

FreightLink

Media Release

Top End open for business with first Adelaide-Darwin freight train

Thousands of people across the length of Australia will participate in a three-day celebration marking the launch of the latest link in Australia's national rail network – the Adelaide to Darwin railway.

The first journey of a freight train on the new AustralAsia Railway marks the debut of the country's newest freight rail operator, FreightLink.

The freight train is the first of an initial five services a week that will travel through the nation's red heart linking southern markets with central Australia, Darwin, Asia and beyond.

FreightLink CEO Bruce McGowan said the celebration was the culmination of hard work by a number of people, including all of the APT/FreightLink consortium partners: Kellogg Brown and Root, Barclay Mowlem, Australian Railroad Group, John Holland Group, Macmahon Holdings, National Asset Management, Colonial First State Investment and the Northern and Central Land Councils. It was also a tribute to the vision of the Northern Territory, South Australia and Australian governments and the AustralAsia Railway Corporation.

"The inaugural journey represents the official start of a reliable rail freight service that will deliver the very best to freight forwarders and importers/exporters while generating commercial opportunities never available previously in the NT, SA and nationwide," Mr McGowan said.

FreightLink services will be the catalyst for flourishing regional industry development, including new agriculture, mining, aquaculture and tourism ventures as well as exciting new export markets to Australia's north.

It will service a region that, according to Access Economics, will lead the country in average annual economic growth over the next four years.

It's envisaged that the railway will carry 80 per cent of existing freight volumes between Adelaide and Darwin.

"We are on course to achieve our aim of securing up to 350,000 tonnes of existing domestic freight in the first few years of operation and a further 450,000 tonnes resulting from other general freight, fuel, agricultural, defence, mining and international trade opportunities," Mr McGowan said.

FreightLink's confidence was underpinned by the recent signing of a five-year contract with Scott Group's Northern Territory Freight Services to carry more than 120,000 tonnes of annual freight normally transported by road to Darwin.

The company had also entered into agreements with freight forwarders Toll Holdings, Northline, FCL and other freight forwarders, as well as a number of furniture removalists and car carriers, including Patricks and TNT.

**For further information or comment contact:
Benjamin Haslem 0408 887 742, Kelley White 0411 270 057
or Fiona Cullen-Ward 0428 547 147 at Jackson Wells Morris**

15 JANUARY 2004



Introduction

Asia Pacific Transport (APT) is the consortium awarded the contract to build the Alice Springs-Darwin Australasia Railway, and operate the line for 50 years before transferring it back to public ownership.

APT is comprised of some of Australia's leading players in engineering, construction and transport logistics: Kellogg, Brown & Root; Barclay Mowlem; John Holland Group; Macmahon Holdings and the Australian Railroad Group as well as National Asset Management; Colonial First State Investment and Northern and Central Lands Councils. APT created two companies: ADrail and FreightLink.

ADrail designed and constructed the railway line and incorporated the four construction contractors within APT: Kellogg, Brown & Root; Barclay Mowlem; John Holland Group; and Macmahon Holdings.

FreightLink is the operator of the 3,000-kilometre rail line from Adelaide to Darwin, which includes the newly constructed 1,420-kilometre rail line from Alice Springs to Darwin.

It will oversee the operation of the terminals in Adelaide, Alice Springs, Tennant Creek, Katherine, and Darwin and will perform all marketing functions, integrated service management and management of the service providers.

Speaker Profiles

DAVE LESAR - Asia Pacific Transport representative (chairman, president and chief executive officer of Halliburton, the parent company of APT's lead sponsor Kellogg Brown & Root)

Mr Lesar joined Halliburton in 1993 and has served the company in many capacities. Currently, he is chairman, president and chief executive officer of Halliburton Company, the world's largest diversified energy services, engineering and construction company.

The Halliburton business unit Kellogg Brown & Root was the driving force behind the creation of APT. It currently has a 38 % shareholding in FreightLink and was also a 50% shareholder in ADrail, the company that built the new railway.

Kellogg Brown & Root provides global engineering, procurement, construction, logistics, operations and maintenance, program management and other technical services.

BRUCE MCGOWAN - FreightLink CEO

Mr McGowan was appointed CEO of FreightLink in late 2002. He was formerly President of BHP Transport and Logistics (BHP T&L), a role he held for six years until 2002.

BHP T&L provided logistics solutions and services to BHP Billiton, BHP Steel and other customers globally, including transportation by sea, road and rail, stevedoring and other port services, marine and supply chain consultancy and ship management. T&L employed 1,800 people directly and more than 3,000 contractors. Sales revenue was in excess of \$A1bn per annum.

Mr McGowan has spent the majority of his working life with BHP and has held a number of senior positions including General Manager of the Port Kembla Coal Terminal.

In 2002 the Victorian Minister for Ports appointed Mr McGowan Chairman of the Victorian Sea Freight Council.

186 Greenhill Road, PARKSIDE SA 5063
PHONE +61 8 8301 1234 FAX + 61 8 8301 1301

January 15, 2004

The \$1.4 billion Alice to Darwin Railway is ready for action

Engineering firm KBR (Kellogg Brown & Root) will celebrate a major milestone in Australia's - and its own - engineering history today, when the first freight train leaves Adelaide and heads for Darwin.

KBR's Australian-based Infrastructure division, with the backing of parent company Halliburton, established Asia Pacific Transport (APT), the private sector consortium that won the contract to design, build and operate the railway for 50 years before transferring it back to public ownership. Mr Dave Lesar, chairman, president and CEO of Halliburton will officially launch the first freight train on behalf of the APT consortium, representing the private sector, along with Mr Nick Minchin (on behalf of Prime Minister Howard), Mr Mike Rann and Ms Clare Martin.

KBR led the delicate financial negotiations between the three governments, the financial backers and the consortium that saw the private sector contribute about 60 per cent of the project cost (\$850 million of the \$1.4 billion project). The deal won two international finance awards.

The firm also contributed its resources and expertise to lead the design and project management of the construction of the Alice Springs to Darwin railway.

"Brilliant engineering design, water-tight project management and outstanding performance from the construction crews have been critical to the success of what has been accurately described as one of Australia's greatest infrastructure projects," said Andrew Fletcher, senior vice-president of KBR Infrastructure.

Mr Fletcher paid tribute to the contribution of the APT consortium members and more than 1300 people involved in the construction.

"It has been a fantastic team effort from which helped us complete the railway five months ahead of schedule - an impressive feat given the formidable challenges of distance, climate and terrain," he said.

"The Alice to Darwin Railway has inspired many great innovations, for example, clever, modular bridge designs by KBR's engineers which enabled 93 bridges to be built at an average of one bridge a week.

"The logistics of managing a significant workforce in a harsh environment, placing more than 25,000 orders for goods and services, and synchronising the movement of millions of tonnes of earth, sleepers and rails have called for great precision. We're proud that the expertise to achieve projects of this magnitude is Australian."

KBR is also a major shareholder of FreightLink, the APT entity responsible for establishing and managing freight trade for the line, which has already won significant freight contracts.

"Opening this landbridge to Asia will create exciting opportunities domestically and internationally, boosting both economic development and trade," Mr Fletcher said. "This is a long-term project, and KBR is certainly in it for the long haul."

KBR is a division of energy services company Halliburton. Founded in 1919, Halliburton is one of the world's largest providers of products and services to the petroleum and energy industries. The company serves its customers with a broad range of products and services through its Energy Services Group and Engineering and Construction Group business segments. The company's Web site can be accessed at www.halliburton.com.

Contact:

Sonia Green
Sonia.green@halliburton.com
(p) +61 8 8301 1442

Patrice Mingo
Patrice.mingo@halliburton.com
(p) +1 713 753 3186



BARCLAY MOWLEM

Release Date

15 January 2004

MEDIA RELEASE

BARCLAY MOWLEM CELEBRATES SUCCESSFUL COMPLETION OF THE ALICE SPRINGS TO DARWIN RAILWAY PROJECT

Barclay Mowlem, a sponsor shareholder of FreightLink and a joint venture partner of ADrail, the company formed to design and construct the railway line, is celebrating the successful completion of one of Australia's largest infrastructure projects, the Alice Springs to Darwin Railway.

Barclay Mowlem Managing Director, David Hudson, said his company was proud to have been a major contributor to this long-awaited project, which now links the north and south of Australia with Asia, and promises increased regional investment and economic growth.

As project managers for Trackworks North, Barclay Mowlem was responsible for 649.5 km of track laying. Commencing in mid April 2001, the team initially proceeded southward from Katherine and met the Tennant Creek-based southern track works team midway before relocating back to Katherine to track lay north to Darwin, which was completed on 18 September. The team constructed 2.4km of track laying most days, well in excess of its scheduled daily target.

Barclay Mowlem was also responsible for the construction of five major bridges spanning the Katherine, Edith, Adelaide, Cullen and Elizabeth rivers, the refurbishment of the Fergusson River Bridge and three Katherine floodplain bridges.

Austrak, a wholly owned subsidiary of Barclay Mowlem, supplied ADrail the 2 million concrete sleepers required for the project from two purpose-built factories in Katherine and Tennant Creek.

The company's ability to fast-track the production contributed significantly to the projects being completed five months ahead of schedule.

-ends

Further Information:

Helen Sotiriadis, Corporate Communications Manager, 07 3308 7619 or 0419 024 750



MEDIA RELEASE

Thursday January 15, 2004

Alice Springs to Darwin Railway

The Australian Railroad Group (ARG) was one of the sponsors and is a shareholder in Asia Pacific Transport, the consortium that secured the fifty year concession to build, own and operate the AustralAsia Railway project. ARG is proud to have been involved in the construction of the Alice Springs to Darwin Rail Link as a key contractor to the construction consortium

ARG was contracted to provide train services for the construction of the Alice Springs to Darwin railway and to deliver 146,000 tonnes of rail from OneSteel's Whyalla Steelworks to Katherine and Tennant Creek.

ARG provided eight 3000 horse power locomotives together with 110 ballast wagons and 44 sleeper and rail flat cars to assist with the construction of the line.

From the commencement of the project to completion ARG delivered 2.835 million tonnes of ballast, 146,000 tonnes of rail and in excess of two million sleepers to the track layers.

ARG also provided up to 28 operations staff and four maintenance staff throughout the construction period based at Katherine and Tennant Creek.

From the commencement of operations on the 15th of January 2004 ARG will operate the trains between Adelaide and Darwin on behalf of FreightLink.

ARG will provide all crews, rail infrastructure services (which include train control and safe-working management on the corridor) and general technical support to FreightLink as well as being the accredited operator.

Through its office in Dry Creek, Adelaide, ARG will manage all safe-working on the corridor between Tarcoola and Darwin for all rail operators and maintainers.

ARG will also provide rolling stock to FreightLink with the supply of four locomotives and initially up to 100 container wagons to support FreightLink's operation.

End release.

Contact for further information: Jodie Gibson
Ph: (08) 9212 2513
E-mail: jgibson@arg.net.au



MEDIA RELEASE

Thursday, 15 January, 2004

The opening of the Alice Springs to Darwin Railway marks an important milestone in the Australian construction industry, according to project joint venture partner John Holland.

Bill Wild, Managing Director of Australia's leading rail constructor, John Holland, welcomed the formal opening of the railway which proved the depth of construction 'know-how' in Australia.

"More than 5.5 million man hours, involving over 1100 people demonstrated to the world that the Australian construction industry can manage infrastructure projects of a truly massive scale," Mr Wild said.

"Add to that the fact that the many teams involved in the project came from all around the nation and worked on a site about 1420 kilometres in length – which few projects in the world could boast.

"Landmark projects like this don't come along all that often, and John Holland is naturally proud to have played a major role."

Mr Wild added that the project built upon the design and project management expertise of John Holland and the other construction joint venture partners and provided an unique training opportunity for hundreds of Australian workers.

"The long-term benefits of passenger and freight services between Alice Springs and Darwin are massive, but perhaps not as well known are the incredible benefits this project has brought to the future of the Australian construction industry.

"In keeping with John Holland's own commitment to developing the skills of our workforce, nearly 200 employees across the joint venture partners were enrolled on nationally recognised training courses covering areas as diverse as civil construction and manufactured mineral products through to hospitality, cookery and office administration."

Mr Wild said John Holland had a proud rail construction history and had provided a high degree of the expertise in the overall design and construction of the Alice Springs to Darwin Railway. John Holland also provided the expertise for the building of 85 bridges, pre-casting of the bridge structures and management of Trackworks South.

ends

Media Enquiries
John Holland
Daniel Moloney
03 9610 2920 or 0404 813 716



MACMAHON

Media Release

January 2004

Macmahon - A 40 year heritage in Australia's railway infrastructure

The listed Macmahon contracting group has a 40-year involvement with major infrastructure projects, including significant rail and other transport facilities around Australia.

The Company is also a 7.5% shareholder in Asia Pacific Transport (APT), the owner and operator of the concession for this railway - for the next 50 years.

The investment is Macmahon's first ownership of a railway asset, with the operatorship rights covering the total length of line between Darwin and Tarcoola in far north South Australia.

"Macmahon anticipates a positive return from its investment over the next few years as the rail corridor emerges as an integral and accepted part of Australia's import and export profile - be it overseas or intrastate," Macmahon's Chief Executive, Mr Nick Bowen, said.

Special expertise

Macmahon is also a 10% partner in ADrail, the construction joint venture responsible for building the 1,420 kilometre rail line between Alice Springs and Darwin.

This involvement is the pinnacle of Macmahon's long-standing expertise in rail projects important to the nation's development.

Macmahon's special contribution to the construction consortium included project management and engineering secondment for the line's 15 million cubic metres of earthworks and drainage along the route; sourcing of construction materials and water; remote area logistics; equipment maintenance; the provision of the large earthmoving fleet and much of the labour for the earthworks component.

The Company also supplied significant earthworks plant along the construction route from within the existing Macmahon fleet.

"Rail construction is what we do best in terms of our civil work and to have this level of involvement in an Australian rail project worth well in excess of \$1 billion, is an exciting and rewarding experience for our company, our employees and our shareholders," Mr Bowen said.

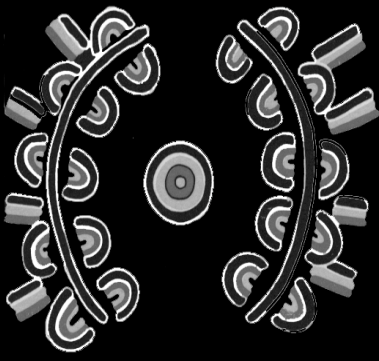
"It further adds to our profile as a railway contractor of both substance and first choice, a profile which has seen Macmahon construct rail works in urban areas of our capital cities, regional links and for major resources projects on the east and west coasts of Australia."

Media contact: -

Nick Bowen, Chief Executive Officer, Macmahon (08) 9365 1200

MACMAHON HOLDINGS LTD
ABN 93 007 634 406

44 KURNALL ROAD, WELSHPOOL WA 6106 • PO BOX 198 CANNINGTON WA 6987
TELEPHONE: (08) 9365 1111 FACSIMILE: (08) 9365 1199
www.macmahon.com.au



Central Land Council

Media Release

CLC applauds first train North

Central Land Council Director David Ross today congratulated everyone involved in making the Adelaide to Darwin railway a reality.

“The Alice to Darwin railway has had a significant impact on Aboriginal people in Central Australia and the Central Land Council’s involvement has spanned over 20 years,” said Mr Ross.

The railway runs through a number of Aboriginal Land Trusts and land where native title exists.

“Aboriginal people, are keen to see the Territory develop and it is important to recognise the extensive consultations and negotiations which Aboriginal people participated in to grant access to parts of their land for the railway corridor,” Mr Ross said.

“The granting of land access for the development of the railway to go ahead involved many Aboriginal people over the years and now, they too, are truly proud of their contribution to this massive project.

“From our point of view, it hasn’t always been an easy process but the Central Land Council put in a lot of hard work to resolve some difficult issues and we are pleased to be standing here today witnessing the train heading north,” said Mr Ross.

Mr Ross is unavailable for interviews today

16 January 2004

Central Land Council Media Unit

33 Stuart Highway
Alice Springs
NT 0870

Tel: 08 89516216/217
Fax: 08 89534344
Email: media@clc.org.au

POBox 3321
Alice Springs
NT 0871



Northern Land Council

MEDIA RELEASE

Completed railway an Aboriginal success story

17 January 2004

Today's arrival in Darwin of the first train from Adelaide symbolised a new era for the Top End and its Aboriginal people, Northern Land Council Chief Executive Norman Fry said at the official welcoming ceremony.

"It has been almost a century since southern politicians first promised to build a railway from Adelaide to Darwin and almost 30 years since Darwin last heard the rumble of a freight train on the old line to Birdum," Mr Fry said.

"Now the trains are back, a fitting finale to a project that has not only captured the Australian public's imagination for almost three years but has also provided substantial opportunities for Aboriginal Territorians to secure real qualifications and real jobs."

"Aboriginal involvement on the old railway was extensive. History shows towns such as Larrimah, Mataranka and Pine Creek relied heavily on Aboriginal labour to ensure the continued operation of the rail link. And it wasn't just unskilled labour – I can remember seeing Aboriginal drivers in charge of trains during the 1960s and 1970s and taking pride in their achievement."

"When we signed the single Land Use Agreement with the Northern Territory Government in April 2001- under which traditional owners gave their consent for the railway to be built on their land – the Asia Pacific Transport consortium and its contractors committed themselves to providing 50 job placements and training for Indigenous workers over the life of the project in the NLC's area. We have since well and truly smashed that target."

"By the end of 2002 more than 150 job placements for Aboriginal workers had been secured with the contractors, and more than 200 Aboriginal people in the NLC's area had participated in railway training programs. The skills and training obtained are from nationally accredited programs, and will stand these workers in good stead as the NT continues to pursue major development opportunities."

Aboriginal workers have consistently comprised around 30% of the overall railway project workforce in the NLC's area, which is well above Indigenous participation rates in virtually any other sector of the Australian workforce.

Traditional owners in the Top End also stand to benefit from the NLC's direct equity stake in the APT consortium, which has a 50-year concession to operate the railway.

"I congratulate all those involved in bringing the railway project to a successful conclusion, and am confident that Aboriginal people will reap benefits from the railway well into the future," Mr Fry said.

**For more information: David Moodie (08) 8920 5114 or 0417 803 425
Barry Clarke (08) 8920 5103 or 0438 854 049**

Photo reproduction of locomotives carrying indigenous artwork liveries

The reproduction of any of the photographs of the FreightLink locomotives carrying indigenous artwork liveries, contained in materials in this media registration kit, is only permitted with the express consent of the artists.

The artists hold copyright over the livery designs.

Any media wishing to photograph or film the FreightLink locomotives carrying indigenous artwork liveries before the inaugural Adelaide to Darwin rail service (January 15th to 17th) must also have the express consent of the artists.

Permission can be sought through **Matthew Voon** at:

Freight Link Pty Ltd
GPO Box 2750
Adelaide SA 5001
Ph: (08) 8245 9100
Fax: (08) 8346 7244

Locomotive artists from the outback

The Kenbi Kenbi (crocodile) GULLAWUN (ROQUE) LEE

The artistic work featured on the Locomotive FQ01 is the work of Darwin based artist, Gullawun (Roque) Lee.

The crocodile is a symbol of the Territory. This particular crocodile is done in sections to represent the different sections of the train. It brings the spirit of all Australians to the Northern Territory.

Gullawun Lee's opportunity to get his art 'moving' came about when APT called for artwork submissions to be used on their new Locomotives.

Gullawun's design was selected as one of two and will feature on FreightLink's Kurra Kurraka Locomotive.

Contact Details:

To discuss the artwork featured on the Locomotives please contact Gullawun Lee, 0423 624 726.

Abstract design RUTH DAWSON

The abstract artwork featured on the Locomotive FQ02 is the artistic work of Tennant Creek artist Ruth Dawson. The design tells a story about two people gathering water from a rockhole called Jurnkurakurr Rockhole.

Ruth's design was selected as one of two and will feature on FreightLink's Purnu Locomotive.

Contact Details:

To discuss Ruth's artwork please contact Alan Murn (main contact person for Ruth Dawson), 08 89 622 163.

***Please contact Matthew Voon from FreightLink on
08 8245 91110 regarding copyright issues***