



MEDIA RELEASE

20 March, 2013

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NEW CONTRACT WITH FORESTRY TASMANIA SEES TASRAIL HEAD BACK TO THE FUTURE

Rail freight services on the Bell Bay line are set to resume today, following the signing of a commercial agreement between TasRail and Forestry Tasmania.

The new contract is a watershed for TasRail and will see logs return to rail after an absence of nearly a decade.

TasRail Chief Executive Damien White confirmed that up to three new train services would operate each week to rail logs between the North and South of the State. "That is the equivalent of effectively removing 300 B-double truck movements from the Midlands and East Tamar Highways every month", he said.

Forestry Tasmania's Managing Director Bob Gordon believes that significant economic and social benefits will result from shifting the transportation of logs from road to rail. "We have demand for increased supply of residue wood from the South to Artec at Bell Bay, and rail provides an efficient way to move significant volumes", Mr Gordon said. "We will also be maintaining our existing rate of road haulage, so our regular contractors won't be missing out".

Mr White revealed that it had taken significant effort for TasRail to establish the new service, particularly ahead of the new locomotive and wagon fleet arriving, but said the Company was committed to demonstrating it had the capability to develop and deliver new business opportunities in line with customer needs.

"The return of log traffic to the rail network has presented a number of challenges for our current wagon size and loading techniques", Mr White said. "But we've worked with Forestry Tasmania to understand and overcome the issues and to see this service start-up today is a significant milestone for the resurgence of rail in Tasmania".

To support the new service, loading facilities have been established at the Brighton Transport Hub and will be operated by local forestry logistics company SFM Forest Products, initially creating two new jobs. The logs will be railed directly into the site of Artec's Bell Bay operations, ahead of processing and shipment to export markets.

TasRail and Forestry Tasmania said the new service would initially be trialled for a period of six months to enable the parties to fully assess feasibility and performance against agreed operational and commercial criterion. It follows a preliminary trial last year to assess dynamic stability and log movement issues, with the results providing confidence that historic logistical issues could be resolved.

The first service departed Brighton last night and arrived at Bell Bay this morning.

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MEDIA NOTE: TasRail can supply broadcast quality vision of logs being loaded on to the train at Brighton Hub, and still photographs of the train out on the network en route to Bell Bay.

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About TasRail

TasRail is a State-owned Company, established on 1 December 2009 by an Act of the Tasmanian Parliament. The principal objectives of the business are set out in the Rail Company Act 2009 and require the Company to operate a rail business in Tasmania, effectively and efficiently and to operate its activities in accordance with sound commercial practice.

With a direct workforce of around 250 men and women, Tasmania's current freight task is approximately 2.5 million tonnes per year – generating annual revenue in the order of \$30 million. Since it was established, TasRail has spent \$97.7 million purchasing goods and services from more than 900 Tasmanian Companies.

TasRail conservatively estimates that the freight it transports by rail each year effectively removes the equivalent of 100,000 B-Double truck movements from the State's road network. Even after taking into account the total of TasRail's reported annual carbon emissions (fuel and energy), this equates to a net reduction in greenhouse gas emissions of some 45,800 tonnes.