

RIO TINTO

COAL AUSTRALIA

2 May 2007

John Hall
Chief Executive
Queensland Competition Authority
Level 19, 12 Creek Street
Brisbane QLD 4000

By Facsimile: (07) 3222 0599

Dear John,

Queensland Rail (QR) Access Undertaking (2005) – Proposal to amend the Access Undertaking in respect to Relinquishment Fees

I refer to your advice of 18 April 2007 seeking submissions regarding QR's proposed amendment to its Access Undertaking in respect to Relinquishment Fees. Rio Tinto Coal Australia (RTCA) has been a regular contributor to QCA consultation processes in the past and appreciates the opportunity to provide the following comments.

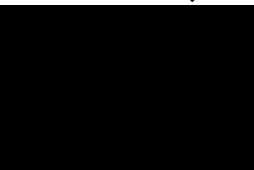
RTCA supports QR's proposed Relinquishment Fee amendment as set out in its Submission of 16 April 2007 and also advises that it endorses the QRC Submission regarding this matter.

RTCA advises that it has been an active participant in extensive industry discussions and negotiations with QR regarding the finalisation of the outstanding issues with QR's 2006 access undertaking which included discussions relating to the calculation of Relinquishment Fees. We believe that QR's proposed amendment is reflective of the preferred industry position with regard to the calculation of Relinquishment Fees under Access Agreements signed on or after the commencement date of QR's second Access Undertaking.

RTCA notes that the proposed amendment represents a significant strengthening of Relinquishment Fees relative to those under Access Agreements signed during or prior to QR's first Access Undertaking, but are less onerous than the Relinquishment Fee provisions currently in place under QR's second Access Undertaking.

RTCA appreciates the opportunity to provide these comments and would be pleased to discuss them further if necessary. For further information regarding this advice please contact me on (07) 3361 4337.

Yours faithfully,



Manager, Infrastructure

Rio Tinto Coal Australia Pty Limited ABN 74 010 542 140
GPO Box 391, Brisbane Qld 4001 Australia
Level 3 - West Tower, 410 Ann Street, Brisbane Qld 4000 Australia
Ph + 61 7 3361 4200 Fax + 61 7 3361 4370