



Dominic D Smith
SVP & Company Secretary

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10 November 2011

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BY ELECTRONIC LODGEMENT

QR National Limited – Annual General Meeting Addresses

Please find attached the addresses by the Company's Chairman Mr John B Prescott AC, and Managing Director & Chief Executive Officer Mr Lance E Hockridge, to be presented at today's Annual General Meeting commencing at 10.00am (Brisbane time).

Yours faithfully

A handwritten signature in black ink, appearing to read 'D. Smith', written over a horizontal line.

Dominic D Smith
SVP & Company Secretary

Annual General Meeting Speech

John B Prescott AC (Chairman QR National)

Brisbane Convention and Exhibition Centre, Thursday 10 November 2011

Good morning Ladies and Gentlemen.

It gives me great pleasure to welcome you to QR National's inaugural Annual General Meeting.

As we gather in Brisbane today, we are just 12 days shy of the anniversary of the Company's listing on the Australian Securities Exchange 12 months ago. And what an extraordinarily eventful year it has been in the history of our company.

On the first day of the last financial year, QR National's structural separation from the passenger-focused Queensland Rail business took effect. This milestone represented one of the five largest demergers in Australian corporate history, and involved the separation of more than 10,000 assets and many months of detailed planning and hard work by employees from both companies.

[Slide – The Nation's Largest IPO in a Decade]

After 145 years in government ownership, the privatisation of QR National paved the way for the nation's largest public float in a decade. Investors from around the country and abroad were given the opportunity to invest and share in the future of Australia's largest rail company.

Needless to say, the size, scale and complexity of the QR National float meant it would inevitably attract its fair share of attention. QR National, after all, was one of the State's oldest and most iconic organisations.

[Slide – Total Shareholder Return]

While initially there were some in the investment community and national media who did not support the Company, it is pleasing to see that since listing many have recognised the value and potential of QR National.

And so, despite the challenges, QR National made a successful debut on the ASX on November 22 last year, emerging as one of Australia's 50 largest listed organisations by market capitalisation.

Our shareholders, those of you here today plus some 60,000 others from around the world, have seen the value of their investment appreciate strongly over the course of the 2011 financial year.

The Company wouldn't be in the strong position it is in today if it weren't for the support of our shareholders. Thank you for your faith in our Company.

FY11 RESULTS

From an operational standpoint, the Company faced significant challenges in its first year as a listed enterprise. Not long after the IPO, unprecedented wet weather hit the heartland of our business in Queensland, followed by widespread flooding and Cyclone Yasi.

[Slide – Recovery from Floods and Cyclone]

These once-in-a-century events had a devastating impact on many in this State and our coal industry customers, in particular, faced a significant setback. Our rail infrastructure withstood the onslaught remarkably well, with the Company moving very quickly to restore operations and reopen the Central Queensland Coal Network for customers within days of the flood waters receding. However, significantly lower coal production from our mining customers in the months that followed the natural disasters led to a substantial reduction in the Company's coal haulage volumes for the year. This translated to a negative impact on Earnings Before Interest and Tax (EBIT) of \$187 million.

[Slide – FY11 Results]

Despite these lower tonnages, the Company was able to deliver a solid lift in underlying earnings for the year through the acceleration of our transformation program — focusing on improved revenue quality, cost management and operational efficiencies. Underlying Earnings Before Interest and Tax (EBIT) were up 35 percent over the prior year to \$367 million, earned on revenues of \$3.3 billion. Our statutory profit after tax was \$350 million.

On the basis of these results, and despite the adverse flood impact, the Board declared a final unfranked dividend of 3.7 cents per share, in line with the Offer Document commitment.

Given the scale and magnitude of Queensland's natural disasters, the strength of our inaugural results is a credit to management, both in terms of operational response and in containing the financial impact of these events. Management's focus on reform and growth delivered \$94 million upside in transformation benefits and underpinned the creation of shareholder value over the course of the year.

One of the formal items of business for our consideration later in the meeting relates to the amendment of the Company's executive incentive plans, normalising for the adverse impact of these natural disasters. Ultimately the flood and cyclone impacts were outside of company and management control. In the Board's view, the Offer Document incentive targets were out of alignment following the impacts of these extraordinary events.

Without normalising the incentives to take this into account, QR National executives would have next to no equity in the business for the next three years.

In the Board's view, this was an unacceptable outcome. Shareholders expect the Board to incentivise and retain senior executives to deliver on the next stage of the Company's growth and transformation. Indeed many shareholders have expressed to me that they expect to see strong alignment of management incentives and particularly long-term incentives and your Board will consider this further in the coming months.

[Slide – Growth and Transformation]

GROWTH AND TRANSFORMATION

As I mentioned, transforming the Company has been a top priority for management. With the IPO now behind us, we are focused on realising the benefits of business reform. Our transformation program continued in 2010/11, as we strive to achieve world class performance in all dimensions — in safety, customer service, financial and operational performance. We have a substantial way to go but we are making excellent progress.

During the year we also continued to deliver on a substantial investment program in new rail infrastructure to leverage the growth opportunity presented by Australia's resources boom.

Our flagship growth project — the \$1.1 billion Goonyella to Abbot Point (GAP) Expansion in Central Queensland — progressed on schedule and on budget despite the challenges posed by the wet. In fact, the first train is anticipated to run across the Northern Link on the 19th of December, ahead of the original scheduled opening in January.

This critical new piece of national export infrastructure will provide significant benefits for coal customers, you as shareholders and the broader Australian economy.

I am pleased to say we have more committed growth projects in the pipeline. Since year end, the Company has announced agreement with a consortium of coal companies to construct the \$900 million Wiggins Island Rail Project to a new export terminal at Gladstone. The new infrastructure will deliver an additional 27 million tonnes of coal per annum from the southern Bowen Basin coal region.

This is another major milestone for QR National — not only is the project one of the largest rail expansions in the country, but it is also the first major rail infrastructure investment our Company has made as a privatised entity.

Both the GAP expansion and the Wiggins Island Rail Project show how our Company is working in genuine partnership with customers to deliver supply chain solutions for growing global export demand.

Outside of coal, iron ore represents another strong growth prospect for the Company. In Western Australia, QR National is the largest hauler of iron ore outside the Pilbara where the major mining companies dominate.

The mid-tier miners emerging in the mid-west are a natural growth target for QR National and we are making strong inroads in this market. The Company is set to treble by 2013 the total iron ore haulage business to 30 million tonnes per annum.

[Slide – Outlook]

OUTLOOK

Turning now to outlook.

In light of the flood events that continue to impact volumes in the Queensland coal systems as our customers work to restore full production, it is appropriate to address the impacts this could have for your Company for the financial year 2012.

We continue to see the significant impact of reduced coal production in Queensland, and Lance will provide further details in respect of this in his address.

Management is working very hard to deliver improvements in revenue quality, further savings and efficiencies through the Transformation program to offset these impacts and not withstanding the reduced volumes there remains no reason to depart from the Offer Document forecast.

Your Board remains optimistic about the company's prospects in growing profitably and continuing to create shareholder value.

If I may just make some high level remarks about the medium to long term and about the markets we serve.

As you would be aware, our business is 80 percent leveraged to the Australian resources sector. Demand for our domestic resources is surging from the urbanization and industrialization of emerging Asian economies.

While traditionally Japan and Korea have been the largest consumers of Queensland coal, the incredible growth we are now seeing from the Chinese and Indian economies will underpin the next phase of Australia's mining boom.

Over the medium to long-term, conditions bode well for Australian exports of both metallurgical and thermal coal which are widely expected to grow on average by about six percent per year until 2015 and to reach as much as 450 million tonnes by 2030. The world appetite for Australian iron ore is similarly bullish, with Australian production forecast to grow 8.5% a year until 2015.

ACKNOWLEDGEMENTS

I'd like to acknowledge those who have contributed so much to the Company and made the past year such a success, despite the challenges posed by the weather and the transition to a publicly-listed company.

[Slide – Peter Kenny]

In particular, I'd like to pay tribute to Peter Kenny who passed away suddenly last month. Peter was an extremely valued and well-respected Director, bringing to the Board a range of experience and knowledge of rural and regional communities. His passing is a great loss to the Company. I'm sure you will join me in expressing sincere condolences to Peter's family.

Thank you also to my fellow Directors for their counsel during a very busy and complex privatisation process.

To the Queensland Government, I acknowledge your vision and commitment throughout the journey to privatisation. Not only has it allowed all Australians to own a part of an iconic national company with an exceptional future, it was one of Australia's largest national transport reforms in recent years.

I would also like to thank our Managing Director & CEO, the executive management team and our 9,000 employees for their outstanding efforts during the year. It is to their credit that the transition to public company life was seamless for all stakeholders and added substantial value for shareholders.

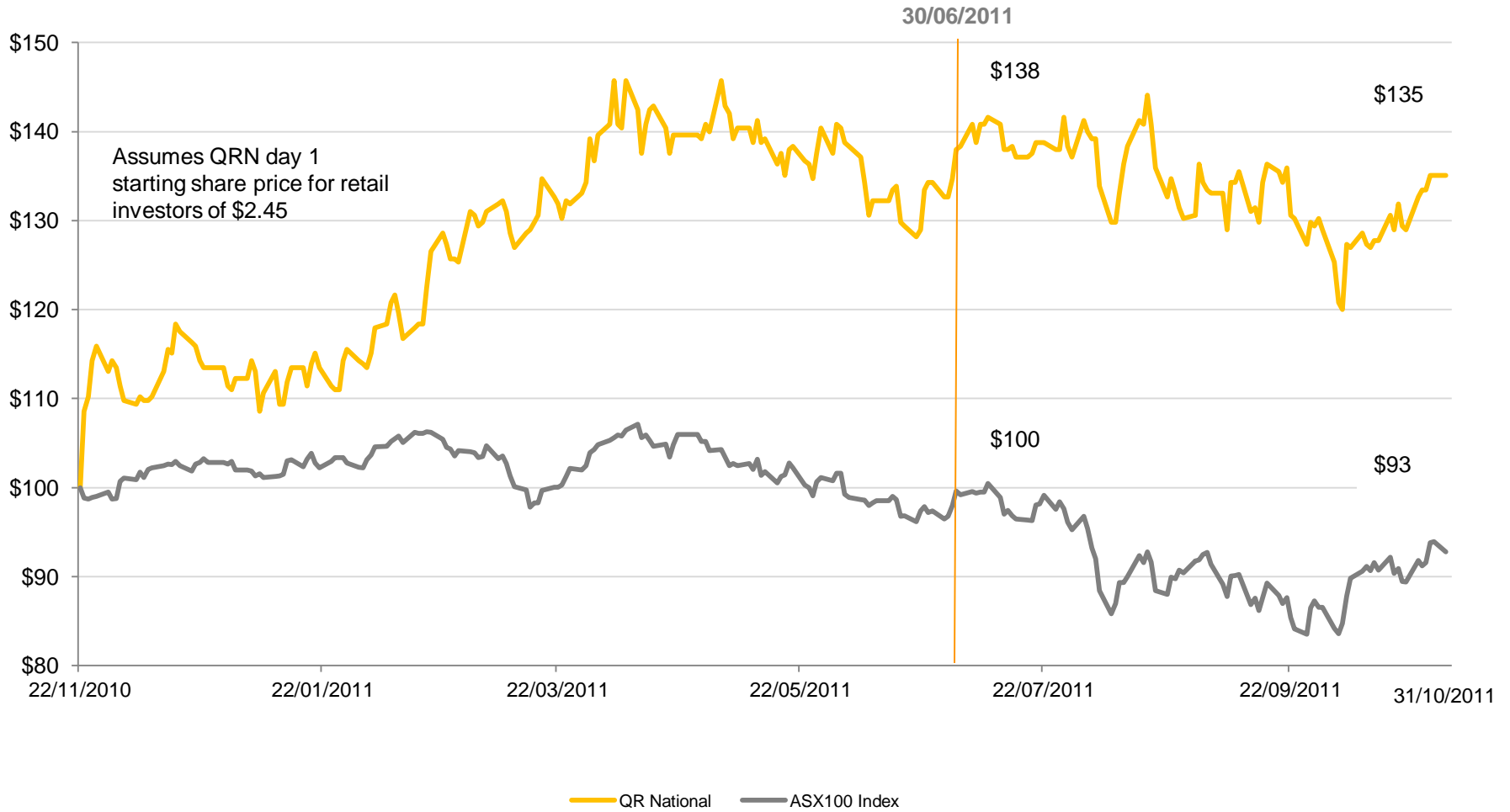
Finally, to our shareholders, thank you for being here today and for your on-going support and confidence in our Company. I look forward to your questions later in the meeting.

John B Prescott AC
Chairman

THE NATION'S LARGEST IPO IN A DECADE



TOTAL SHAREHOLDER RETURN



RECOVERY FROM FLOODS AND CYCLONE



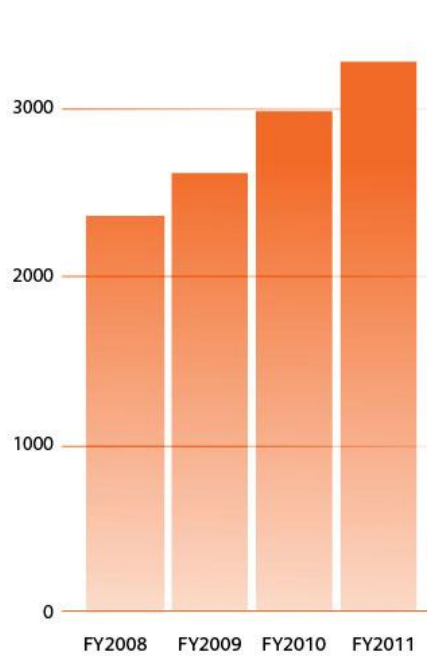
Comet River on mainline of the Blackwater System, approx. 40km east of Emerald

FY11 RESULTS



REVENUE

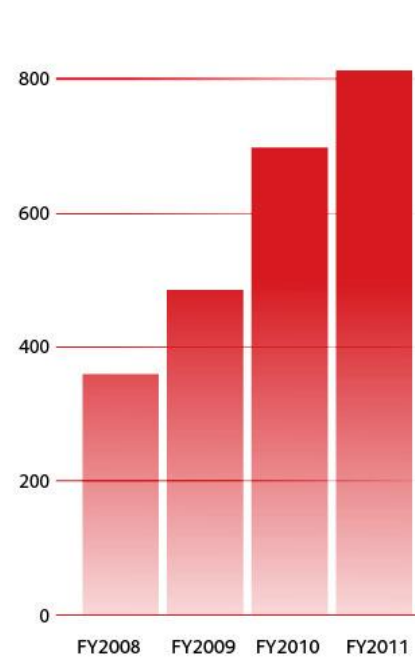
\$A million



EBITDA

Underlying Results⁽¹⁾

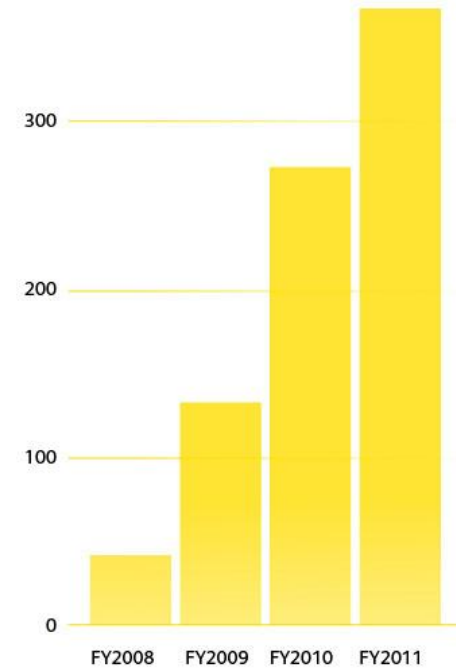
\$A million



EBIT

Underlying Results⁽¹⁾

\$A million



(1) Underlying results differ from the Group's statutory results. Refer reconciliation to statutory earnings on page 129 of the Annual Report.



A ballast train completing track work on the Northern Missing Link

OUTLOOK



MR PETER C KENNY



Annual General Meeting Speech

Lance E Hockridge (MD & CEO QR National)

Brisbane Convention and Exhibition Centre, Thursday 10 November 2011

Thank you Chairman.

It's a great pleasure to be here at our Company's first AGM and I join John in welcoming you as shareholders of QR National.

[Slide – QR National's Journey]

As John has outlined, this has been a defining year for the Company - a period of transition, transformation and growth.

The move to publicly-listed life and our debut on the ASX was ultimately a smooth and successful one.

But behind the scenes it was a story of tremendous work across the Company.

That same energy and determination was also brought to bear by our people in their outstanding response to the once-in-a-century floods last summer.

While we continue to deal with the lingering impacts of those events on our customers, our sights are firmly set on taking your Company forward and capitalising on the growth prospects before us.

The Chairman has covered the highlights of the 2011 financial year and the strategic and external context for our Company.

[Slide – Topics Covered]

I will build on John's comments by covering:

- QR National's competitive advantage and market positioning;
- The business strategy that is driving our transformation and growth, and finally
- A trading update for the year to date and the outlook ahead for the company.

[Slide – QR National's Key Operations]

QR National, Australia's largest rail freight business, remains well positioned in growing markets.

We have quality assets and people;
National reach into key markets;
and a set of capabilities that offer distinct competitive advantage.

We transport more than \$50 billion of the nation's exports each year on our trains and track....
from iron ore in the West to coal in Queensland and New South Wales.

We are an integral part of the biggest coal supply chain in the country, operating a 2,300 kilometre heavy-haul coal network in central Queensland.

Our business remains 80 percent leveraged to the resources sector, primarily coal and iron ore exports.

We have the scale, size and integration that are hallmarks of the best freight railroads in the world, especially the Class 1 railroads of North America.

These are the same North American railroads that have set the global benchmarks for customer service, operational excellence and shareholder returns.

Put these factors together against the backdrop of unprecedented expansion in the Australian resources sector, and the growth opportunity before us becomes clearer.

The mandate for your leadership team and the focus of the work we are doing will see your Company capture that growth and be spoken about in the same breath as the best railroads in the world.

[Slide – Strategic Priorities]

Let me talk briefly about the Company's strategic priorities of:

- Safety
- Revenue quality
- Cost, efficiency and productivity
- Capital efficiency, and
- Growth

I should say that this Transformation program has been underway for some time, so we have established momentum.

And since our listing, we have accelerated that work.

At the heart of this must be the customer.

We are moving to embed commitment to customer service excellence with all our people right across the business.

[Slide – Safety Performance]

As we reshape QR National, safety remains paramount.

Safety will never run second to production.

Every change must be effected without sacrificing our commitment to providing a safe environment for employees, our customers and the communities in which we operate.

We achieved a 50% reduction during 2010/11 in the Lost Time Injury Frequency Rate, which is a standard industry metric to a level of 3.08. So far this year we have further reduced that rate to around 2.5. When I started at the Company in late 2007, it was in excess of 12.

So we've made a good start.

However there's more to do if we are to achieve ZeroHarm.

Moving now to commercial returns.

Our revenue quality initiatives are seeing the replacement of old uncommercial contracts with customer focussed, flexible contracts. These provide superior value for our customers as well as better returns for your Company.

Nowhere is this more apparent than our coal haulage business.

During 2010/11, an additional \$93 million was created through contract renewals, incentives and performance bonuses.

There are a range of cost, efficiency and productivity programs under way in the Company.

[Slide – Hunter Valley]

Our Hunter Valley coal haulage business in New South Wales is a good illustration of what can be achieved if you get these things right.

Within a space of just a few years, we've captured market share of almost 30 per cent.

Haulage volumes are set to go from 19 million tonnes per annum at the start of the 2011 financial year to an estimated 40 million tonnes in 2012 financial year.

This business is a standout performer in terms of safety, customer service and operational reliability. In essence, we've done everything that we have promised our customers we would do and more.

That's what is expected of a world-class performer and that's what we are aspiring to in all parts of our business.

Overall our business is large and capital intensive; where productivity improvements and innovations can deliver significant gains. For example:

- a program which has replaced five locomotives with three doing the same task in our Goonyella coal system;
- or payload improvements in Goonyella and Blackwater delivering an extra 3.5 million tonnes of coal last year with no extra investment;
- or our combined initiative in Western Australia with our iron ore customer Cliffs together with track owner Brookfield Rail which has increased throughput by 3.5 percent.

There are many more examples across our Company of better processes which are already paying dividends for us. With respect to growth, the Chairman touched upon the major capital projects underway.

[Slide – 70 Mt Expansion]

Collectively, the committed expansions to the Central Queensland coal network will add more than 70 million tonnes of extra capacity by 2015.

This equates to a significant 30 per cent uplift in capacity to 300 million tonnes per annum.

This underscores the critical role of our world-class export infrastructure in supporting the expansion of Australia's export coal industry and generating broader economic activity for mining companies and regional communities.

[Slide – Iron Ore]

The contestable iron ore market in Western Australia provides a strong opportunity to diversify our business.

Recent contracts and expansions by existing customers, means we're on track to treble iron ore volumes over the next three years.

As I mentioned before, we are one of the few companies offering a full suite of railway capability.

This includes expertise in infrastructure construction and management; heavy haulage train operations; and a track record of running multi-user railways.

While our iron ore business is currently focussed in the mid-west of WA, we're not discounting other "blue sky" opportunities that may emerge, including the Pilbara.

This also applies to Queensland's emerging Galilee coal basin.

Here we are talking to a range of companies about the provision of rail infrastructure and operations.

The Galilee is seen as the next major coal basin for Australia with a range of players planning mega-mines that collectively could match the current volumes of the Bowen Basin.

The Galilee and the Pilbara reinforce the scale of opportunity for our Company, notwithstanding these are very early days and there's much work to do to progress these opportunities.

To achieve the range and quality of goals we have set for our Company will require superior execution capability.

In my full year results presentation, I discussed the proposed restructure of the Company, moving from a business unit to a functional model.

This will break down organisational silos and promote integration and collaboration across the company.

It is also a critical enabler in delivering the customer service excellence I've spoken about this morning and in accelerating the transformation program.

I am pleased to say the restructure is progressing well.

Following completion of consultation, we are now moving forward with the eight functions – Marketing; Operations; Network; Strategy & Business Development; Business Sustainability; Enterprise Services, Finance and Human Resources.

We expect to transition to this new model from next month.

This is not dissimilar to the structure of the highly-successful North American railroads I mentioned earlier.

This is an exciting and significant change, in taking capability of our Company to a new level and I look forward to updating you further at our half year results.

[Slide – Outlook]

Let me now move to trading conditions for the first quarter and outlook.

While coal volumes are slowly improving, there remains continued uncertainty as to when full mine production by our customers will resume.

Coal volumes for the four months ending 31 October 2011 are down 16 per cent in Queensland and up 38 per cent in the Hunter Valley, compared to the same period last year.

This means total coal tonnages are down 10 per cent compared to same period last year.

Our customers are working towards improvement over the next three months subject to wet season outcomes, however it is likely that full year coal haulage volumes will be reduced from the Offer Document estimates.

Our current view is that we will achieve total coal haulage volumes within a range of 200 – 210 million tonnes for financial year 2012.

The Offer Document forecast was based on 233 million tonnes of coal hauled by the Company.

The coal rollingstock fleet and the coal network are well positioned to respond to increased tonnages in the second half of FY 2012.

Despite this, we are implementing initiatives to offset the impact of lower volumes on financial performance and as the Chairman outlined we reaffirm the full year Offer Document underlying Earnings Before Interest and Tax (EBIT) of \$578m and we are very focused on initiatives to offset the impact of lower than planned volumes wherever possible.

Management continues to achieve ongoing gains through focus on revenue quality and reducing costs while maintaining our capability to support our customers' return to full production and investing ahead of growth.

Before closing, I again commend the commitment of those associated with our Company.

Firstly, to our employees, through these major organisational changes and for their outstanding efforts with flood and cyclone recovery.

This extended to the tireless work of QR National people in helping in the general recovery efforts and the community clean-up after the floods.

Our 9,000 employees live and work in the communities in which the Company operates. We have an enduring commitment to working with and supporting these communities through such initiatives as our Community Giving Fund.

I also acknowledge my executive management team during this significant period of change. They have worked above and beyond the call of duty to deliver a successful IPO while maintaining a continued focus on safety and business priorities.

And I am most grateful to the Chairman and the Board for their leadership and guidance during the year.

I also acknowledge the outstanding contribution of Director Peter Kenny who sadly passed away in October.

And finally, thank you to our shareholders for your ongoing support and faith in the Company.

We have emerged from the challenges of the past year much stronger.

We are well positioned for growth. I believe we have the employee and executive talent together with the physical infrastructure and balance sheet to capitalise on the growth opportunities ahead.

Thank you.

Lance E Hockridge
Managing Director & CEO

GOC to ASX LISTED COMPANY

TRANSFORMATION

GROWTH



Our competitive edge and marketing positioning



Business strategy driving transformation



Trading update and outlook

QR NATIONAL'S KEY OPERATIONS



Coal



- ✓ Largest coal haulage operator in Australia

Freight



- ✓ National transporter of bulk mineral commodities (including iron ore), agricultural, mining and industrial products, general and containerised freight

Network Services

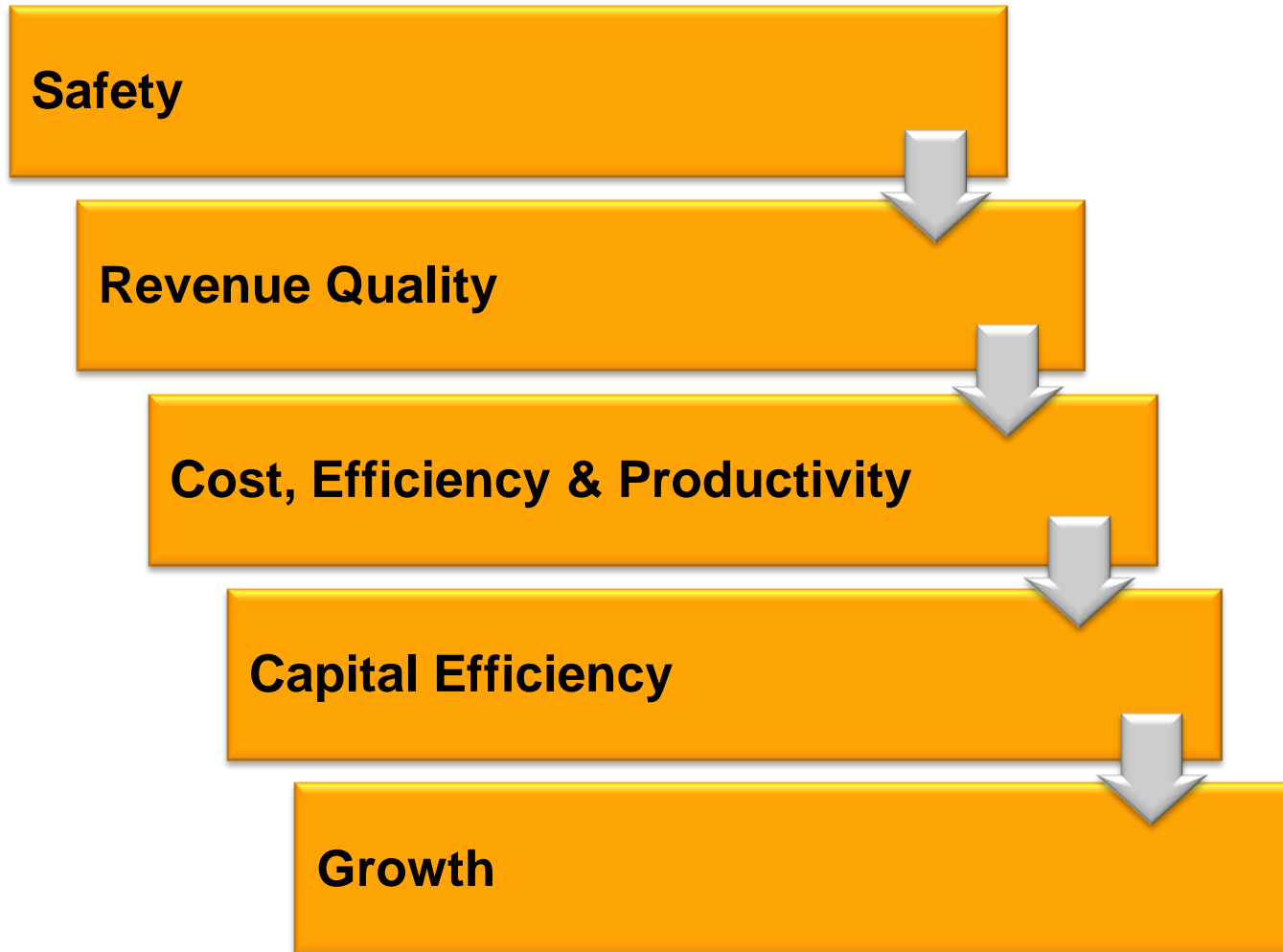


- ✓ Network – 2,300km of track across four coal rail systems in Central Queensland
- ✓ Infrastructure & Rollingstock Services

Operational Excellence



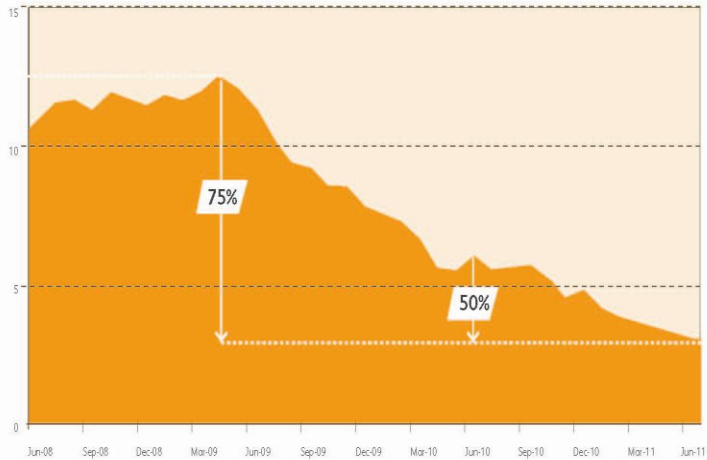
- ✓ Asset Engineering
- ✓ Fleet planning
- ✓ Safety and Environment
- ✓ Asset Reliability, Planning & Scheduling



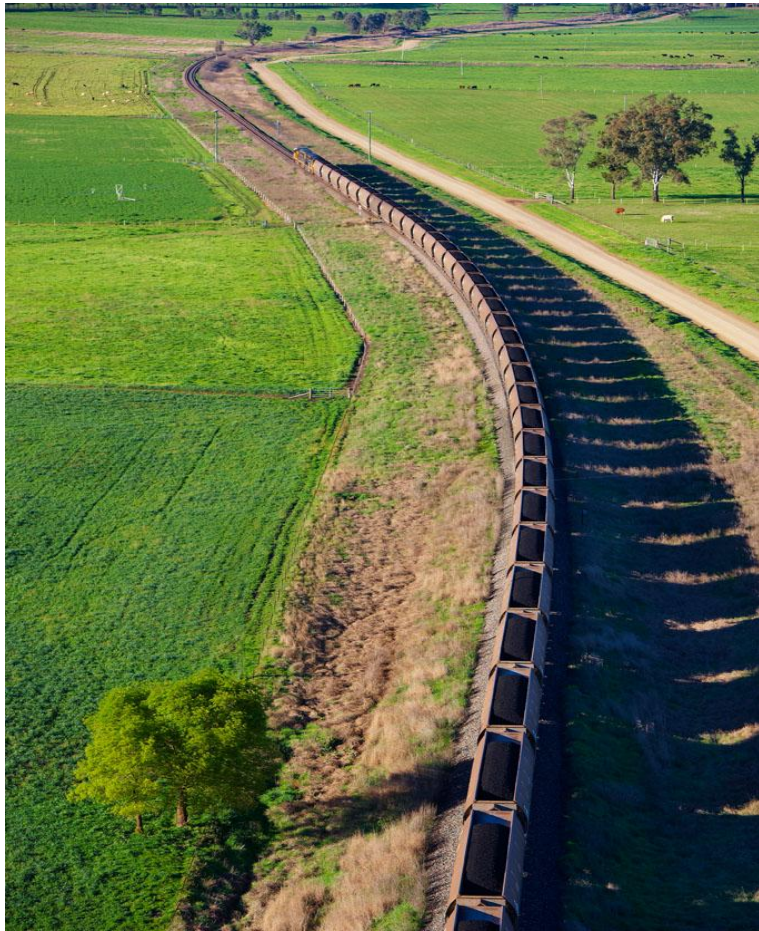
Safety performance

LOST TIME INJURY FREQUENCY RATE (LTIFR) PER MILLION HOURS WORKED

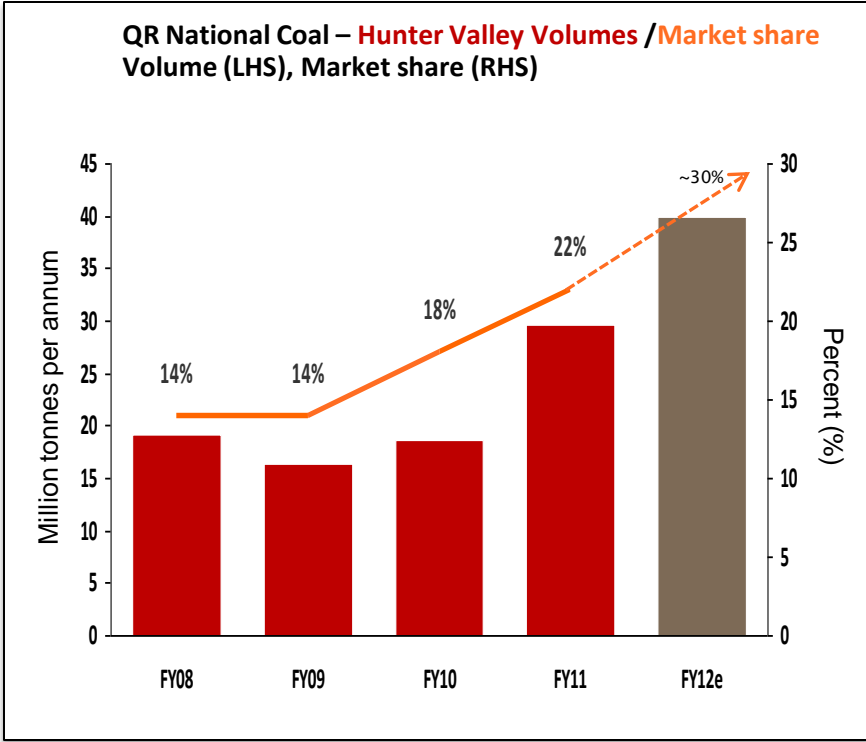
NB Historical data (30 June 2008 – 30 June 2010) is sourced from QR Limited up to separation on 30 June 2010, adjusted by removing Queensland Rail. It includes historical data for QRN Coal and QRN Freight and the portions of Network Services and Corporate areas allocated to QR National.



TRANSFORMATION GAINING TRACTION



Hunter Valley out performance

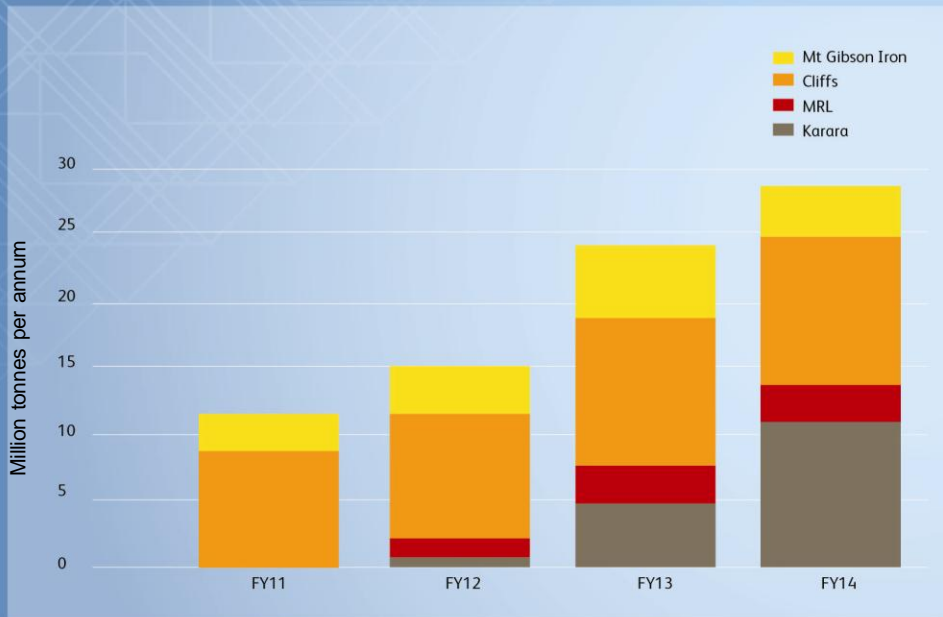


MORE THAN 70MTPA OF COMMITTED ADDITIONAL SYSTEM CAPACITY



- ▶ **Abbot Point**
▶ plus 33mtpa
- ▶ **Hay Point**
▶ plus 11mtpa
- ▶ **Gladstone (Wiggins Island)**
▶ plus 27mtpa

DIVERSIFICATION THROUGH IRON ORE GROWTH



LEGEND

Iron ore mine type

- ★ In development/exploratory
- Operating
- City / town
- Proposed export terminal
- Operating export terminal

Geological regions

- >10 billion tonnes of iron ore
- 1 billion to 10 billion tonnes of iron ore
- 100 million to 1 billion tonnes of iron ore

Rail service provider

- QRNational
- Other operator
- Existing rail line
- Proposed rail line

OUTLOOK

