
Asciano announces new coal contract

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Asciano that announced a long term take or pay contract with Macarthur Coal to be active at the beginning of the new financial year.

The performance based contract is locked in for nine years, with Asciano's rail arm to provide Macarthur Coal with rail haulage capacity of up to 3.7 million tonnes per annum. But the take or pay contract stipulates that even if the coal field does not yield the agreed 3.7 million tonnes of product Asciano will still get paid.

Mr Mark Rowsthorn MD and CEO of Asciano said that the contract represents another significant step in strategy of securing market share in Queensland.

Mr Rowsthorn said that "Macarthur Coal has operations exclusively within Queensland and therefore it is particularly satisfying that they have shown such confidence in our abilities as the new operator in that State. In a coal market that continues to be volatile in the short term, Macarthur Coal was looking for a rail operator who delivers on service."

Asciano commissioned the first of their diesel powered coal trains for the Queensland coal fields early in April this year with Siemens delivering the first of 23 AC traction Electric locomotives Asciano will be deploying over the remainder of 2009 and in the H1 of 2010 on April 24.

He said that "Asciano remains very confident in the long term coal export opportunities for Australia and understands how important our performance is to all parts of the coal supply chain."

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