

30 November 2007



ASX STATEMENT

TRANSFER OF TOWNSVILLE POWER STATION PPA FROM ENERTRADE TO AGL/ARROW

Transfield Townsville Pty Limited (Transfield Townsville), owner of the Townsville Power Station, has consented to the transfer of Enertrade's rights and obligations under the Power Purchase Agreement (PPA) to North Queensland Merchant Pty Limited. North Queensland Merchant Pty Ltd is wholly owned, and guaranteed on a joint and several basis, by AGL Energy Limited and Arrow Energy NL.

The PPA is otherwise unchanged.

Transfield Townsville is 100% owned by the Transfield Services Infrastructure Fund (TSI Fund).

The transfer of the PPA follows the Queensland Government's announcement on 10 August 2007 to sell Enertrade's gas merchant business via a competitive process. The PPA expires in 2025.

Under the terms of the PPA, Transfield Townsville's approval of the sale was required.

The TSI Fund and Transfield Townsville welcome AGL and Arrow as the new counterparty to the PPA for the remaining term of the contract.

Transfield Services Limited will continue to provide operations and maintenance services to Transfield Townsville.

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For further information:

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Transfield Services Infrastructure Fund (TSI Fund) is a publicly listed entity owning a portfolio comprised of interests in seven infrastructure assets including five power stations and two water filtration plants. TSI Fund's mandate includes sourcing, purchasing and managing assets across a diverse range of infrastructure sectors worldwide. Transfield Services is the manager of TSI Fund and the preferred provider of operations and maintenance services for TSI Fund's new assets.

www.tsinfrastructurefund.com