

APX Announcement

15 February 2008

Subject: Update

Austock Funds Management Limited (AFML), as the responsible entity of the Australian Social Infrastructure Fund (ASIF), wishes to advise that it has made a further investment in the Api Fund (Api) (ASX:APR) and is also currently undertaking a preliminary assessment of the merits of a potential merger with Api. AFML is also the responsible entity of Api.

Investment in Api

ASIF has been a major unitholder in Api since October 2006 when it acquired a 15% interest. ASIF has agreed to participate in a recently announced rights issue by Api and as a result has subscribed for an additional 1,520,049 units at a cost of \$1.35 per unit. ASIF's total investment will be \$2.05 million. ASIF's percentage ownership of Api on completion of the rights issue will vary depending on the level of participation by other investors. Assuming a minimum and maximum participation on completion of the rights issue, ASIF will own between 21.28% and 14.69% of Api, respectively.

The table below summarises ASIF's investment portfolio adjusted to reflect its purchase of 1,520,049 Api units at a total cost of \$2.05 million via the above mentioned rights issue as at 31 December 2007.

Investment	31 Dec 2007 \$000's	% Total Investments
56 ABC Childcare Centres	80,042	66.15%
Guardian Storage Facility, Glen Iris, Vic	10,800	8.93%
Primary Health Care Centre, Melton, Vic	6,326	5.23%
Total Direct Property	97,168	80.31%
Listed Securities - API	5,295	4.38%
Unlisted Securities - Schools	11,628	9.61%
Unlisted Securities - CIB	6,907	5.71%
Total Securities	23,830	19.69%
Total Investments	120,998	100.00%

Potential Merger

AFML, as the responsible entity of the Australian Social Infrastructure Fund (ASIF), is currently undertaking a preliminary assessment of the merits of a potential merger with Api.

The merger would only proceed if it was considered to be in the best interests of unitholders of both funds and would be subject to a number of conditions, including compliance with all relevant regulatory requirements (unless relief or waivers are granted by the applicable regulatory authority) and obtaining the required unitholder approvals, any tax rulings considered necessary and an independent expert determining that the merger is in the best interests of unitholders of both funds. Unitholders would be provided with a detailed notice of meeting and explanatory memorandum before being asked to vote in respect of any such transaction. AFML will keep unitholders updated on this proposal.

Such a merger could provide both funds with:

- increased scale, with the merged entity having total assets of approximately \$170 million;
- increased diversification of asset base;
- positioning the merged Fund for further growth; and
- improved liquidity due to the increased investor base and market value.

It is envisaged that if the merger of ASIF and Api was undertaken, the merged fund would be listed on the ASX.

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