

24 September 2010

TO: ASX Limited
Singapore Exchange Securities Trading Limited

Victorian Bushfires Litigation - Update

As previously stated, SP AusNet is the defendant in legal proceedings before the Supreme Court of Victoria concerning the 7 February 2009 Black Saturday bushfire known as the Kilmore East fire.

In accordance with a timetable ordered by the Victorian Supreme Court, SP AusNet today filed its Defence and Counterclaim in these proceedings.

The Defence denies that SP AusNet was negligent. SP AusNet alleges that its conduct was at all times reasonable, in compliance with technical regulations and reasonable in light of economic regulations applicable to SP AusNet.

SP AusNet also counterclaims against several parties: the Department of Sustainability and Environment, the State of Victoria (Victoria Police), the Country Fire Authority and a contracted inspector of electricity assets. The purpose of the counterclaim is to join other parties where they may be relevant to the Court's consideration of the causes and consequences of the Kilmore East fire.

If SP AusNet's defence of the claim is successful, the counterclaim will become irrelevant and will not be pursued. These matters are complex and are issues for the Court to determine.

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SP Australia Networks (Transmission) Ltd
ABN 48 116 124 362

SP Australia Networks (Finance) Trust
ARSN 116 783 914

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