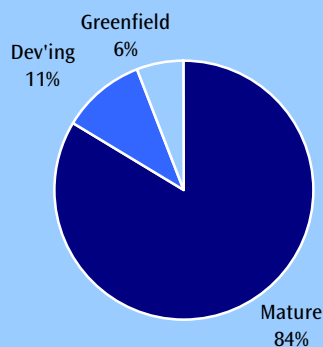


Performance Summary (total returns in AUD after fees)

	This Month	Three Months	Nine Months	Inception ¹
RARE Infrastructure Value Fund	2.4%	7.6%	15.3%	23.4%
Benchmark ²	0.4%	1.9%	5.9%	6.9%
Out/ (Under) Performance	2.0%	5.7%	9.5%	16.6%

Overview of Fund Exposures and Portfolio Statistics
Sector Exposures³

Regional Exposures

Maturity Exposures³

Portfolio Statistics

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

Dividend Yield	4.2%
EV ⁵ / EBITDA ⁶	11.0x
Interest Cover	4.3x
Gearing (Net Debt/ EV)	32.1%
Asset Beta	0.52

Fund Details

Fund Size	\$112m
Number of Holdings	40
Minimum Investment	\$500,000 ⁷
Application Price	1.2020
Redemption Price	1.1960
Distribution Frequency	Quarterly
Last Distribution, Sep 07	0.4983 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

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

Despite concerns over the outlook for the US economy, on-going negative sub-prime announcements and inflationary fears from a rising oil price that reached \$94/barrel (+15.8% for the month), the US market continued to advance this month (DJ +0.2%; S&P500 +1.5%; NASDAQ +5.8%). Technology stocks led the market, financials fell sharply and the Fed cut rates by a further 0.25%.

European markets again recorded generally stronger performances than the US this month (UK +3.9%; France +2.3%; Germany +2.0%; Italy +1.6%; Spain +9.0%) with solid industrial production data from Germany, Italy and Sweden. EU new industrial orders rose 5.1% year-on-year.

Asian markets, with the exception of Japan (-0.3%), surged again during the month (HK +15.5%; Korea +6.1%; Singapore +2.7%; Taiwan +2.5%). Strong regional earnings results, a positive economic outlook and at this stage little inflationary or interest rate concerns underpinned the markets.

Dubai World has announced it will IPO 20% (US\$800m) of its global marine terminal operator, DP World, for an expected price of about US\$4.0bn on November 26. The Greek government has also announced it's intention to privatise the Port of Pireaus next year, while the Japanese government has announced plans to privatise Tokyo Port Terminal Public Corp by April next year. The port of Osaka is reported to be considering a similar privatisation.

Plans for Russia's first airport concession were announced, with the St Petersburg municipal authorities looking to grant a 20 year concession to a private operator. It is expected that passenger traffic at Pulkovo Airport will increase from the current level of 5m passengers per annum to over 17m by 2025.

Richard Elmslie, Investment Director
Nick Langley, Investment Director &
George Raftopoulos, Senior Portfolio Manager

Portfolio Commentary

All infrastructure sectors recorded increases for the month, with performances ranging from +0.5% (Airports) to +5.9% (Gas utilities). RARE's performance was achieved due in part to having no exposure to the Airports sector and despite having no exposure to the strongly performing Water sector (+5.5%) which was supported by M&A activity. RARE benefited from exposure to the strong performances in the Gas utilities (+5.9%) and the Electric utilities (+4.8%) sectors and the portfolio's regional exposure to Europe (+5.0%), North America (+5.7%) and Developing Asia Pacific (+5.2%).

OHL in Brazil has won five Federal road concessions, while Brisa in Portugal has been shortlisted for the 30 year Marao motorway concession & also plans to bid for the management and enlargement of two highways in Russia. The first contract is for a 58km highway worth €1.2bn linking Moscow to its international airport, the second is for a link between Moscow and Minsk worth €800m.

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

Overview of Fund Holdings

Top 5 Holdings

CINTRA CONCESIONES DE INFRAE
BABCOCK AND BROWN WIND PARTNERS GROUP DEFERRED S
SPARK INFRASTRUCTURE GROUP STAPLED SECURITIES FULLY
VINCI SA
SNAM RETE GAS

Currency Exposure

Currency	Exposure (AUD million)	Hedge (%)
USD (incl HKD)	26.2	101.5%
Euro	33.9	103.0%
Canadian Dollar	9.3	97.3%
Czech Koruna	2.8	
Brazilian Real	12.1	98.2%
British Pound	1.9	110.4%

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.