



Aurizon Holdings Limited
ABN 14 146 335 622

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

BY ELECTRONIC LODGEMENT

5 October 2015

Aurizon – Wiggins Island Rail Project notices

Please find attached announcement for immediate release to the market.

Kind regards

A handwritten signature in black ink, appearing to read "D. Smith", with a stylized flourish at the end.

Dominic D Smith
VP & Company Secretary

ASX Announcement

5 October 2015

[Wiggins Island Rail Project notices](#)

Aurizon's wholly-owned subsidiary, Aurizon Network, has received notices, the validity of which it disputes, from seven of the eight Wiggins Island Rail Project customers. Those notices purport to exercise a right under the relevant agreements to reduce the financial exposure of those customers to Aurizon Network in respect of the Wiggins Island Rail Project.

Aurizon Network and eight coal companies are parties to Wiggins Island Rail Project Deeds (Project Deeds), which Aurizon announced on 5 September 2011. Under the Project Deeds Aurizon Network was to receive certain payments, which would deliver an above regulatory return on its investment in the \$831 million Wiggins Island Rail Project, in return for Aurizon Network agreeing to develop the project on time and for a lower than forecast cost (both of which were achieved).

The effect of the notices, if valid, would be to substantially reduce the above regulatory return component of project revenue that Aurizon Network will receive under the Project Deeds. The exact impact would be dependent upon a number of variables by which the above regulatory return component is calculated, some of which are yet to be determined. Accordingly, at this point in time Aurizon can provide guidance that the annual impact would be in a range from \$0 to \$27 million in Earnings Before Interest and Tax per annum over the 19.5 year life of the above regulatory return component. The impact of the notices, if valid, in this financial year is more limited, at a maximum of \$10 million in Earnings Before Interest and Tax.

Aurizon Network's regulatory return on the project is in no way impacted.

Aurizon Network delivered first rail for the project in April 2015 and trial coal shipments began in May 2015.

Aurizon Network's GAPE project, which also involves the receipt by Aurizon Network of above-regulatory returns, is governed by documents which do not contain similar provisions. Aurizon Network's returns under the GAPE project are therefore in no way impacted.

For more information:

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