

INDEPENDENT AUDIT REPORT

To the Directors of WestNet Rail Pty Ltd

Scope

We have audited the Overpayment Account of WestNet Rail Pty Ltd ("WNR") for the period 1 July 2005 to 30 June 2006 and for the three year period 1 July 2003 to 30 June 2006, for the following routes:

- Forrestfield to Kalgoorlie;
- Kalgoorlie to Esperance;
- Kalgoorlie to Leonora; and
- Kwinana to Bunbury Inner Harbour (including Brunswick to Premier Section and Terminal Segments).

Management of WNR is responsible for establishing the overpayment rules in accordance with Section 47(1) of the Railways (Access) Code 2000 ("the Overpayment Rules"), the application of these Overpayment Rules and the preparation of the Overpayment Account. We have conducted an independent audit of the Overpayment Account in order to express an opinion on them for the purposes of fulfilling the requirements of the Overpayment Rules. We disclaim any assumption of responsibility for any reliance on this report or on the Overpayment Account to which it relates to any person other than the directors of WNR, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the Overpayment Account. These procedures have been undertaken to form an opinion as to whether in all material respects there are any overpayments during the periods as determined in accordance with the Overpayment Rules.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, in all material respects, there are no overpayments, interest credited or payments required to be made to the Over-Payment Account as determined in accordance with the Overpayment Rules established by WNR management in terms of Section 47(1) of the Railways (Access) Code 2000, for the period 1 July 2005 to 30 June 2006 and for the 3 year period from 1 July 2003 to 30 June 2006, for the following routes:

- Forrestfield to Kalgoorlie;
- Kalgoorlie to Esperance;
- Kalgoorlie to Leonora; and
- Kwinana to Bunbury Inner Harbour (including Brunswick to Premier Section and Terminal Segments).

Ernst & Young

Ernst & Young
Perth
5 September 2006