



Media Release

GrainCorp Limited ABN 60 057 186 035

Immediate Release

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GrainCorp invests in rail capacity

GrainCorp is pleased to announce that it has successfully completed negotiations with Asciano for eight trains as part of a five year rail haulage contract.

GrainCorp Managing Director Mark Irwin said, "GrainCorp and Asciano have entered into a deal that secures a commercially viable future for grain transport in NSW and Victoria."

"The dedicated trains are an investment that underpins our core business of storing and handling grain upcountry, and providing export opportunities for wheat, barley, sorghum and other grains through our ports. The trains will also be used for domestic transhipment of grain, a key part of our business," Mr Irwin said.

"This is a win-win for both parties, as it will enable shipping and storage facilities to be integrated with rail. This will significantly increase train utilisation by introducing much needed efficiencies in our export grain logistics chain."

"Commercial opportunities for GrainCorp will arise out of this new investment. While GrainCorp is assuming some up front risk with this contract, GrainCorp will manage this risk by selling logistics solutions to our grain customers."

"We also congratulate both Asciano and the NSW Government on reaching a resolution of Asciano Broadacre obligations, which will underpin the continuation of rail services on NSW branch lines."

"The deal between GrainCorp and Asciano will provide certainty for growers and grain exporters, and ensure that the majority of the grain freight task in NSW and Victoria is carried by rail and not road. This is good news for regional communities and the grain industry," Mr Irwin said.

GrainCorp is a leading Australian agribusiness, with extensive bulk handling infrastructure on the east coast and a national and international grain marketing operation. It provides transport and finance services to the rural sector and has a network of farm input service centres.

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