

18 July 2008

Mr James Gerraty
Manager, Issues, Melbourne
Australian Stock Exchange
Level 45, South Tower Rialto
525 Collins Street
MELBOURNE VIC 3000

Dear Mr Gerraty

RE: PRICE QUERY

We refer to the letter from Julia Kagan dated 18 July 2008 in relation to the change in price in Asciano Group ("**Asciano**") securities, and Ms Kagan's request that we respond to you.

We also refer to Asciano's letter dated 8 July 2008 in response to your letter of the same date, both of which were released to the market by ASX on 8 July 2008. Asciano confirms that the information in Asciano's 8 July response is still current and has not changed.

In relation to the specific questions in ASX's 18 July letter, Asciano responds as follows:

1. Asciano is not aware of any information concerning it which, if known, could be an explanation for recent trading in securities of Asciano.
2. Not applicable
3. Asciano notes paragraph 5 in Asciano's 8 July response. Asciano is aware of ongoing recent media speculation regarding the potential for Asciano to raise additional equity and/or to sell assets. No decision has been made in respect of any preferred funding option. Asciano will continue to assess a range of options and consider a range of factors in determining the optimum financing strategy for future growth. There is no other explanation Asciano has for the price change in Asciano securities .
4. Asciano confirms that it is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours faithfully

Sent electronically without signature

Fiona Mead
Company Secretary



18 July 2008

Fiona Mead
Company Secretary
Asciano Group
MELBOURNE

By email only

Dear Fiona

Asciano Group (the "Group")

RE: PRICE QUERY

We have noted a change in the price of the Group's securities from \$2.90 at the close of trading yesterday to a high of \$3.45 today.

In light of the price change, please respond to each of the following questions.

1. Is the Group aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Group?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Group may have for the price change in the securities of the Group?
4. Please confirm that the Group is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by return email or by facsimile on (03) 9614 0303. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. (E.S.T) on Monday, 21 July 2008).

The response must be in a form suitable for release to the market. If you have any concern about release of a response, please contact me immediately.

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Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Group's securities. As set out in listing rule 17.1 and the guidance note titled "Trading halts" we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

Sent electronically without signature

Julia Kagan
Senior Adviser, Issuers