



**CHALLENGER INFRASTRUCTURE FUND
EXTRAORDINARY GENERAL MEETING**

CHAIRMAN'S ADDRESS AND CHIEF EXECUTIVE'S PRESENTATION

8 OCTOBER 2007

**10.30 AM, LEVEL 15 – 255 PITT STREET
SYDNEY**

Chairman's Address

Over the past 12 months CIF has performed strongly achieving a total return of 31.7 per cent since September 2006.

This performance has been underpinned by a series of strategic transactions since listing which have and continue to deliver to investors an attractive yield together with the opportunity to realise capital growth.

Key to this future performance has been the announcement of the strategic acquisition of the LBC Group in April 2007.

On 19 April 2007, a CIF led consortium acquired LBC Group, the world's 2nd largest bulk storage terminal business. As part of this consortium CIF acquired a controlling stake of 66 per cent for \$336 million dollars.

As part of the financing package used to acquire the stake in LBC, CIF announced a Placement to raise approximately \$138 million dollars through the issue of approximately 34.4 million new securities or approximately 15 per cent of issued capital at \$4.00 each to partially fund the acquisition of LBC.

Under ASX Listing Rule 7.1, subject to certain exceptions, Challenger Infrastructure Fund is limited to issuing new securities of up to 15 per cent of its issued capital in any 12 month period without security holder approval.

Challenger Infrastructure Fund has now utilised its 15 per cent placement capacity for the last 12 months. Resolution 1 seeks securityholder approval to refresh CIF's placement capital providing CIF with the ability to raise additional capital in the next 12 months without first obtaining securityholder approval.

The directors believe that it is in the best interests of Challenger Infrastructure Fund to have the benefit of being able to raise capital without first obtaining securityholder approval so that the Fund may have maximum flexibility to take advantage of infrastructure and utility investment opportunities as they arise. As such the Directors of Challenger Listed Investments Limited endorse Resolution 1 in the EGM Notice of Meeting.

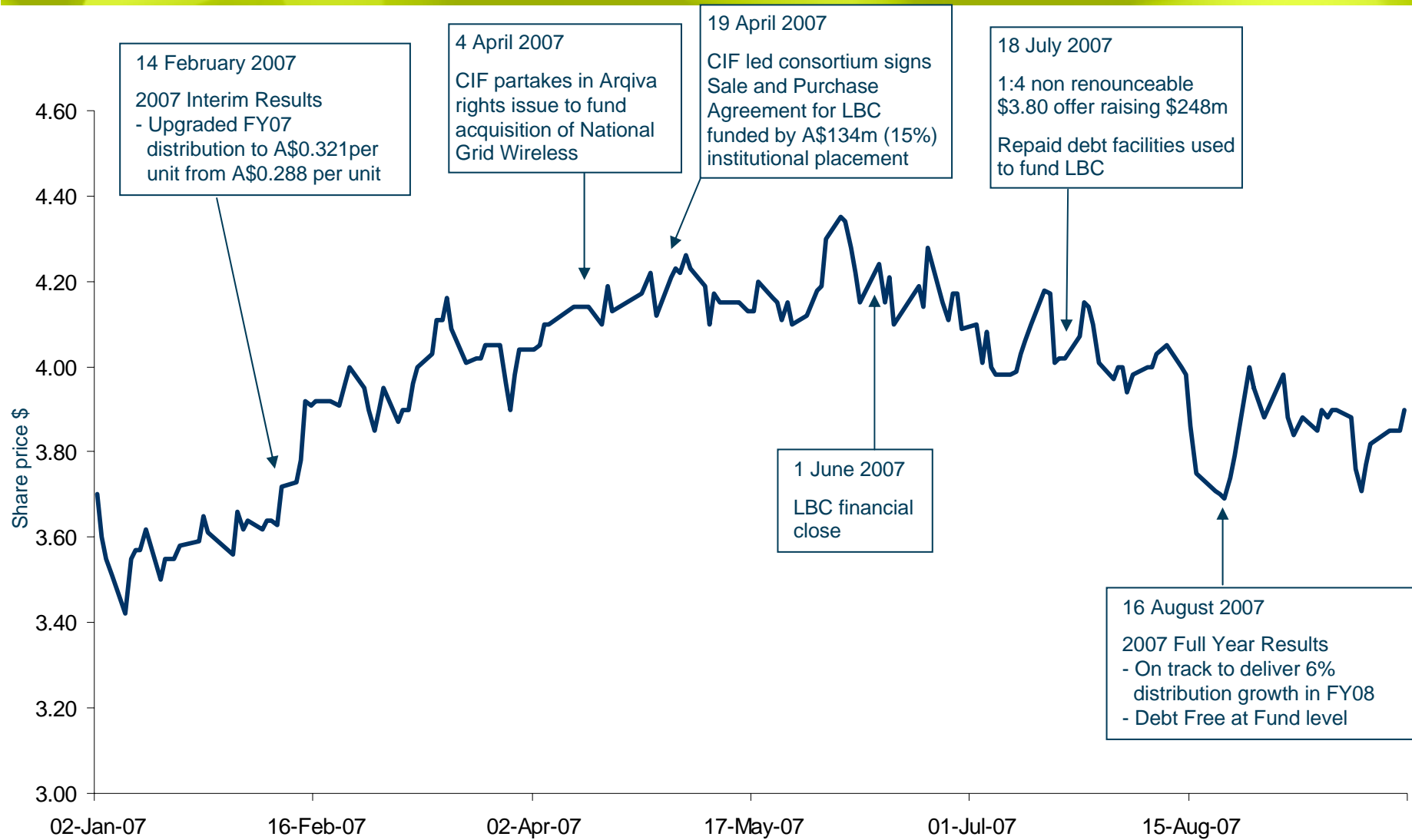
The outlook for CIF remains attractive. The Board remains confident with the distribution guidance given for the 2008 financial year of 6 per cent growth and in the medium term 5 per cent growth per annum with the assets long term predictability and certainty of cash flows underpinning forecasts.

I am going to call on Steve Bickerton, CIF's Chief Executive to talk to the highlights of the past 12 months.

CE'S Presentation - As attached.

Chief Executive Update

2007 in review



2007 Highlights

- **Assets under management increased by 82%**
 - Acquired controlling stake in LBC Group
 - Increased investment in Arqiva
- **Inexus**
 - Maintains leading market position in new gas connections
 - Electricity connections business continues to gain market share from incumbents
 - First water 'inset' licence granted from Ofwat (September 2007)
 - Bundling of gas, electricity and water connections will underpin market leadership
- **Arqiva**
 - UK Competition Commission review of National Grid Wireless acquisition anticipated January 2008
 - Digital Switchover continues on time and on budget
- **Gas Distribution Networks**
 - Ongoing upgrade and expansion of their regional gas networks

LBC Group – acquired April 2007

- Description
 - Second largest independent bulk chemical storage terminals company globally
 - 12 terminals in USA and Western Europe
- Acquired 66% stake for \$336m
 - Enterprise value A\$1.1bn
 - Paid 9.2x EBITDA (incl. transaction costs)
- Meets CIF's investment criteria
 - Regulated industry or monopolistic characteristics
 - High barriers to entry
 - Strong and attractive cash generation and attractive cash returns
 - Long term predictable cash flows
 - Growth potential
 - First class management



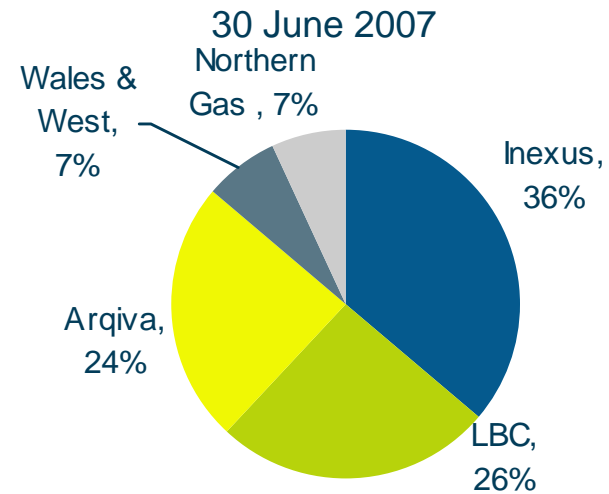
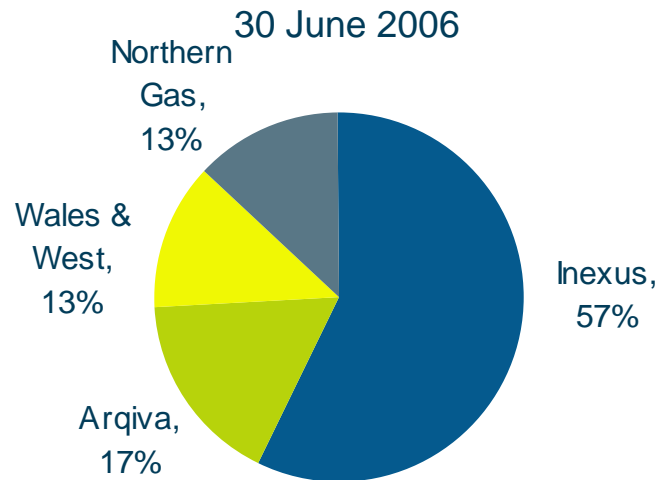
LBC Antwerp, Belgium



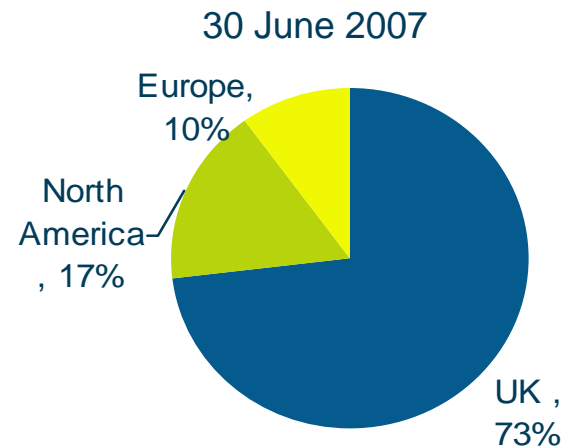
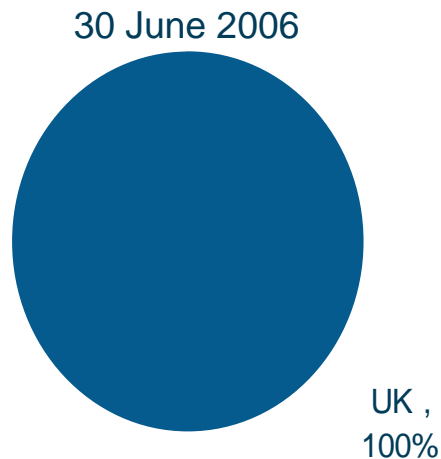
LBC, Baton Rouge, Texas, USA

LBC Group - improved diversification

Increased asset diversification by asset value



Increased geographic diversification by asset value



Outlook

- Assets performing inline with expectations underpinning distribution growth
 - 6% growth in FY08
 - 5% pa distribution growth in the medium term
- Maintain disciplined acquisition approach focusing on growth orientated assets with:
 - Long term predictable income streams
 - Potential for capital growth via organic growth opportunities and platforms to bolt on acquisitions