

2015 Tax Return Guide

This guide has been prepared to assist you in completing your income tax return for the year ended 30 June 2015 using your Ethane Pipeline Income Fund Annual Taxation Statement.

This guide is not intended to be, and should not be relied upon as, personal taxation or financial advice. Since every person's circumstances are different we have made a number of general assumptions which may not be applicable to you. Where you require help relating to your particular tax position you should refer to the Australian Taxation Office or seek independent taxation advice.

The general assumptions made in preparing this Guide include that you are:

- an individual securityholder;
- a resident of Australia for income tax purposes;
- holding your Ethane Pipeline Income Fund stapled securities for investment purposes rather than for resale at a profit and the Capital Gains Tax ("CGT") provisions apply to you;
- using the "Tax return for individuals 2015" and "Tax return for individuals (supplementary section) 2015" to complete your income tax return.

Ethane Pipeline Income Fund is a "stapled security" listed on the ASX consisting of units in Ethane Pipeline Income Trust ("EPIT"), and units in Ethane Pipeline Income Financing Trust ("EPIFT"). These units can only be traded together. For tax purposes EPIT is a Division 6C "public trading" trust, which is taxed as if it were a company while EPIFT is a Division 6 "pass through" trust.

The Ethane Pipeline Income Fund Annual Tax Statement provides details of the dividends and trust distributions to which you are entitled and these amounts should be used in preparing your 2015 income tax return. For tax purposes the EPIT dividend and EPIFT interest income / trust distribution must be separately disclosed in your income tax return.

Ethane Pipeline Income Fund Annual Tax Statement

The table below shows components of the 2015 Annual Tax Statement on a cents per security (cps) basis.

Date Paid	Interest Income / Trust Distribution (cps)	Franked Dividend (cps)	Total cash payment 2015 Tax Statement (cps)	Franking Credits (cps)
15/07/2014 #	#	2.30	2.30	0.99
15/10/2014	0.7529	2.4471	3.20	1.05
15/01/2015	0.7441	2.5059	3.25	1.07
15/04/2015	0.7379	2.5121	3.25	1.08
15/07/2015 ^	0.7344	^	0.7344	^

Interest Income paid 15/07/2014 appeared on your 2014 Annual Tax Statement

^ Franked Dividend Income paid 15/07/2015 will appear on your 2016 Annual Tax Statement

EPIFT Interest Income / Trust Distribution

Under the tax legislation, as a unitholder of EPIFT, you are subject to tax on your proportionate share of the “net income” of EPIFT for 2015 which includes interest and other income.

Amounts shown as Interest Income / Trust Distribution from EPIFT on the Annual Tax Statement should be included at Item 13U on the Tax return for individuals (supplementary section) 2015 and represents your share of the “net income” of EPIFT for 2015 on a present entitlement basis (at record date).

Where you have not provided your Tax File Number, income tax has been withheld from all Trust Distributions paid to you by EPIFT at 49%. This should be claimed as a credit in your income tax return by including the amount disclosed on the Annual Tax Statement at Item 13R on the Tax return for individuals (supplementary section) 2015.

EPIT Dividend Fully Franked

Amounts paid to you as a franked dividend are assessable to you in the year you receive the dividend (at payment date). Amounts shown as Franked Dividend on the Annual Tax Statement should be included at Item 11T on the Tax return for individuals 2015.

Franking Credits

Franking credits attaching to franked dividends are included in your assessable income in the year you receive the franked dividend (at payment date). You are then allowed a tax offset for the amount of the franking credits. Amounts shown as Franking Credits on the Annual Tax Statement should be included at Item 11U on the Tax return for individuals 2015.

EPIFT Tax Deferred Income

No tax deferred income has been distributed during the 2015 tax year.

Disposal of Your Stapled Securities

The following summary will help you to determine whether you have any liability for Capital Gains Tax (“CGT”) if you have sold your stapled securities. You should however obtain your own independent tax advice where you have sold stapled securities.

For tax purposes the sale of an Ethane Pipeline Income Fund stapled security is treated as a disposal of a unit in EPIT and a unit in EPIFT. Upon disposal of an Ethane Pipeline Income Fund stapled security, you will realise a capital gain or loss if the consideration you receive exceeds or is less than the CGT cost base of the EPIT and EPIFT units.

Cost Base of Units

Generally the cost base of your units is the amount you paid for them including the incidental costs of acquisition and disposal. The cost base will be reduced by any tax deferred distributions or capital returns previously made in respect of the units. Details of tax deferred distributions and previous capital returns are available from the “Investor Centre – Tax Information” section of the Ethane Pipeline Income Fund website at www.ethanepipeline.com.au.

For capital gains tax purposes, the cost of each Ethane Pipeline Income Fund stapled security and the consideration received on disposal of each Ethane Pipeline Income Fund stapled security will need to be apportioned between the unit in EPIT and the unit in EPIFT on a reasonable basis. One possible method of apportionment is on the basis of an estimate of the relative net assets of EPIT and EPIFT at the time you acquired and dispose of your units.

Details of relative net assets for EPIT and EPIFT are available from the “Investor Centre – Tax Information” section of the Ethane Pipeline Income Fund website at www.ethanepipeline.com.au.

Calculation of Capital Gain / Loss

Your capital gain or capital loss from the disposal of your Ethane Pipeline Income Fund stapled securities may be ascertained as follows:

- **Capital Gains** – A taxable capital gain is calculated as the excess of the sale proceeds received over the cost base of the Ethane Pipeline Income Fund stapled securities.
- **Discount Capital Gains** – Where the Ethane Pipeline Income Fund stapled securities have been held for more than 12 months, you may choose to reduce your taxable capital gain by the CGT discount of 50% for individuals.
- **Capital Loss** – A capital loss will comprise the excess of the reduced cost base of the Ethane Pipeline Income Fund stapled securities over the sale proceeds received.

Electronic Lodgement of 2015 Tax Return for Individuals

The Ethane Pipeline Income Fund registry Link Market Services will provide the components of the Fund’s 2015 Annual Tax Statement to the Australian Taxation Office (“ATO”) by the end of July 2015. Once received by the ATO and loaded into the ATO’s database your 2015 electronic Tax Return for Individuals will be pre-populated with your Ethane Pipeline Income Fund income components.