

FACT SHEET

1. ARTC is entering into five separate Agreements with Telstra for the Design and Construction of new communications sites, and the manufacture and delivery of 700 new train communications units; A Nominated Carrier Declaration; Agreement to Lease the new communications sites to Telstra, a Deed to Lease, and for the provision of associated Services and Support.

The Services and Support Agreement is for 8 years from the time the new infrastructure is commissioned.

2. ARTC is funding the design and construction of 77 new sites, which ARTC will lease to Telstra and which with Telstra's existing sites, will provide total communications coverage for ARTC's entire interstate rail network from Brisbane to Perth and the Hunter Valley coal rail network.

2.1 ARTC is also funding the supply of 700 new communications units for train operators to install in locomotives.

2.2 At the completion of the tower construction, ARTC will lease the towers to Telstra for eight years with an option for further extension.

2.3 Telstra will, at the completion of the towers, undertake for eight years the management of ARTC's communication system.

3. ARTC will use the single and seamless Next G™ rail network to manage the safe movement of trains across its interstate network Brisbane- Sydney- Melbourne-Adelaide- Perth, Sydney to Perth via Broken Hill and the Hunter Valley lines

4. The ARTC/Telstra Next G™ will be supported by a satellite back-up, which will ensure 99.98% system availability.

5. The ARTC/Telstra Next G™ rail network partnership breaks away from the traditional railway "build and maintain" telecommunications systems

6. The ARTC/ Telstra Next G™ network eliminates the current inefficient situation of 9 (nine) different communications systems used by train operators along ARTC's network.

7. The Telstra package provides speed in coverage, depth and breath and reliability and performance.

8. The system will provide core communications between train control, trains and trackside workers to facilitate safe and efficient train operations.

9. The system will provide real time GPS train location information and support for emergency and normal operations.

10. The national rail network communications backbone being introduced by ARTC would be the envy of the North American and European rail networks.

11. Funding under the AusLink National Transport Plan has been made available by the Australian government to provide this common communications system for the national rail network.

12. ARTC expects the system to be fully operational by June 2009.

13. The current systems that will be replaced across the network are:

NSW- Country Net, WB radio, Mountain radio, Microwave

Victoria- UHF West, UHF North East

SA – UHF and VHF

VHF train to train systems

3 April 2007