



AUSTRALIAN RAIL TRACK CORPORATION LTD

PRESS RELEASE

ARTC TO TAKE UP FULL LEASE OF GUNNEDAH BASIN COAL LINK

In a move to streamline the efficiency and foster future growth in the Hunter Valley Coal Chain, Australian Rail Track Corporation (ARTC) today announced a further expansion of its network.

From today, the Northern railway line from the Gap to Boggabilla will be incorporated into its lease of the NSW Interstate & Hunter Valley networks.

The track is currently owned and managed by the NSW State Government's Country Rail Infrastructure Authority.

From today it will be incorporated into ARTC's lease, allowing ARTC to include the 370km of track in future investment and capacity planning.

ARTC CEO, John Fullerton emphasised that the take up of the lease option will not only provide certainty coal producers in the Gunnedah basin, but will also benefit a broad range of customers such as passenger, grain and freight services.

"ARTC determined that including the Northern line from the Gap to Boggabilla in the Hunter Valley lease will directly lead to improved capacity planning on the Gunnedah basin link. This will directly benefit all our customers using the line, creating a 'one stop shop' for rail access from their operations to port."

"For coal producers it will mean ARTC will now include this rail link in our ongoing strategy to get more coal from the Gunnedah basin to the Newcastle port more efficiently."

"ARTC has already invested \$1 billion in improving the Hunter Valley rail network, in order to increase the export coal capacity. At present, the Hunter Valley rail network coal capacity averages around 146 million tonnes per annum (mtpa). Current industry forecasts indicate demand on the Hunter Valley rail network will increase to over 200 mtpa in 2014."

"From that perspective, this is a vital step forward in boosting the efficiency of the coal corridor and staying ahead of market demand for Hunter Valley coal."

In preparation for the take up, ARTC has established a new depot at Gunnedah comprised of 22 staff and a smaller depot at Narrabri with 9 in the team.

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