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MEDIA RELEASE

QAL ACQUIRES TOWNSVILLE AND MOUNT ISA

Queensland Airports Limited (QAL) today signed an agreement to acquire a 100% stake in Australian Airports (Townsville) Pty Ltd (AAT) and Australian Airports (Mount Isa) Pty Ltd (AAMI). The two companies are the lessees and operators of Townsville and Mount Isa Airports respectively. The acquisition is subject to the approval of the shareholders in QAL.

QAL owns 100% of Gold Coast Airport Limited (GCAL), the lessee and operator of Gold Coast Airport.

The \$75.1M purchase price, plus existing debt, represents an EV/EBITDA multiple of approximately 11.6 times forecast 2005 EBITDA of approximately \$10.5 million

The Chairman of QAL Jim Tolhurst said "The investment in Townsville and Mount Isa whilst immediately cash flow accretive for the shareholders of QAL, also presents an opportunity to consolidate the capital and gearing position of the group".

The acquisition should have a positive impact on the QAL group's already strong credit rating through diversification of air travel market exposure and enhanced interest cover ratios.

Managing Director of QAL Dennis Chant said "The acquisition presents an opportunity to derive a number of additional synergies with Gold Coast Airport and provides a level of diversification for the QAL group which was previously not available."

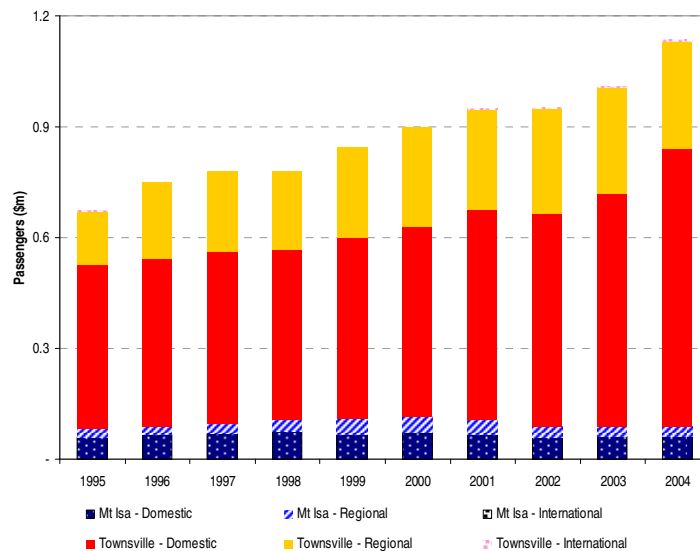
Townsville and Mount Isa airports have a high proportion of business, Government and family travel with less exposure to tourism related travel.

"As a wholly Australian owned and Queensland based specialist airport management company, QAL is particularly cognisant of the economic and social importance of airports to major regional cities," Mr Chant said.

“The residents of Townsville and Mount Isa are justifiably proud of their airports and it is QAL’s intention to enhance the already strong relationship between the respective airports’ management and the local businesses and communities.”

Townsville Airport experienced growth in passengers of 13.9% (2003: 6.3%) in the 2004 financial year (1.048M) and is forecasting continued strong growth in the 2005 financial year. Mount Isa has experienced consistent passenger numbers for the past three financial years.

The passenger movements for the combined AAT and AAMI for the years 1995 to 2004 are summarised as follows:



Townsville is the eleventh busiest Airport in Australia; the major routes are Brisbane (57% of traffic), Sydney (18% of traffic) and Cairns, Mackay and Mount. Isa (collectively 18 per cent)

QAL will fund the acquisition with additional debt through Westpac and an equity issue to its existing security holders.

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