

MARKET RELEASE

ARQIVA APPOINTED BBC PREFERRED SUPPLIER

23 May 2006, Sydney – Challenger Infrastructure Fund (ASX:CIFCA) announced today that overnight, the BBC has appointed Arqiva as its preferred supplier of the distribution network and managed transmission service's for digital terrestrial television in the United Kingdom. Arqiva has also been selected to provide an extension to the BBC's existing digital radio network.

The BBC and Arqiva are working towards signing a contract that will encapsulate the design, deployment and operations of a new high-powered digital terrestrial television network as part of the United Kingdom's digital switchover programme.

The BBC has also appointed Arqiva to expand the BBC's Digital Audio Broadcast radio network with the addition of at least 10 and up to an additional 160 new transmitters starting in 2007.

Challenger Infrastructure Fund's Chief Executive and Arqiva Director, Steve Bickerton said, "The appointment of Arqiva as the preferred supplier to the BBC, highlights the growth potential in the Challenger Infrastructure assets. Arqiva has continued to deliver growth opportunities over and above our initial expectations."

Challenger Infrastructure Fund's 6.3 per cent stake in Arqiva makes up 20 per cent of the Fund's total assets.

Previous guidance for Challenger Infrastructure Fund's June 2006 distribution remains unchanged at 8.15 cents per stapled security, bringing the total for the financial year 2006 to 14.2 cents per stapled security.

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