



ASX ANNOUNCEMENT

Tuesday, 18 November 2008

The Manager
Company Announcements Office
Australian Securities Exchange
Level 45, South Tower Rialto
525 Collins Street
MELBOURNE VIC 3000

ELECTRONIC LODGEMENT

Dear Sir or Madam

Update on Saudi Landbridge Project

Please see the attached announcement for the immediate release to the market.

Yours faithfully

A handwritten signature in black ink, appearing to read "F. Mead".

Fiona Mead
Company Secretary

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TUESDAY 18 NOVEMBER 2008

ASX/MEDIA RELEASE

UPDATE ON SAUDI LANDBRIDGE PROJECT

On 21 April 2008, Asciano announced that the Tarabot Consortium, of which Asciano is a member, had been selected as preferred bidder for the Saudi Landbridge project. Asciano's role in the consortium includes holding a 5% equity stake in the concession vehicle, in addition to being a significant shareholder in the operations and maintenance business, and the provider of key operational services to the Consortium.

Following its selection as preferred bidder, the Tarabot Consortium has been engaged in discussions with the Kingdom of Saudi Arabia and its agencies and advisers to finalise key project documents.

Asciano has been advised today that the Supreme Economic Council of the Kingdom of Saudi Arabia has directed that a 're-bid' process take place for the project, whereby all four of the original shortlisted bidders will be given the opportunity to submit revised proposals in respect of the project. Asciano understands that the key driver of this decision is the recent global economic uncertainty and the volatility in global credit and commodity markets, and the Council's desire to ensure that these changed global circumstances are reflected in the tender process.

Asciano Chief Executive Officer and Managing Director, Mr Mark Rowsthorn, said "We are obviously disappointed with the decision to re-bid the project, given Tarabot's selection as preferred bidder. We are currently in active discussions with our Tarabot partners, and are seeking further clarification from the Saudi authorities. Once all relevant information is at hand, Asciano will consider its position in respect of the project".

ENDS

Further information about Asciano can be found on our internet site: www.asciano.com

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