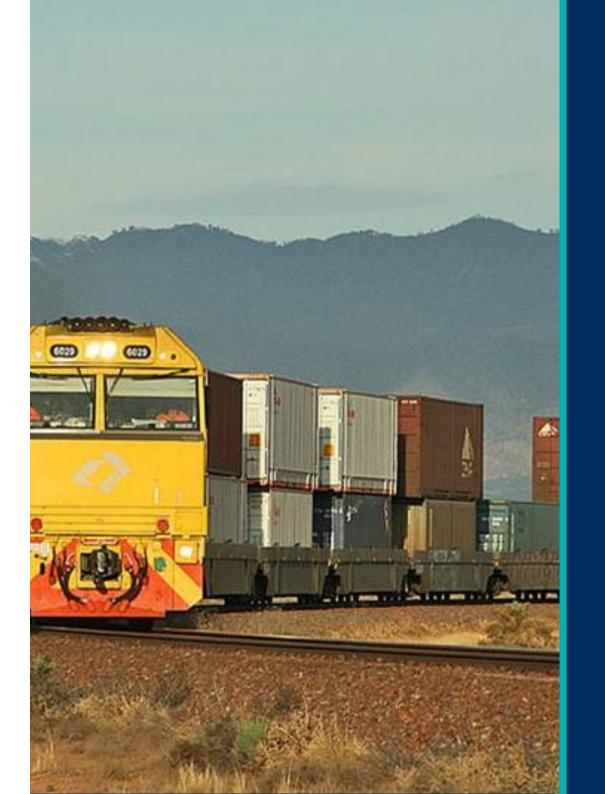


Inland Rail

RAIL FREIGHT FUTURES AUTRALIA CONFERENCE





THE OPPORTUNITY OF THE FREIGHT CHALLENGE

PETER WINDER

Executive General Manager, Interstate Australian Rail Track Corporation

InlandRail

THE FREIGHT CHALLENGE

- Melbourne-Brisbane is the busiest non-bulk freight corridor in Australia
- Freight volumes are expected to double by 2030 and triple by 2050
- Brisbane Melbourne freight is slowed down by passing through Sydney
- Regional producers have limited options to get their goods to market
- Road dominates the market causing congestion and safety issues
- Rail is under-represented and has an opportunity to gain market share as well as coping with additional growth



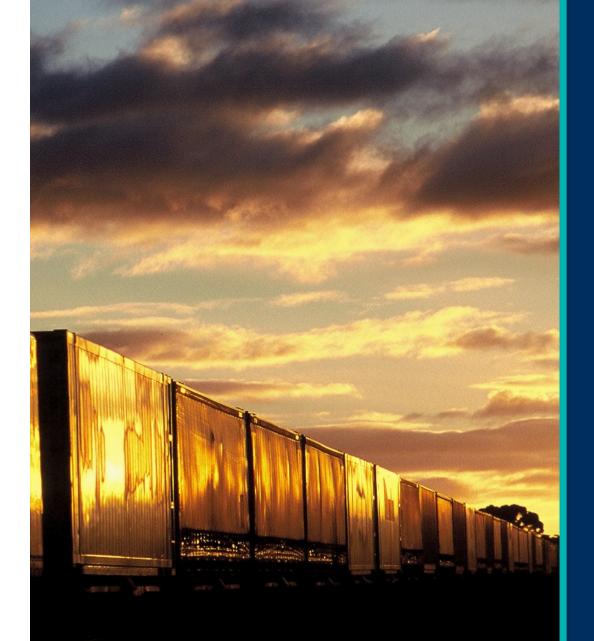


MEETING THE FREIGHT CHALLENGE WITH INLAND RAIL



- A new 1700km freight rail connection from Melbourne to Brisbane via regional NSW and QLD.
- A road-competitive rail service based on transit time, reliability and cost (<24 hours Melbourne to Brisbane)
- This will complete the backbone of Australia's freight rail network, linking five state economies
- Route from Melbourne to Brisbane will take advantage of recent enhancements to the existing network, especially in Victoria.







DELIVERING INLAND RAIL



THE AUSTRALIAN GOVERNMENT'S COMMITMENT

"...this Government knows Inland Rail is a project that we absolutely have to get right and one which we need sooner, rather than later."

Deputy Prime Minister, the Hon Warren Truss MP 12 March 2014

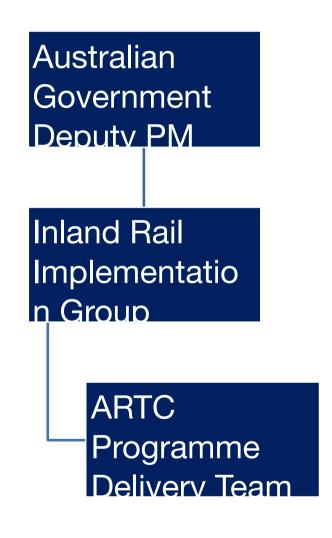


THE AUSTRALIAN GOVERNMENT'S DIRECTION

The Australian Government has committed \$300M and appointed ARTC to:

- Establish the project team
- Develop the 10 year program
- Progress design work and gain required approvals
- Start early works and land acquisition
- Investigate and recommend the most appropriate route for a dedicated freight rail connection to the Port of Brisbane.

This is happening under direction of the Inland Rail Implementation Group (IR-IG).





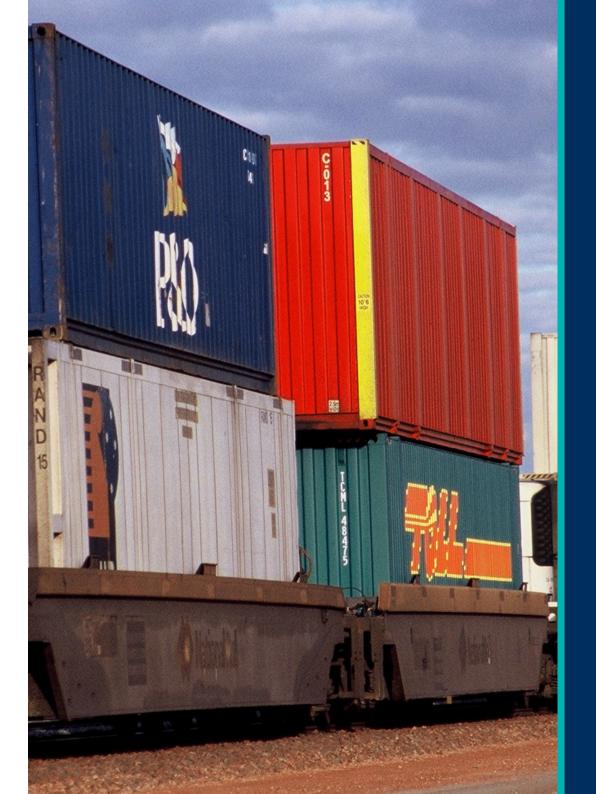
THE AUSTRALIAN RAIL TRACK CORPORATION

- Established in 1998 to facilitate a national standard gauge network
- One of Australia's largest rail network owners, operating and managing more than 8,500 kilometres of rail track in New South Wales, Queensland, South Australia, Victoria and Western Australia
- •1,128 staff
- •450 trains per day on the network
- Capital investment of >\$5billion over the past 10 years
- Inland Rail is the next logical step to develop the national freight network.











THE ROUTE



HOW WE DEVELOPED THE ROUTE

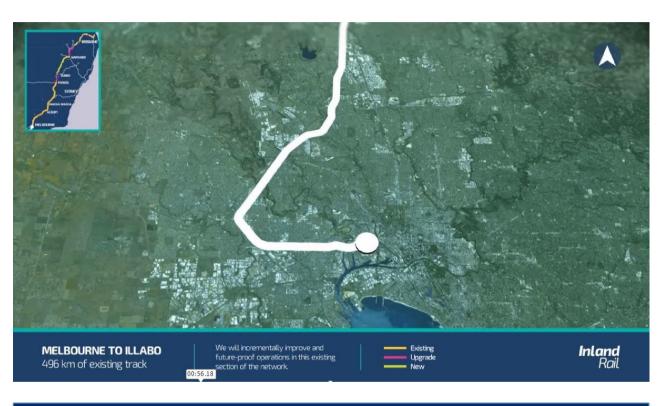
 Extensive planning work undertaken in 2006 and then in the 2010 Inland Rail Alignment Study:

- More than 50,000 possible combinations across the three states
- extensive consultation with train operators and end customers
- modelling of freight demand
- Optimum alignment determined (2010) ready to proceed to environmental assessment and engineering design.
- 2010 alignment endorsed by Australian and State Governments as the base case for Inland Rail.
- Now being optimised for performance, demand and standards to deliver a construction ready project in 2015



THE ROUTE

- We're about the take a journey on the Inland Rail route, which was identified through the 2010 study.
- You'll notice a navigation panel in the top left that shows where we are on the overall route
- Project descriptions at the bottom of the screen change as we travel the route.



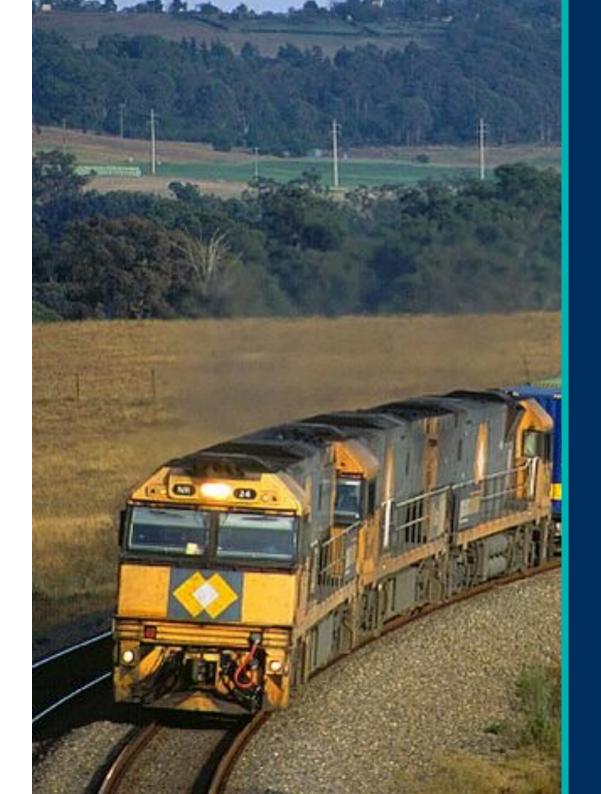
| Colour coding: | Gold is the existing network |
|----------------|--|
| | Pink is a track upgrade |
| | Green is new track |

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TAKE THE JOURNEY WITH US



InlandRail





DEVELOPING THE SERVICE OFFERING



DEVELOPING A CUSTOMER-RELEVANT SERVICE OFFERING

• We consult regularly with our customers and freight end users and are developing a service offering that meets their needs.





PERFORMANCE SPECIFICATION TO MEET CUSTOMER NEEDS

Customers want efficiency, reliability and costcompetitiveness. This requires:

standard gauge line (dual gauge in QLD)

double stack

• train length of 1800m (initially)

- axle load / max speed:
 - 21 tonnes @ 115km/hr
 - 25 tonnes @ 80km/hr and
 - 30 tonnes @ 80 km/hr





FUTURE PROOFING INLAND RAIL

- Train length of 3600m
- 30 TAL for new structures, sleepers and new formation
- Sleeper spacing 600mm on new track/ re-sleepering on existing
- Rail 60kg/m on new or upgraded track
- Advanced Train Management System employs on-train GPS and broadband communications to locate and route trains in real time (An ARTC / Lockheed Martin innovation).





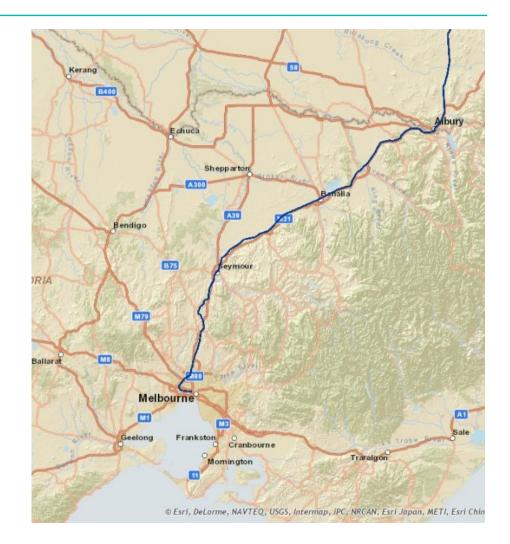


INLAND RAIL IN VICTORIA



INLAND RAIL IN VICTORIA

- Inland Rail uses the existing interstate network from Melbourne to the border
- Validated by demand forecasting
- Enhancements required to accommodate double stacking
- Gives value for money by leveraging the significant investments in this section of the corridor to date



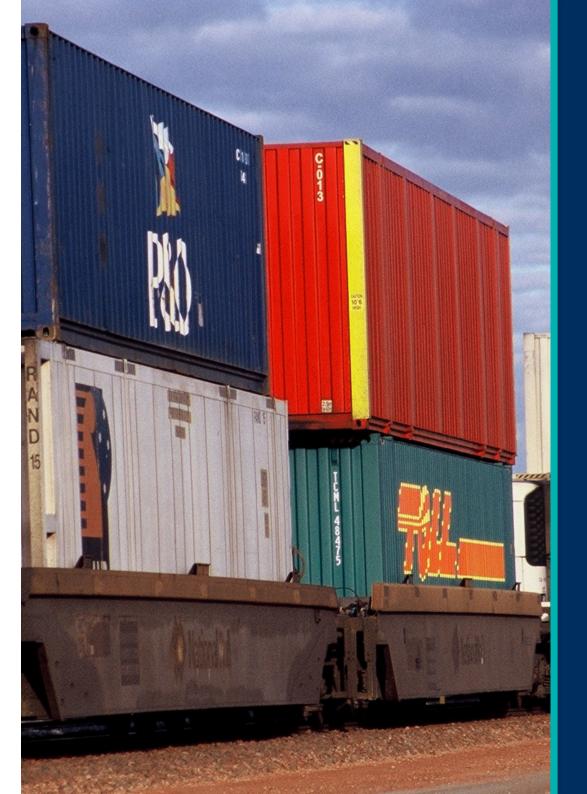


INVESTMENTS IN VICTORIA

Investment in the interstate rail network in Victoria since 2009 has seen:

- A rail bypass and new rail station at Wodonga (and, as a result removed 11 railway level crossings from Wodonga)
- New passing lanes, crossovers and turnouts
- Re-signalling
- Replacement of dog spiked rail with continuously welded rail
- Gauge conversion
- Concrete re-sleepering of the West track
- Upgrading local level crossings,
- New platforms at Euroa, Avenel and Violet Town Stations
- Critical safety improvements to 32 rail bridges





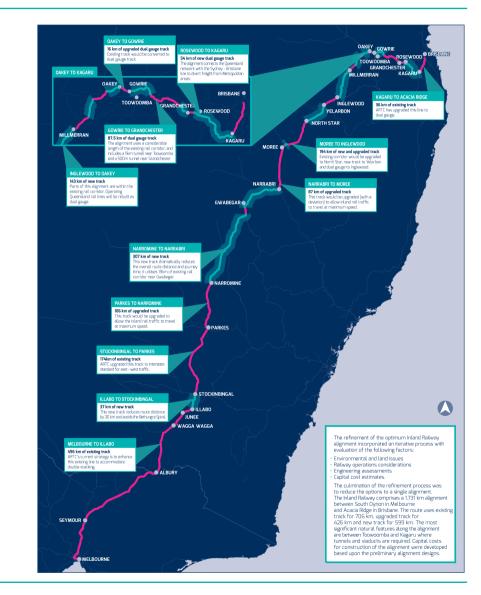
WHAT DOES DELIVERY INVOLVE?

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KEY WORK ELEMENTS

The Inland Rail alignment comprises:

- Around 700km of existing Interstate Network (41%)
- Approximately 400km of upgrades to existing corridors, some of which are operational and some of which are moth-balled (25%)
- 600km of greenfield construction through a mix of rural, forest and semi urban areas (34%).





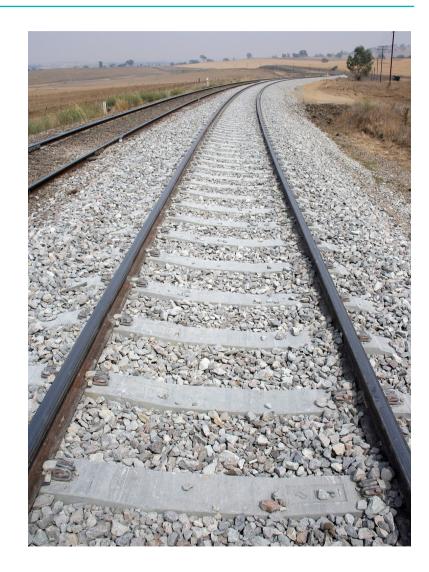
INDICATIVE SCHEDULE – PREPARED APRIL 2014

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 1 |
|--|--------|--------|--------|--------|--------|------------|---------------------------------------|-------------|-----------|--------|
| | 14/15 | 15/16 | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | 23/24 |
| Priority Projects | | | | | | | | | | |
| Rosewood-Kagaru new corridor | | | | | | | | | | |
| Narrabri-North Star upgrade | | | | | | | | | | |
| Parkes-Narromine upgrade | | | | | | | | | | |
| North Star (NSW) - Gowrie (Qld) Missing Links | | | | | | | | | | |
| Gowrie-Rosewood new corridor including Toowoomba Range tunnel | | | | | | | | | | |
| Oakey-Gowrie upgrade & dual gauging | | | | | | | | | | |
| North Star-Oakey new corridor + upgrade & dual gauging | | | | | | | | | | |
| Enhancement Projects | | | | | | | | | | |
| Narromine-Narrabri new corridor | | | | | | | | | | |
| Illabo-Stockinbingal new corridor | | | | | | | | | | |
| Melbourne-Illabo clearance improvement for double stack operations | | | | | | | | | | |
| ndicative - subject to change as planning proceeds | | | | | Planni | ng. desigi | n. approva | als. corrid | or acquis | ition |
| , | | | | | | ruction | · · · · · · · · · · · · · · · · · · · | | | |

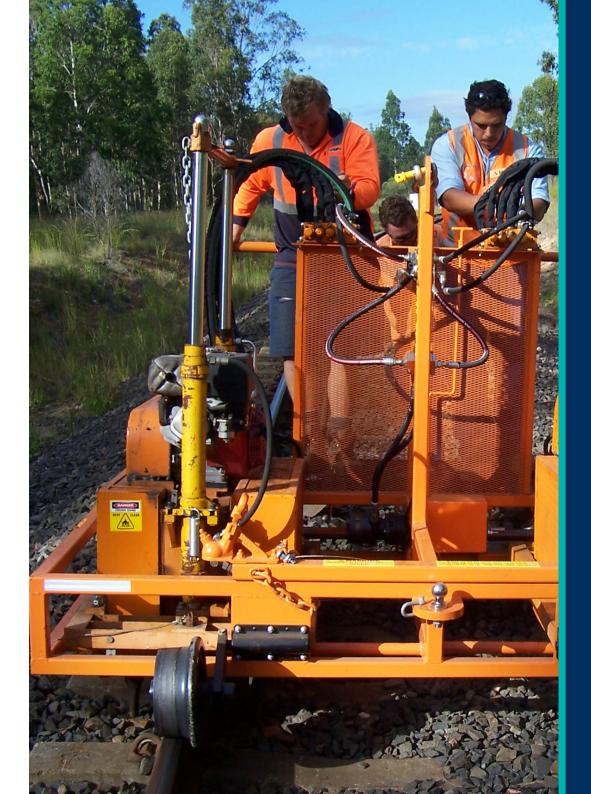


INLAND RAIL STATISTICS

- 10 year program of work
- 1,731km route
- Bridges 10.35km (122 new / 52 upgraded)
- Culverts (371 new / 124 upgraded)
- Tunnels 4 including 5km Toowoomba Range Crossing
- 1.72 million sleepers
- 142,000 tonnes of steel
- 2,367km of rail







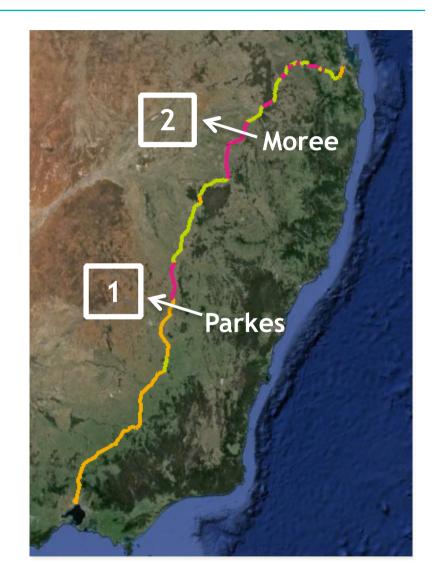
AR/TC

PRIORITY PROJECTS

InlandRail

PRIORITY PROJECTS NSW

- Parkes to Narromine 106km
- Narrabri to North Star 183km
- Existing corridor track upgrades
 - flood protection
 - passing loops and sidings
 - bridges, culverts and level crossings
- Currently conducting preliminary environmental, cultural heritage, flooding and geotech.





PRIORITY PROJECTS QUEENSLAND

Rosewood to Kagaru

- •54 km greenfield
- connects the QLD network with the Interstate Network
- gazetted by QLD Govt. Gowrie to Grandchester
- 88km greenfield /existing
- includes Toowoomba Range Tunnel – 5km.
- scoping underway for tunne specification, environmental risk assessment, engineering, schedule and costing.





PORT OF BRISBANE AND TERMINALS

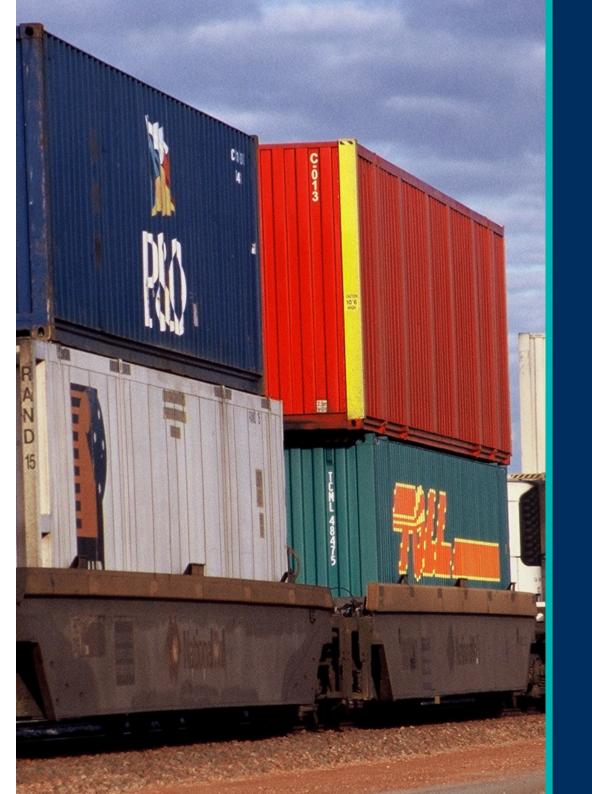
Two additional aspects to maximise economic benefits of Inland Rail:

- ARTC tasked to identify the most appropriate dedicated freight route to the Port of Brisbane
- Collaborating with Port of Brisbane on investigating several broad alignments
- Reviewing current intermodal terminal's ability to handle future volume
- Reviewing likely need for additional terminal capacity from potential new 'greenfield' sites.









PROGRESS TO DATE AND NEXT STEPS



MILESTONES

Since March, ARTC's Inland Rail Programme team has achieved the following milestones:

Milestone 1 – July 2014 - completed

 Establish the project team and develop the strategy and project management plan for the programme.

Milestone 2 – September 2014 - completed

 Begin working through the stakeholder and environmental assessment requirements, develop a recommended approach to approvals and land acquisition.



IN ADDITION

- Project Management Office established in Sydney with a blended team and additional staff in Newcastle, Brisbane, Melbourne, Adelaide and Wagga Wagga.
- Regional roadshows conducted in June with more planned
- Industry Information Sessions held in September to start engagement with potential suppliers
- Key stakeholder reference group forums in May and October with the Australian Government to gain input on service offering from customers and industry.



WHAT'S HAPPENING NEXT

Milestone 3 – December 2014

- Deliver updated cost estimates and 10-year delivery and construction plan
- Commence environmental assessments, detailed engineering & geotechnical investigations in consultation with stakeholders.







THANK YOU

B.B.B.

