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as responsible entity of each of
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ASX Announcement

4 November 2010

Scheme Meetings and Annual General Meetings

Please see attached Chairman's Address and Presentation for today's Scheme Meetings and Annual General Meetings of Prime Infrastructure Securityholders.

ENDS

Further enquiries

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About Prime Infrastructure

Prime Infrastructure (ASX: PIH) is a specialist infrastructure operator which owns and manages a portfolio of high quality infrastructure assets. We invest in businesses across two operating platforms based on their underlying economic drivers – utilities and fee for service. Our portfolio of infrastructure assets is primarily in the energy and transport sectors located in Australasia, North America and Europe. For further information please visit our website: www.primeinfrastructure.com



PRIME INFRASTRUCTURE

SCHEME MEETINGS AND ANNUAL GENERAL MEETINGS

**Chairman's Address
Hon. Dr David Hamill**

**Thursday 4 November 2010, 10.00am
Wesley Theatre, Wesley Conference Centre, Sydney**

Introduction

The last 12 months has seen significant change for our business, starting with the successful Recapitalisation in November 2009.

Key components of that Recapitalisation included a A\$1.5 billion equity raising and the repayment of A\$1.1 billion of corporate debt. As a result, we strengthened our balance sheet considerably, reducing our proportional debt from 98% to 62% and significantly improving our liquidity position.

Appointment of New Directors

Following the Recapitalisation, we reconstituted the Prime Boards and with the appointment of the Brookfield Infrastructure nominated non-executive Directors, Jeff Blidner, our Deputy Chairman, Sam Pollock and Brian Kingston we added significant asset management experience to the Boards.

Following an extensive recruitment process, a further appointment was made in February when Jim Sloman OAM was appointed as an independent non-executive Director. Jim's appointment increased the number of independent directors, such that there are now four independent non-executive Directors on each Board.

In March, Jeff Kendrew resigned as Managing Director and Chief Executive Officer, to take up a role within Brookfield Asset Management, and Brian Kingston was appointed Managing Director and Chief Executive Officer.

I would like to take this opportunity to publicly acknowledge Jeff's outstanding leadership as Managing Director and Chief Executive Officer. Prime was fortunate in that Jeff was able to remain on the Boards as a non-executive Director, allowing us to continue to benefit from his extensive experience in the infrastructure industry and his intimate knowledge of our business.

Financial Results

Despite continuing challenges in global macroeconomic conditions, it is pleasing that our businesses achieved EBITDA of A\$587 million for the 2010 financial year, which was in line with the forecast presented in the Recapitalisation Prospectus in October 2009.

Our operating cash flow of A\$155 million was A\$22 million ahead of the Prospectus forecast. These results reflect the stability and reliability of the cash flows generated by our Utilities and Fee for Service businesses.

Our Utilities platform delivered a solid performance for the financial year with EBITDA of A\$223 million, compared to the forecast of A\$220 million¹.

Our Fee for Service Platform also delivered a solid performance for the financial year with EBITDA of A\$390 million, compared to the Prospectus forecast of A\$411 million¹.

Strategic priorities

We continued to make significant progress on a number of our strategic priorities, including settlements of both the regulatory rate case at NGPL and the tax case with the ATO in relation to DBCT.

While the NGPL settlement which became effective from 1 July results in a reduction in NGPL's revenue and EBITDA going forward, the outcome achieved via the Settlement provides a greater degree of certainty for the business and we believe was a significantly superior outcome than would have been realised had NGPL proceeded down the path of litigation.

Under the agreed settlement with the ATO regarding the deductibility of certain payments in relation to DBCT, we received approximately A\$43 million in cash back from the ATO from a deposit of A\$61 million lodged in relation to the dispute. The settlement agreement resolves all matters that were in dispute with the ATO in relation to DBCT.

Whilst on the subject of DBCT, I should mention that in March this year, it filed a draft access undertaking with the Queensland Competition Authority (**QCA**) with full written support of all DBCT customers. The submission included an effective roll forward of the weighted average cost of capital. This access undertaking was recently approved by the QCA. The new reset period will be for five and a half years commencing in January 2011.

¹ Forecast based on using the average exchange rate for the year ended 30 June 2010.

Growth opportunities

Although there are a number of potential growth opportunities within our businesses, I would like to make particular mention of DBCT and WestNet Rail.

In July, DBCT was appointed as one of two preferred proponents for the development of new coal export facilities at Dudgeon Point, located four kilometres north of DBCT. DBCT management will work closely with the North Queensland Bulk Ports Corporation and other stakeholders to develop a master plan for the site over the next several years. This will in turn allow its customers, stakeholders and the wider Queensland and Australian economy to further capitalise on the current strong competitive positioning of Queensland's Bowen Basin coal in the global marketplace.

As international demand for commodities increases, several large-scale iron ore mining projects, in close proximity to WestNet Rail's existing rail network, are undergoing development. We are currently evaluating substantial upgrades to our network to facilitate the transportation of iron ore and other bulk commodities to ports on the west coast of Australia for export to key Asian markets. These upgrades may represent good opportunities for us to invest additional capital in our existing business at attractive risk-adjusted rates of return. We have commenced work on expanding the network to support two of these large-scale projects, which are due to come on line at the end of the 2011 calendar year.

Distributions

Since the Recapitalisation, we have paid distributions of 15 cents per stapled security, and the quarterly distribution of 7.5 cents for the quarter ended 30 September 2010 is scheduled to be paid on or about 30 November 2010. These distributions are 100% tax deferred and funded entirely from free cash flow.

FY 2011 Performance to date

Prime this morning released its quarterly performance update in respect of the quarter ended 30 September 2010. I am pleased to report that the proforma proportional EBITDA for Q1 FY2011 before corporate costs is in line with the previous corresponding quarter, and in line with our expectations.

The quarterly results show increases in proportionate EBITDA for the quarter in respect of DBCT and IEG. In the case of DBCT this results from the approval by the QCA of the Phase 2 and Phase 3 expansion costs into the regulatory asset base or RAB, and the retrospective application of the increased RAB. In the case of IEG, the increase in EBITDA for the quarter resulted from strong performance in the connections business attributable to growth in new orders for connections and customer contributions.

The NGPL EBITDA result was lower than the previous corresponding quarter, primarily due to the application in this quarter of the Section 5 rate case concessions agreed as part of the regulatory settlement.

Proposed merger with Brookfield Infrastructure Partners L.P.

I would now like to turn to the proposed merger with Brookfield Infrastructure by way of a scheme of arrangement and trust schemes (the **Scheme**) as announced on 23 August 2010, and the subject of today's Scheme meetings.

Brookfield Infrastructure

Brookfield Infrastructure owns and operates a high quality portfolio of utilities, fee for service and timber assets in North and South America, Australasia and Europe and has a fully diluted market capitalisation of approximately US\$2.3 billion. Brookfield Infrastructure is Prime Infrastructure's largest Securityholder with a current securityholding of 39.9% and is listed on the Toronto and New York stock exchanges.

Joining forces with Brookfield Infrastructure will create a leading global infrastructure company and enable us to continue to participate in the returns from our current investments with a larger, more diversified portfolio of high quality infrastructure assets. The independent directors believe that a combination of these platforms offers Prime Infrastructure Securityholders an opportunity to invest in a stronger global group with access to greater financing options and significant growth prospects. In addition, the transaction, if successful, will allow Prime Infrastructure Securityholders to achieve a significant premium on the pre-announcement value of their investment in Prime Infrastructure via the receipt of either BIP Interests or cash.

Terms of the Scheme

Under the terms of the Scheme, Prime Infrastructure Securityholders will receive 0.24 BIP Interests for each Prime Infrastructure stapled security held, representing a value of A\$4.60 per Prime Infrastructure security, based on security prices and exchange rates at the time of announcing the proposed transaction on 23 August 2010. As of this morning, this value has increased to A\$5.35, based on the current exchange rate of \$1.0056 and yesterday's closing price for BIP Interests of US\$21.57, together with the conditional special distribution of A\$0.20 that Prime announced on 19 October 2010.

Liquidity Facility

The terms of the Scheme allow each Eligible Prime Infrastructure Securityholder to receive cash in lieu of BIP Interests which they would otherwise have been entitled to receive. This liquidity facility has been set up to accommodate holders of small parcels of Prime Infrastructure stapled securities, with each Prime Infrastructure Securityholder being entitled to receive cash in lieu of up to 4,000 BIP Interests (equivalent to approximately 16,666 Prime Infrastructure stapled securities) per Securityholder.

This liquidity facility is available only to registered holders of Prime Infrastructure stapled securities who are "Eligible Prime Securityholders" (as defined in the Scheme Booklet) and not underlying beneficial holders of Prime Infrastructure securities.

A separate compulsory liquidity facility will be implemented for Ineligible Prime Securityholders (as defined in the Scheme Booklet) in jurisdictions prohibiting the holding of BIP Interests to enable the payment of cash to these Ineligible Prime Securityholders.

In order to support these liquidity facilities, Brookfield Infrastructure's associate Brookfield Asset Management has provided an equity commitment of up to US\$300 million. Brookfield Infrastructure will draw amounts under this commitment first to fund amounts required under the voluntary liquidity facility and second to fund amounts required under the compulsory liquidity facility.

Provided no more than US\$300 million of cash is taken up under this facility, each electing Prime Infrastructure Securityholder will receive a price of US\$17.02 for each BIP Interest that they will receive under the Scheme. This price represents the five day VWAP of BIP Interests on the New York Stock Exchange immediately preceding the announcement of the Scheme on 23 August 2010.

Since cash available under these liquidity facilities is limited to US\$300 million, the possibility exists that market sales under each of the above facilities may also be required. However, based on analysis of the current Prime Infrastructure register, it is likely that the amount of the liquidity facilities combined will not exceed Brookfield Asset Management's US\$300 million commitment, providing greater pricing certainty for participants in these facilities. Based on the current exchange rate and assuming the amount of the liquidity facilities does not exceed Brookfield Asset Management's US\$300 million commitment, the liquidity facility would enable holders who have elected to participate to receive a cash exit price of A\$4.26 (including the special distribution which I will refer to in a moment).

In addition, it should also be noted that at the Record Date of 30 September 2010, Prime Infrastructure Securityholders will also be entitled to a distribution of 7.5 cents per stapled security in respect of the quarter ended 30 September 2010. As mentioned earlier, this distribution payment is scheduled to be paid on or about 30 November.

Special distribution

Prime announced on 19 October 2010 that if the Scheme is approved and becomes Effective, Prime Infrastructure Securityholders at the Scheme Record Date will receive an additional Special Distribution from Prime Infrastructure of 20 cents per Prime Infrastructure stapled security.

The total value available to Prime Infrastructure Securityholders who accept BIP Interests in connection with the merger, including the Special Distribution, reflects a 33% premium to the closing price of Prime Infrastructure stapled securities on 20 August 2010, the last trading day prior to the announcement of the merger.

As I noted earlier, the Special Distribution plus the value of BIP Interests as at today takes the overall value available to Prime Infrastructure Securityholders, if the Scheme becomes Effective, to A\$5.35.

Concurrent takeover offer

In addition to the Scheme, Brookfield Infrastructure (through Brookfield Infrastructure Partners Limited, a Bermudian exempted limited company, acting as general partner for Brookfield Infrastructure) is making a concurrent takeover offer for Prime Infrastructure stapled securities, subject to the resolutions being put to today's Scheme meetings not being approved. The proposed consideration under the takeover offer for Prime Infrastructure securities is the same as the proposed Scheme consideration, except that, due to regulatory restrictions, the Liquidity Facility cannot be made available under the takeover offer and Prime Infrastructure Securityholders in the US that are eligible to receive BIP Interests under the takeover offer will be subject to limitations on their ability to sell them.

For the takeover offer, the additional 20 cents consideration announced on 19 October 2010 will be paid by Brookfield Infrastructure. If the takeover offer becomes unconditional, the increased consideration will be paid to all Prime Infrastructure Securityholders who accept the takeover offer even if the acceptance was prior to the increase in the takeover offer consideration.

The takeover offer will not be subject to any minimum acceptance threshold. Brookfield Infrastructure has made the takeover offer to ensure that Prime Infrastructure Securityholders are able to obtain the scrip consideration offered as Scheme Consideration, regardless of the outcomes of the Scheme. The takeover offer is scheduled to close at 7.00pm on Thursday 25 November 2010, unless extended. In the event that the Scheme is implemented, the takeover offer will not proceed.

Transaction Committee

Given Brookfield Infrastructure's current ownership of approximately 40% of Prime Infrastructure, and it having three nominated directors on the Boards of Prime Infrastructure, it was essential that Prime Infrastructure adopted appropriate governance protocols in connection with the proposed transaction in order to manage conflicts of interest effectively.

To that end, the Boards of Prime Infrastructure established a Transaction Committee comprising all of the independent directors, being Leigh Hall, Jim Sloman, Barry Upson and myself (as the Chairman). The Transaction Committee received independent financial advice from Gresham Advisory Partners and legal advice from Freehills.

Independent Expert's Report

Prime Infrastructure's independent directors also commissioned Grant Samuel to prepare an Independent Expert's Report on the Scheme and concurrent Takeover Offer to ascertain whether the transaction contemplated by the Scheme is fair and reasonable to, and in the best interests of, Prime Infrastructure Securityholders.

The Independent Expert has concluded that the Scheme and concurrent Takeover Offer is fair and reasonable to, and in the best interests of, Prime Infrastructure

Securityholders in the absence of a superior proposal. A superior proposal has not been received.

The independent directors believe that this merger provides significant benefits to Prime Infrastructure Securityholders as it represents a significant premium to the pre-announcement market price of Prime Infrastructure stapled securities.

It substantially increases access to equity and debt markets, paving the way for expansion of existing operations and growth in free cash flow. The merger is an attractive opportunity for Securityholders to own a broader, more globally diverse portfolio of long life, high quality infrastructure assets and enables Prime Infrastructure Securityholders to further benefit from access to global platforms and sponsorship of Brookfield Infrastructure. The transaction is subject to customary regulatory approvals in Australia, New Zealand, Europe and United States, and the Scheme if approved here today will be subject to court approval in Australia. I am pleased to report that the holders of BIP Interests voted on 2 November 2010 to overwhelmingly approve the Merger, which satisfies another important condition.

The implied value of the transaction of A\$4.60 per Prime Infrastructure stapled security as announced on 23 August represented an approximate 30% premium based on the then prevailing closing prices of Prime Infrastructure and Brookfield Infrastructure and exchange rate. Based on the current value of the BIP Interest consideration and adding the 20 cent Special Distribution, the premium is approximately 48% to the pre-announcement closing price of A\$3.60.

As previously mentioned, the Independent Expert has concluded that the Scheme and concurrent Takeover Offer is fair and reasonable to, and in the best interests of, Prime Securityholders in the absence of a superior proposal.

Recommendations

Prime Infrastructure's independent directors believe that a merger of Prime Infrastructure and Brookfield Infrastructure will create a leading global infrastructure company with a substantial equity market capitalisation listed on both the New York and Toronto Stock Exchanges, offering Prime Infrastructure Securityholders an opportunity to invest in a stronger global group with considerably greater access to capital and significant growth prospects.

The independent directors will be voting in favour of the proposed Scheme in respect of their own securityholding where applicable, and unanimously recommend that Prime Infrastructure Securityholders endorse the proposed Scheme and vote in favour of the Scheme resolutions.

Thank you. We will now move to the formal agenda items.



**Scheme Meeting and Annual General Meeting of Shareholders
of Prime Infrastructure Holdings Limited (ACN 100 364 234)**

**Scheme Meetings and General Meetings of Unitholders of
Prime Infrastructure Trust (ARSN 100 375 479) and Prime
Infrastructure Trust 2 (ARSN 108 288 204)**

4 November 2010, Sydney

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Scheme Meetings of:

Prime Infrastructure Holdings Limited (ACN 100 364 234)

Prime Infrastructure Trust (ARSN 100 375 479)

Prime Infrastructure Trust 2 (ARSN 108 288 204)

Board of Directors / Executive Management

Board of Directors

- The Hon. Dr David Hamill, AM: Chairman/Independent, non-executive director
- Barry Upson: Independent, non-executive director
- Leigh Hall, AM: Independent, non-executive director
- Jeff Kendrew: Independent, non-executive director
- Jim Sloman, OAM: Independent, non-executive director
- Brian Kingston: Managing Director, Chief Executive Officer

Apologies

- Jeff Blidner: Deputy Chairman, non-executive director
- Sam Pollock: Non-executive director

Executive Management

- Brian Kingston: Managing Director, Chief Executive Officer
- Jonathan Sellar: Chief Financial Officer
- Michael Ryan: General Counsel & Company Secretary
- Russell Smith: Chief Operating Officer - Transport
- Michael Cummings: Chief Operating Officer – Energy, Transmission & Distribution

Agenda

- Welcome
- Chairman's Address – Scheme meeting
- Business Items – Scheme Resolutions
- Questions and Answers
- Polling
- Closure of Meeting

Presenter

The Hon. Dr David Hamill - Chairman

Further Information

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Proxy Summary– Scheme Meeting

Item	For	Open	Against	Total
1. Approval of Company Scheme	98.16%	0.60%	1.25%	
	160,058,599	974,182	2,032,127	163,064,908
2. Approval of amendment to the PIT Constitution	98.14%	0.62%	1.23%	
	159,875,198	1,017,469	2,009,667	162,902,334
3. Approval of acquisition of PIT Units	98.14%	0.63%	1.23%	
	159,874,407	1,018,774	2,009,430	162,902,611
4. Approval of amendment to the PIT2 Constitution	98.14%	0.62%	1.23%	
	159,870,749	1,017,766	2,010,315	162,898,830
5. Approval of acquisition of PIT2 Units	98.14%	0.63%	1.23%	
	159,858,056	1,026,672	2,009,329	162,894,057





Annual General Meeting of Shareholders of Prime Infrastructure Holdings Limited (ACN 100 364 234)

General Meetings of Unitholders of Prime Infrastructure Trust (ARSN 100 375 479) and Prime Infrastructure Trust 2 (ARSN 108 288 204)

Agenda

- Welcome
- AGM Items of Business
- Questions and Answers
- Polling
- Closure of Meeting

Presenter

The Hon. Dr David Hamill - Chairman

Further Information

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Proxy Summary– Annual General Meetings

Item	For	Open	Against	Total
2. Approval of the Remuneration Report – PIHL only	98.56% 298,640,607	0.36% 1,094,089	1.08% 3,273,187	303,007,883
3. Re-election of Dr David Hamill as a Director – PIHL only	96.24% 291,655,698	0.36% 1,100,340	3.40% 10,290,566	303,046,604
4. Election of Mr Jeff Blidner as a Director – PIHL only	91.79% 278,160,481	0.36% 1,099,176	7.85% 23,781,421	303,041,078
5. Election of Mr Samuel Pollock as a Director – PIHL only	91.79% 278,152,478	0.36% 1,099,458	7.85% 23,786,218	303,038,154
6. Election of Mr Jeffrey Kendrew as a Director – PIHL only	91.66% 277,761,192	0.36% 1,097,848	7.98% 24,179,020	303,038,060
7. Election of Mr James Sloman as a Director – PIHL only	96.27% 291,745,954	0.36% 1,100,001	3.36% 10,191,160	303,037,115

