

Media Release as at April 2, 2008

**COMPTON ASKS BLIGH AND IEMMA FOR MANDATE
TO BUILD 900 MILLION DOLLAR BORDER RAILWAY BY 2014**

**A TEC SECURES PARKES NSW SITE
FOR AUSTRALIA'S LARGEST FREIGHT TERMINAL**

Key Points

1. ATEC seeks an Unconditional Exclusive Mandate for major rail link from Anna Bligh and Morris Iemma
2. Everal Compton also delivers Business Case for the Border Rail to Prime Minister Kevin Rudd
3. ATEC Border Rail project will take 1000 trucks a day off the Newell Highway
4. ATEC Border Rail project will assist the development of Albury, Wagga Wagga, Parkes, Dubbo, Moree, Toowoomba, Dalby and Biloela to become major inland cities
5. ATEC has secured Parkes NSW site for Australia's largest Freight Terminal

Australian Transport and Energy Corridor Ltd (ATEC), the infrastructure company founded by Inland Railway Pioneer, Everal Compton, over a decade ago, has today submitted a Business Case to the Queensland and New South Governments for the building of the Border Railway linking Moree and Toowoomba.

Compton and ATEC have asked Anna Bligh and Morris Iemma to jointly grant to ATEC an Unconditional Exclusive Mandate for the 350 kilometre track between Moree and Toowoomba which will be built by 2014 as a standard gauge, open access track at a cost of 900 million dollars.

Its construction will mean that there ultimately will be a standard gauge inland railway from the Port of Melbourne to the Port of Gladstone with a link to the Port of Newcastle.

ATEC has a very successful history with unsolicited private/public mandates. ATEC controls a twenty percent shareholding in Surat Basin Rail Pty Ltd, and were instrumental in achieving the 2006 landmark unsolicited and unconditional exclusive mandate from the Queensland Government to complete the Toowoomba to Gladstone Railway through the Surat Coal Basin. This was the first ever unsolicited public/private partnership mandate awarded by the Queensland Government.

Everal Compton is Chairman of Surat Basin Rail which includes ATEC's joint venture partners Xstrata Coal, Anglo Coal, Industry Funds Management and QR. The project is currently on schedule to be completed in 2013, one year ahead of the projected completion schedule for the Border Railway.

The Border Railway will be built as a greenfields project from Moree to North Star and Yetman, crossing the border at Yelarbon and going on to Inglewood, Millmerran and Pittsworth to Toowoomba where ATEC has purchased 155 hectares of land to establish a major state of the art intermodal freight centre at Charlton, just west of the city at the junction of the Border and Surat Basin Railways.

The Business Case for the Border Railway outlines the manner in which ATEC will establish and lead a Consortium to carry out the Mandate for construction. This will be completed and lodged by 31 May, 2008, and those companies seeking membership of the consortium will be subject to the approval of both the NSW and QLD Governments. ATEC's consortium partners are likely to be a rail and an infrastructure company as well as a superannuation fund and ATEC says negotiations are already well advanced with parties in those fields who have already expressed genuine interest in the substantial project.

Compton has also just delivered the Business Case to the Prime Minister, Kevin Rudd, as the construction of the Border Railway will create a need to upgrade existing rail tracks south of Moree and undertake the construction of the Murrurundi Tunnel to give better access to the

Port of Newcastle. This work is likely to become the responsibility of the Federally owned Australian Rail Track Corporation.

Compton's business case submission to the NSW and QLD Governments complements Infrastructure Minister Anthony Albanese's announcement last week of a \$15M Scoping Study on a standard-gauge railway linking Melbourne and Brisbane.

Compton also announced two significant and strategic freight centres that will be fundamental to the success of the Border Railway: one in Charlton in Queensland and one near Parkes in NSW.

Last month the ATEC Freight Terminals Trust received Development Approval for its Charlton Freight Terminal site which will be major storage and distribution centre for all of South Eastern Queensland delivering freight directly to and from customers in Brisbane, Gold Coast, Sunshine Coast and Ipswich without double handling and within a time span considerably shorter than that which can be achieved on the coastal railway.

In anticipation of NSW rail upgrades being completed, the ATEC Freight Terminals Trust has just secured a strategically located and well suited large area of land (in excess of 200ha) for the creation of an intermodal Freight Terminal near Parkes in central NSW where the Inland Railway will cross the Perth to Sydney Railway. The ATEC Parkes Freight Terminal is set to be the largest freight terminal in Australia and is expected to be completed by 2014.

Everal Compton said today that, "The Border Railway should have been built a century ago. The failure to do so represents a classic example of the dreadful impact of non-planning, as the lack of a cross border inland railway has seriously impeded the development of large inland cities and allowed the overdevelopment of cities such as Sydney and Brisbane to the detriment of the nation."

"The fact that the building of the Border Railway will allow freight trains to run between Melbourne, Gladstone and Newcastle will mean the development of new industries in inland Australia and bring populations from capital cities to service them. Albury, Wagga Wagga, Parkes, Dubbo, Moree, Toowoomba, Dalby and Biloela will become major inland cities."

"This project will take 1000 trucks a day off the Newell Highway, saving millions of dollars in road maintenance and greatly improving the environment and efficiency in the logistics of large scale freight movement," continued Compton. "It will remove freight trains from the overcrowded suburbs of Sydney and foster the further expansion of the Port of Newcastle, further slowing Sydney's abnormal growth."

"After all the wasted years in which infrastructure has been appallingly neglected throughout Australia, the Border Railway and the Surat Basin Railway become beacons of very justifiable hope that those moribund times are behind us and we can confidently expect the birth of an era in which we invest in the future of the nation and leave the inflationary, vote buying, handout era behind us," concluded Compton.

**For media enquiries contact Anne Lawler at AKL Public Relations Pty Ltd on
02 9212 2185 / 0419 018 8834 or anne@aklpr.com.au**

**Everal Compton can also be contacted directly on 0407 721710 or at
everald@bigpond.com**