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Project Regeneration site rail upgrades for 2015

GrainCorp is pleased to confirm it will invest \$60 million in 13 country site upgrades this year.

The investment is part of the \$200 million to be spent over three years under "Project Regeneration", announced in June last year. Project Regeneration involves developing a network of over 50 high capacity country sites to support an efficient rail operation. This will reduce rail costs by around \$5 per tonne and return up to 1 million tonnes of grain to rail.

The works at each site fall broadly into four categories: new country sites with new high speed over-rail loaders, new high speed over-rail loaders at existing sites, upgrades to existing rail loading infrastructure and capacity expansion.

The 13 country sites to receive upgrades this year include:

New country sites	Yamala , near Emerald (QLD) Calleen , near Ungarie (NSW)
New over-rail loading equipment	Nevertire (NSW) Ardlethan (NSW)
Upgrade to existing infrastructure	Narrabri (NSW) Burren Junction (NSW) Spring Ridge (NSW) Junee (NSW) Oaklands (NSW on VIC rail network) Tocumwal (NSW on VIC rail network) Rainbow (VIC) Murrayville (VIC)
Capacity expansion	Red Bend (NSW) Ardlethan (NSW)

GrainCorp Managing Director & CEO Mark Palmquist said the works would be staged for the receipt of the winter crop this year¹ and the rail outloading program next year. Works will commence from this month with benefits beginning to flow to growers this harvest.

"We are very excited about the benefits this investment will deliver to growers and other customers using our network," Mr Palmquist said.

"Reduced complexity, faster rail loading times and shorter train cycle times will increase the volume of grain transported by rail and reduce supply chain costs, which translates to improved grower returns.

"We continue to work closely with governments to encourage complementary investment in government-owned rail sidings. In particular, we pay tribute to the NSW government's focus on increasing grain rail freight and their \$400 million *Fixing Country Rail* commitment. Without the NSW government's investment to extend sidings at Ardlethan and Nevertire, our investment to upgrade those two sites would not have been possible.

"We've also been encouraged by the positive engagement we've had with the Victorian and Queensland governments." Mr Palmquist said.

¹ Works at the new Yamala site are planned to be ready for the receipt of next year's sorghum crop.

Announcements on Project Regeneration work programme for future years will be made as the project develops and in association with government co-investment in rail sidings.

FURTHER INFORMATION

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