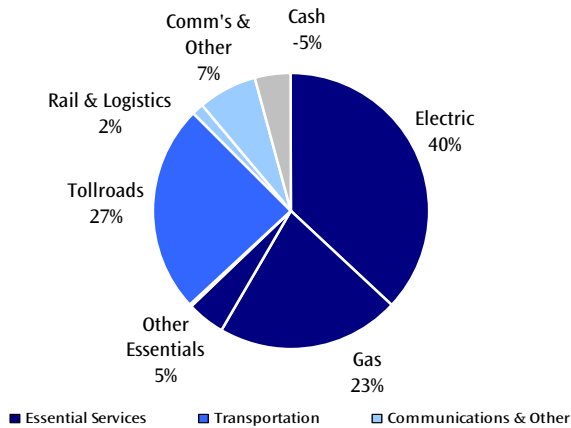
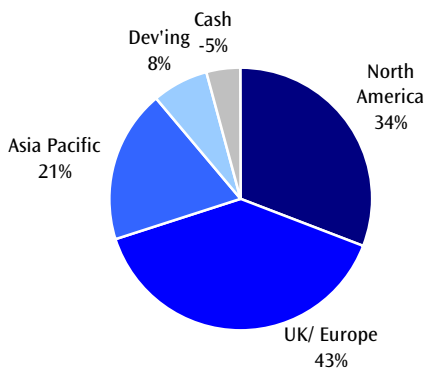
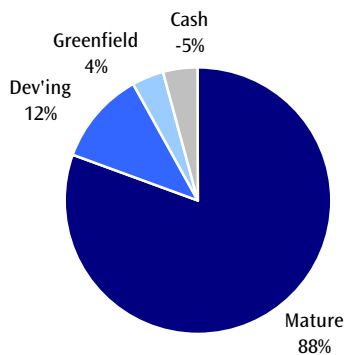


Performance Summary (total returns in AUD after fees)

	This Month	Three Months	Twelve Months	Inception ¹
RARE Infrastructure Value Fund	-10.8%	-17.9%	-26.9%	-5.4%
Benchmark ²	0.8%	3.3%	10.3%	8.6%
MSCI World (Local Currency)	-16.9%	-25.6%	-39.5%	-12.3%

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	6.0%
EV ⁵ / EBITDA ⁶	9.6x
Interest Cover	4.3x
Gearing (Net Debt/ EV)	37.7%
Asset Beta	0.53

Fund Details

Fund Size	\$125m
Number of Holdings	35
Minimum Investment	\$500,000 ⁷
Application Price	0.8164
Redemption Price	0.8123
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 decline sharply in October on the back of seized credit markets, pessimistic news on the outlook for company earnings & escalating concern regarding the anticipated depth and duration of the global downturn. The US market was characterised by extreme volatility (DJ -14.1%; S&P500 -16.8%; NASDAQ -17.4%) despite some initial indications that the liquidity crisis was easing following renewed intervention to cut interest rates and bolster the financial system by taking direct equity positions. Market focus remains on the potential impact that a slowing economy will have on company earnings & the extent to which growth strategies will be deferred or cancelled as a result of the tight credit markets. The current reporting season has seen a long list of companies issuing disappointing outlook statements & the release of poor news relating to unemployment data, retail sales & industrial production.

The falls in European markets matched that of the US (UK -10.7%; France -13.5%; Italy -16.3%; Spain -17.0%; Germany -14.5%) despite massive central bank and government intervention to inject liquidity and guarantee the survival of the banking system. Germany, France and Spain pledged EUR960b to guarantee interbank loans and take stakes in banks, while the Swiss government gave UBS AG a USD59.2b rescue package and pushed Credit Suisse Group AG to raise CHF10b in new equity from investors.

Asia Pacific market declines were particularly severe for the month (Hong Kong -22.5%; Singapore -23.9%; Japan -23.8%; Taiwan -14.8; Australia -12.7%). The prospect of a global recession impacted markets and was compounded by news that Japan's corporate bankruptcies jumped 34% in September, as exports slumped and credit-market turmoil engulfed the world's second-largest economy.

Infrastructure related activity included the announcement that Aeroports de Paris and Amsterdam Airport have agreed to a 8% cross holding in a deal worth USD1.2b, the proposed EUR5-6b Deutsche Bahn IPO has been deferred, the Sao Paulo authorities auctioned five highways, realising some USD1.6b and Itinere was awarded the 35 year USD235m Vallenar-Caldera highway concession in Chile. MidAmerican Energy announced its intention to acquire Constellation Energy for USD4.7b, while the National Highways Authority of India intends to invite bids for 23 projects valued at about USD6.0b.

**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 October, finishing negative at -10.9% compared to the -16.9% performance for global markets, as measured by the MSCI World Index.

On a sector and regional basis, RARE benefited from its exposure to the relatively defensive Gas and Electric utilities in Latin and North America, Europe and Australia, 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.

Vinci has been selected by the Russian Ministry of Transport as the preferred bidder for the first section of the USD2.1b Moscow to St. Petersburg high speed tollroad. The first section of the 30 year concession, 650km tollroad, is a 58km stretch. Vinci has also been shortlisted for the 25 year EUR1.5b toll road concession in Romania which is scheduled for completion in 2011.

The overall cash & liquidity position of the Fund is -5%, representing 8% cash and -13% unrealised loss on foreign exchange contracts relating to FX 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
ITC HOLDINGS CORPORATION	6.3%
NATIONAL GRID PLC	6.1%
CINTRA CONCESIONES DE INFRAE	5.9%
ENBRIDGE INC	5.7%
ABERTIS INFRAESTRUCTURAS SA	5.0%
PROGRESS ENERGY	5.0%
SES	4.8%
TRANSCANADA CORPORATION	4.7%
SNAM RETE GAS	4.5%
WISCONSIN ENERGY CORPORATION	4.4%

Currency Exposure

Currency	Exposure (AUD million)	Hedge (%)
US Dollar (incl. HKI)	39.4	99%
Canadian Dollar	13.0	118%
Euro (incl. CZK)	46.1	100%
British Pound	7.6	83%
Brazilian Real	9.5	93%
Singapore Dollar	5.0	123%