

QRN Reference:
David Collins
A/CEO Network
Ph: 07 3046 9353

30 April 2012

Mr Brian Parmenter
Chairperson
Queensland Competition Authority
Level 19, 12 Creek Street
BRISBANE Q 4000

Dear Mr Parmenter,

I refer to the draft amending access undertaking (DAAU) and proposed standard user funding agreement (SUFA) submitted to the Queensland Competition Authority on 24 December 2010 and in respect of which the Authority is conducting an investigation.

As the QCA is aware, advice received subsequent to lodgement of the DAAU and the proposed SUFA model indicated that the model was not commercially viable for either QR Network or proposed user funders. Consequently, QR Network commenced and continues to work with industry participants to develop a model that is commercially viable, and to develop amendments to QR Network's Access Undertaking to implement the new model and address other issues raised by QR Network's customers.

QR Network is also working with its lessors to ensure that the lease arrangements for rail track related infrastructure is no impediment to implementation of SUFA.

It is currently intended to submit a new voluntary draft amending undertaking and SUFA model in May 2012.

Accordingly, QR Network now considers it appropriate to withdraw the DAAU and SUFA so that all parties can progress the implementation of the new SUFA model and associated amendments to the Access Undertaking in an expeditious manner, and the purpose of this letter is to formally withdraw for approval both the DAAU and SUFA document submitted in December 2010.

As there is no basis for further investigation by the QCA into those documents, it follows that the basis for the section 185 Notice dated 6 April 2012 and issued to QR Network in respect of the rail infrastructure lease documents no longer exists. Consequently, QR Network will not be providing the infrastructure leases as required by that notice.

Regards,



David Collins
A/Chief Executive Officer
QR Network Pty Ltd