

Andrew Harding: Managing Director & Chief Executive Officer

Good morning and welcome to the full year 2025 Results.

We are in Brisbane today therefore I acknowledge the Traditional Custodians of this land, the Turrbal and Jagera people, and pay my respects to the elders past, present and future for they hold the memories, the traditions, the culture and hopes of Aboriginal Australia. We must always remember that under the ballast, sleepers, rail systems and office buildings where Aurizon does business, was and always will be traditional Aboriginal land.

I am joined on the call by:

- Gareth Long, acting CFO & Group Executive Strategy
- George Lippiatt, Group Executive Bulk & Containerised Freight;
- Ed McKeiver, Group Executive Coal; and
- David Wenck, General Counsel and Head of People.

After fifteen years at Aurizon, including five leading Network, Pam Bains retired earlier this month, having progressed UT6 to the signing of a non-binding term sheet, a significant achievement.

Cat Peppler who has been at Aurizon for more than thirteen years and was most recently Group Executive Corporate, has stepped into the role and joins us today as Group Executive Network.

George will be presenting the financial results today for the last time, having been the CFO for the reporting period.

SLIDE 3: AURIZON OVERVIEW

Aligned with Aurizon's strategy, the strength of our Network and Coal businesses provides the opportunity to pursue growth in Bulk and Containerised Freight.

Our Network business is nearly two thousand seven hundred kilometres of track infrastructure in Central Queensland, supporting 90% of Australian coking coal exports. An 8.5% return is currently booked across the 6.2-billion-dollar asset with more than half of Group earnings coming from this regulated revenue base.

Our Coal business is linked to the ongoing demand for Australian coal across global markets. India is already Australia's largest trading partner for steel-making coal, and is expected to be the largest driver of demand over the coming decades. Last year saw another record for steel production in India, up six percent on the prior year, which itself was a record.

For thermal coal, last year saw a net increase in global coal-fired generation capacity with 95% of this built in Asia, a continent where nearly all of Australian thermal coal is exported to. The average age of the coal-fired fleet in this continent is just 15 years, against a typical economic life of 40 plus years. Coal accounts for a third of Group earnings and is backed with long-duration contracts.

The Bulk opportunity is based on the growth in global demand for Australian commodities such as base metals, grain and magnetite and the strategic importance of the Tarcoola-to-Darwin rail line. While still a small contributor to our earnings, this is where our strongest growth prospects lie.

For Containerised Freight, which is reported in our other segment, the opportunity is based on Australian GDP growth and land-bridging volume from the Port of Darwin to southern capital cities which is progressing.

Turning to our Safety performance

SLIDE 4: SAFETY PERFORMANCE

We experienced a deterioration in both the Total Recordable Injury Frequency Rate and the Actual and Potential Serious Injury and Fatality Frequency Rate over the past year. Across the business, soft muscle injuries and foot injuries, from walking on ballast, are the most common injuries.

Our focus remains on incidents that have the potential for serious injury or a fatality and protecting our employees, our customers and the communities in which we operate.

Level crossing safety is a continuing issue for the rail industry and was a focus in this year's National Rail Safety Week. Adding to our existing level crossing campaign, we released a new series of videos called 1.2.3.Brace, featuring our drivers once again sharing their personal experiences and urging the community to take greater care around level crossings.

Collectively, we must step up efforts and investment to improve safety at level crossings. This includes the rail and road industries, all levels of government, enforcement and road safety agencies, and the general community.

Turning to the results.

SLIDE 6: FY2025 RESULTS

As communicated in late-June, underlying earnings for the year were impacted by:

- a deferral of Network revenue as a result of lower railed volumes, and
- an increase in the provisions relating to three Bulk customers.

Outside of these two items, Group EBITDA for the year would have been over \$100m higher.

The payout ratio has been maintained at 80% with a dividend of 6.5 cents, fully franked. Today we announce a new on-market buy-back of up to \$150m, following on from the completion of a \$300m buy-back last year.

It's important to note that commodity prices across nearly all of the major commodities we haul are lower over the past twelve-months. When combined with inflationary pressures, it results in a tough operating environment for Australian producers. This doesn't just impact our Bulk business – both thermal coal and coking coal prices are down 20% compared to a year ago. As a result we suspended railing for two coal customers which incurred an associated provision.

We are combining the management of our Bulk and Containerised Freight operations under the leadership of George Lippiatt to unlock commercial and operational synergies and streamline accountability.

Three significant items have been booked in the half, resulting in the variance between underlying and statutory net profit after tax. George will talk to these items shortly but I did want to talk to one briefly - the impairment of goodwill associated with the Bulk business.

It is important to note this impairment of \$57 million represents around 3% of the book carrying value of the Bulk business.

It is a result of some changes in timing of growth opportunities plus changes in assumptions of future carbon costs associated with bulk rail haulage.

Specifically in terms of the latter it relates to higher assumed costs for Australian Carbon Credit Units or ACCUs and emissions intensity. The Net Present Cost of carbon is now around \$170m, or 8% of the book carrying value of the Bulk business.

Not only is future modelling under the Safeguard Mechanism challenging but we still have perverse policy outcome where most of the trucking industry is exempt and rail - the far more environmentally friendly mode of transport - is not.

I am of the firm view further reform of the Safeguard Mechanism is needed to give business greater certainty and address this anomaly.

Turning to Actions in Progress.

SLIDE 7: ACTIONS IN PROGRESS UPDATE

At first half results, I shared some of the actions we are taking in response to market dynamics.

Although Aurizon has inflation protection in the Network business through the regulatory framework, and also through our commercial contracting, we are seeing price escalations in some parts of the cost base, in excess of this protection.

Having initially targeted \$50m in annualised savings in our non-operational cost base, a further \$10m has been identified. Importantly, all \$60m has been actioned and will flow through in its entirety in FY2026. This review focused on achieving greater efficiencies and includes a reduction of approximately 200 full-time-equivalent roles.

During the half we also successfully priced our inaugural hybrid which George will speak about shortly.

SLIDE 8: NETWORK OWNERSHIP REVIEW

Identified as part of the Actions In Progress at the first half results, a Network Ownership Review is taking place.

This review is ongoing and no decision has been made.

The Aurizon Board regularly undertakes a detailed assessment of the portfolio and capital structure of the company.

The outcome of the review was last published externally in 2019 and found that based on the five elements, as published on this slide, the benefits of integration outweighed the benefits of separation at the time.

We are drawing upon the same elements in the current review and we have appointed an investment bank to assist with the process.

The progression of UT6 to a (non-binding) term sheet with customers supports engagement with prospective investors.

Turning to business units.

SLIDE 9: BUSINESS UNITS

Despite the impact of approximately \$50m of deferred revenue and in addition to lower external revenue, Network earnings increased driven by the step-up in regulatory revenue.

To better match the cost of operating and maintaining the Network with the revenue received, we are changing our revenue recognition approach from FY2026 which George will speak to in more detail shortly. The assumption for regulatory volumes in FY2026 is more than 6% higher than actual volumes in FY2025. Under the new approach any variance in volumes will no longer be deferred to future periods.

As noted earlier, we are pleased to report that UT6 has progressed to a non-binding term sheet with customers. This is a very complex undertaking and now provides the pathway for securing the earnings profile of Network from mid-2027.

Coal earnings were flat with higher volumes and higher yield, offset by higher operating costs. Contract utilisation is still below what is considered a normal level and our expectations are for this to step-up in FY2026. TrainGuard is operating in the Blackwater and Goonyella corridors and is projected to reduce the number of train drivers by around 50 during FY2026.

Our contract with Whitehaven's Gunnedah mines will cease in June 2026. I am proud of our performance hauling for Whitehaven over the past decade and more generally on our superior operational performance in the Hunter Valley over the last 12-months.

We tried really hard to retain Whitehaven and I am disappointed that we were not chosen as their rail operator going forward.

The impact on our Hunter Valley operations from FY2027 is dependant on the redeployment of capacity, noting we have multiple strategies available in this regard.

Bulk EBITDA was lower with contract growth more than offset by the cessation of a rail maintenance contract, lower South Australia grain volumes and an increase in doubtful debt provisions as previously disclosed.

In addition to the BHP Copper South Australia contract, we also signed ten-year contract extensions for Minara and Karara in Western Australia. These are decade-long contracts that provide a foundation for the Bulk portfolio to build on.

Finally, to Containerised Freight, where although we are not yet breaking-even at an EBITDA level, we have stepped-up volumes in the three months to July, up 30% compared to the same period last year. Non-foundation customer TEUs increased four-fold over the same period. And we have made some operational changes to support both the cost base and customer offering including:

- the extension of a (Bulk) Broken Hill to Perth service to Sydney for an added frequency; and
- bringing all of our containerised freight services together at a single facility in Adelaide as we showcased at our site visit last month

Land-bridging volume began during the year, with containers now railing down to Melbourne in addition to Adelaide. We are continuing to work with auto-logistics company NYK to support the import and distribution of motor vehicles into Australia. I look forward to updating the market on this exciting development in due course.

SLIDE 10: BULK INVESTMENT

Finally, I want to take the opportunity to talk about our investment in Bulk and the connection to the recently announced BHP Copper South Australia contract.

Although a challenging year, the growth opportunity remains. The infrastructure investment and recent contract signings provides a solid foundation to build upon.

As recently as FY2017, Bulk was loss-making at an EBIT level and was best characterised as a grouping of contracts, rather than a business unit with a clear strategy. I brought together the business unit under a single Group Executive, bringing both accountability and the opportunity for growth. As shown on the slide, we have delivered growth.

Our operations are located in the key mining regions of Australia and we hold the lease of the strategically important Tarcoola to Darwin line through to the mid-2050s. Central Australia holds:

- two-thirds of Australia's copper resources;
- about half of Australia's magnetite resources; and
- significant rare earths and phosphate rock resources.

Recent contracting for customers such as BHP SA Copper, Karara Mining and South32 has pushed out the average contract length of the Bulk portfolio by three years to 8 years. When including the Tarcoola to Darwin concession, this extends to twelve years.

Our investment in Bulk capacity enabled the successful contracting for the largest copper operations in Australia.

SLIDE 11: BULK: BHP COPPER SOUTH AUSTRALIA CONTRACT

As announced in June, Aurizon has been awarded a contract for BHP's Copper South Australia operations, including all rail and road haulage tasks with a total contract length of up to 15 years. It is understood to be Australia's largest ever road to rail conversion for a major minerals project.

The contract begins in October this year and is in addition to Aurizon's existing haulage of copper concentrate from Wirrida to Tennant Creek. The contract is expected to deliver revenue of \$1.5 billion over the first ten years.

The integrated logistics solution is highly scalable and means we can quickly capture additional volumes should BHP proceed with identified growth opportunities in South Australia.

The transport of copper concentrate and cathode from BHP's Olympic Dam, Carrapateena, and Prominent Hill mines, as well as inbound freight, will shift to rail between Pimba and Port Adelaide.

Leveraging our extensive South Australian footprint including port terminal assets at Port Adelaide and the Gillman freight terminal was critical to securing these contracts. The largest single new investment is a new

rail freight terminal being constructed at Pimba at a cost of \$40 million, which will act as a centralised logistics hub for BHP's operations.

Our investment in Bulk is built around delivering contracts like this. That is, having the assets, capacity and the capability to deliver bulk commodities over long-distances on behalf of customers. This is a major differentiator for Aurizon and stands us in good stead to secure further contracts with such high-quality counterparties.

On that, I will hand over to George.

George Lippiatt

SLIDE 13: KEY FINANCIAL RESULTS

Thank you Andrew.

As published in our guidance update in late-June, underlying earnings for the year decreased by 3% to \$1.576 billion, below our originally stated guidance due to the deferral of Network earnings and an increase in provisions primarily relating to three Bulk customers. As noted earlier by Andrew, outside of these two items, Group EBITDA for the year would have been more than \$100m higher than the result published today.

The deferred Network earnings will be caught up in FY27 and we're expecting a 9% EBITDA uplift in FY26, being the middle of our guidance range. We've also increased available capital due to the subordinated note issuance and lower capital expenditure during FY25.

These factors support the \$150 million of additional share buy-back announced today and takes the total buy-back amount to up to \$450 million across FY25 and FY26.

Revenue increased by 3% driven by Coal, Bulk and Containerised Freight which is reported within Other. Network revenue was flat with an uplift in regulatory revenue being offset by a reduction in external construction works.

Operating costs increased due to higher doubtful debt provisions which I'll discuss further in the Coal & Bulk slides, higher labour escalation and additional traincrew and maintenance required due to growth volumes.

Staying at a Group level, you can see in the table that depreciation increased by 4%. Approximately three quarters of this step up was driven by higher Network depreciation due to increased capital investment and therefore regulatory asset base growth.

We also saw a favourable provision release in FY25 of around \$50m including the contribution from lower short-term incentive payments and fewer insurance events.

Unlike in prior years, you will note that statutory EBITDA is \$43m lower than the underlying figure due to a few significant items.

- Firstly, a favourable \$37 million from the settlement of a long-standing legal matter as we talked about at the half year;
- Secondly, \$23 million of costs related to the review of our non-operating cost base, \$18m of which relates to redundancies; and

- Lastly, a non-cash impairment – this equates to all of the goodwill in the Bulk business or \$57m, and represents 3% of the book carrying value. This impairment has been based on an assumed delay to the timing and conversion of future growth opportunities, as well as an increase in the estimated net present cost of carbon. The latter is driven by a higher carbon cost forward curve and I note that our Bulk business is sensitive to this assumption given the longer haul lengths, non-electrified nature of haulage and the current structure of the Government safeguard mechanism.

The variance from these significant items at the NPAT line is \$45m.

We continue to generate strong free cash flow and while this was 22% lower than the prior year, it was up 19% in the second half. In addition, approximately \$30 million of Network take-or-pay being accrued in FY25 is due to be received in early FY26. Note this free cash flow excludes significant items.

The Board has declared a final dividend of 6.5 cents per share, representing a payout ratio of 80% in the second half, which will be fully franked due to the normalisation of cash tax in CY2025. This brings the total dividend for FY25 to 15.7 cents per share.

Moving now to Network.

SLIDE 14: NETWORK

Network EBITDA increased \$26m or 3% to \$956m. This was driven by higher regulatory revenue, the result of the uplift in WACC to 8.51% from 1 July. This has been partly offset by lower external construction works and a volume-related under-recovery versus FY24 which saw a volume-related over-recovery. In FY25, volumes were 9mt lower than the regulatory volume assumption of 217mt, which when combined with higher maintenance spend resulted in deferred earnings of around \$50m. These earnings are expected to be recovered in FY27 through the usual revenue cap regulatory process.

In the bridge on the right you can see access revenue was \$60m higher driven by the application of the final reset WACC of 8.51%. Note these figures are net of fuel and electricity charges which are passed through to Network customers.

Operating costs increased by \$22m due to higher maintenance costs, largely due to labour inflation and a proactive drainage program being undertaken to further increase the weather resilience of the Central Queensland Coal Network. Compared with the maintenance allowance, we were over by around \$15m in FY25. Subject to approval under the regulatory regime we would recover this over-spend in FY27, with it being included in the \$50m revcap I mentioned earlier.

Network benefitted from strong non-recurring third party construction works in FY24 which meant in FY25 this was \$9m lower.

In terms of the broader Maximum Allowable Revenue or MAR, we will see a further step up of around \$93 million in FY26 driven by:

- Revcap of \$30 million from FY24; and
- the usual regulatory revenue and capital true ups.

I expect about 50% of this to flow through to increased FY26 EBITDA, due to it being offset by a step up in maintenance costs, rebates and a small reduction in GAPE earnings.

We've also included FY27 MAR in the appendix which will see a further \$60m step up from FY26 to FY27.

Moving to Coal

SLIDE 15: COAL

Coal volume and revenue increased by 2% however this was offset by the 3% increase in operating costs, which was aligned with inflation and resulted in flat earnings.

In the EBITDA waterfall chart on the right you can see the benefit of the additional 3.2 million tonnes hauled, equating to \$19m net of the costs of hauling the additional volume.

Inside the dotted area we show the yield increase of \$15m which includes the contract rate indexation benefit partially offset by an adverse shift in customer mix. You may recall that at the start of the year, we had expected a lower yield result given higher volumes, particularly in the Goonyella corridor. While this did partly flow through in FY25, we now expect this yield normalisation to complete in FY26 as volumes in the Goonyella corridor step up again.

The next bar is operating costs that are not directly associated with the uplift in volumes, an example being labour and materials escalation. As you can see, these costs increased by \$28m and broadly mirror the benefit seen from contract indexation – highlighting the inflation protection mechanisms in our haulage businesses.

Lastly we had higher doubtful debt provisions as a result of two coal customers entering administration. The amounts provided for represent the entire amounts owing to Aurizon and, while we have suspended rail services for both customers, some of the installed capacity has already been absorbed by additional demand from existing customers.

Looking forward we expect FY26 to see a small uplift in earnings with a volume increase, CQCN traincrew reduction and a reduction in the non-operating cost base, which will be partially offset by the yield reduction I mentioned earlier, and further cost increases, for example as historic EA's are renegotiated.

Moving now to Bulk.

SLIDE 16: BULK

Bulk revenue was up 2% at \$1.12 billion, driven by new customer contracts being partly offset by the cessation of a rail maintenance contract in the Pilbara, lower iron ore volumes and lower South Australia grain volumes.

Operating costs increased by \$86m or 10%, largely driven by an increase in doubtful debt provisions, higher labour escalation and costs to support customer growth. Excluding doubtful debt provisions, operating costs increased by 3%. Earnings for Bulk as a result were 26% lower to \$169 million.

In the waterfall on the right you can see \$16m of earnings uplift from customer growth, excluding grain and iron ore. Earnings from grain were \$8m lower largely driven by South Australian grain volumes, although we saw improved grain volumes in the second half given the strong Western Australian harvest and should see these railings continue into the first half of FY26.

Iron ore was down \$12m and includes the impact of the cessation of the MRL contract which we talked about at the half year. This will flow into FY26 given the MRL mines in the Yilgarn region ceased production in December 2024.

Doubtful debt provisions for three Bulk customers which entered voluntary administration in the second half of FY25 were \$56m. While there are some potential headwinds in FY26 such as reduced iron ore volumes for MRL and OneSteel, and any restart of Northern Iron or Centrex operations not expected at scale until at least the second half, we do anticipate:

- a stronger year overall for grain,
- the start-up and contribution from the new BHP contract, and
- the benefit of cost base reductions mentioned earlier.

Now moving to Gearing and funding

SLIDE 17: GEARING AND FUNDING UPDATE

Looking to the chart on the right of slide 17, it's pleasing to see the work done during the year to lengthen, smooth and diversify the funding profile. This reinforces what I've said for the last few years – that banks and debt investors continue to be attracted to Aurizon's credit profile.

During the second half we saw positive credit market conditions, which supported our inaugural \$500m subordinated notes issuance. These notes provide 50% equity credit and mature in FY55, with the first optional redemption date in FY31. This additional source of capital will form part of the Group's long-term capital structure, and gives additional capacity and flexibility. This completes the Group capital structure review we flagged in February, and noting the Network ownership review is ongoing. As we highlighted when we raised the funds, any potential change in Network ownership wouldn't impact the structure or guarantees provided under the subordinated notes.

In the second half we completed a further private placement of \$53m. This is noteworthy because it's Aurizon's longest dated senior debt issuance, maturing in FY40 as shown in the chart. This is in addition to the two capital market issuances of \$100m, and \$300m completed in the first half. All three of these issuances were priced well inside Network's 250 basis points debt risk premium.

We also successfully refinanced \$1.7 billion of bank facilities across both Operations and Network.

The funding activities completed throughout the year continue to show that we have strong support from our debt investor base which includes high quality Asian and domestic accounts.

Looking at some of the other metrics on the page I note the weighted average cost of drawn debt at 6.3% versus 6.2% in FY24, and the weighted average senior debt maturity now sitting at 4.9 years versus 4.6 years in FY24. The funding strategy remains unchanged, that is to ensure we access multiple pools of capital and lengthen the debt maturity profile to align it with Aurizon's long duration assets.

Importantly, we maintain a commitment to strong investment grade ratings, with Aurizon Operations' and Aurizon Network's credit ratings both at BBB+/Baa1. This commitment is supported by group net debt at \$5.2bn, as well as net debt/EBITDA which now stands at 3.3x. At a subsidiary level, net debt/EBITDA for Network is still around 4x, while Operations is less than 2x.

Moving to Capital allocation

SLIDE 18: CAPITAL ALLOCATION

Aurizon's ability to generate solid free cash flows and reduce growth capital has seen us increase our returns to shareholders in the form of dividends and buy-backs during FY25.

As shown in the chart on the left, total capex for the year was \$695m, a 17% reduction compared to the prior period. Of this, \$593m was non-growth capital, with approximately 60% allocated to the Network business, contributing directly to the regulated asset base.

As can be seen in the chart, total growth capex for the year was \$102m, just over \$100m below the previous year. This variance is mainly due to lower capital requirements in Bulk and Containerised Freight as they ramped up operations.

As Andrew will touch on later, we expect growth capex in FY26 to be in the range of \$100 to \$150 million. One third of this is contract backed to support Bulk, specifically the BHP contract, and the remaining two thirds is Containerised Freight related – it's consistent with the capex we announced to stand up the business two years' ago. This mainly relates to our new container terminal in Perth, the destination for the majority of our services on the corridor that rail has three-quarters of the modal share.

Turning to the right-hand side of the slide and you can see that the percentage of capital allocated to shareholders in FY25 has returned to levels seen during the FY16 to FY21 period. You will also see a different mix, with buy-backs and cash dividends equally contributing to shareholder returns during the year.

Dividends have benefited from the increase in the payout ratio to 80% of underlying NPAT, which, as noted at our FY24 full year results, reflects a level we believe to be sustainable. In line with our capital management framework, we are able to maintain our strong investment grade credit ratings and deliver capital back to shareholders, while at the same time focussing on earnings growth.

As mentioned earlier, the additional flexibility from the subordinated notes, combined with lower FY25 capex and an expected FY26 earnings step up enables us to return up to an additional \$150 million in capital to shareholders in FY26 through further buy-backs.

Finally, moving to my last slide on revenue recognition in Network.

SLIDE 19: NETWORK: CHANGE IN REVENUE RECOGNITION FROM FY2026

As Andrew noted earlier, From FY26 we are changing how underlying revenue is recognised.

This is being done alongside an IFRS draft accounting standard for regulated entities. Although not expected to be implemented for a few years, we are making the change from FY2026, as we believe it best reflects the revenue profile of Network and matches underlying revenue with the annual cost of operating and maintaining the network for customers.

As a reminder, Network regulatory revenue is always recovered via take-or-pay and/or revenue cap within two years. Where revenue is deferred by two years it can result in earnings volatility. The primary driver of deferred revenue through revenue cap is where volumes differ from the regulatory assumption, as set by the Queensland Competition Authority. This occurred in FY25, as well as FY23, as shown in the top chart.

From FY26, the estimated future revenue cap will be recognised as underlying revenue.

The lower chart shows a worked example using FY25. Compared to the regulatory revenue set at the start of the financial year, \$70m was under-recovered due to volumes being lower than the regulatory assumption. Take-or-pay recovered \$32m within the year, therefore leaving \$38m still to be recovered. When combined with \$12m of other adjustments, primarily maintenance overspend, this results in an estimated rev cap of \$50m to be recovered in FY2027.

Under the new approach to be adopted in FY2026, this \$50m revenue cap adjustment would also be recognised in underlying revenue within the same year.

For FY2026 and FY2027, the recognised MAR will continue to include any prior period rev cap amounts, given they are yet to be recognised. This transition ensures FY26 and FY27 dividends, which are declared based on underlying earnings, reflect the deferral of past period Network earnings from FY24 and FY25.

From FY2028, the recognised MAR will exclude prior period rev cap amounts, given they will have already been recognised in underlying revenue in prior periods.

This change represents a pre-emptive step toward alignment with international accounting standards, and it will enhance the clarity of our guidance and financial reporting going forward.

This will be my final result as CFO and I've been proud to hold that role over the past five years. I'm equally proud to now step into my new role leading our Bulk and Containerised Freight businesses. We're a critical part of Australia's economy, we have a growing container presence and are the largest hauler of copper, grain, bauxite, alumina, rare earths and iron ore outside the Pilbara. I know this business can perform for our customers, employees and shareholders and I'm looking forward to demonstrating this over the coming years.

Thank you and I'll now hand back to Andrew.

Andrew Harding: Managing Director & Chief Executive Officer

SLIDE 21: OUTLOOK

Thanks George.

Turning to the outlook..

Group underlying EBITDA for FY2026 is expected to be in the range of \$1.68 to \$1.75 billion.

Supported by the change in Network revenue recognition, we have introduced full year dividend guidance. Although ultimately determined by the Aurizon Board, we expect total dividends to be between 19c and 20c per share.

Sustaining capex is expected to be \$610 million to \$660 million, including \$30 million of Transformation Capital. Growth capex is expected to be \$100 to \$150 million.

Network earnings are supported by an increase in the regulatory revenue, partially offset by increased direct costs. Allowable Revenue is to be entirely recognised in underlying revenue, regardless of volumes railed.

Coal earnings are expected to be higher than FY2025 driven by higher volumes and flat unit costs, partly offset by lower yield, due to the corridor and customer mix.

Bulk earnings are expected to be higher than FY2025 driven by the non-recurrence of provisions and increased grain volumes, partly offset by lower iron ore volumes.

Earnings in the Other segment are expected to be higher than FY2025 with an improved Containerised Freight contribution offsetting the non-recurrence of the settlement of legal matters from FY2025.

As usual, this is subject to no significant disruptions to supply chains and customers, such as major derailments, extreme or prolonged wet weather. Although I note the continuing investment made by both Aurizon and other rail network owners across Australia in increasing the resilience of respective rail networks.

I am excited about the year ahead and have complete faith in the team to continue making good progress against our clear growth strategy.

On that, I will hand over to the operator for questions.

Questions and Answers

Operator: Thank you. If you wish to ask a question, please press star one on your telephone and wait for your name to be announced. If you wish to cancel your request, please press star two. If you're on a speakerphone, please pick up the handset to ask your question. Your first question today comes from Andre Fromyhr with UBS. Please go ahead.

Andre Fromyhr: Thank you. Good morning. I just want to start with Coal. Your guidance is essentially pointing to margin pressure next year. I just base that on the flat unit costs, but lower yield. I'm just wondering if we could better understand the dynamics around that.

I understand the comments about Goonyella expecting to be the source of volume growth next year. Is that a yield pressure because it's just lower pricing on average, or are you already recognising take or pay on those volumes so when they return, they're not as accretive? Maybe that's a question more broadly about the contracting environment in Coal and what you're seeing from pricing pressure.

Andrew Harding: I might get George to see if he can give some insight into that, in what is a complex matter.

George Lippiatt: Sure, Andre. For FY2026 in Coal, it's not about contracted rates. It's more to do with that second point you mentioned, that particularly in the Goonyella corridor where we have higher take or pay, when those volumes return to a higher utilisation, they're not as accretive given the high take or pay and therefore revenue recognised in FY25. The thing I mentioned in my speech, we expected some of that normalisation to happen this year. It will just flow into FY26.

Andre Fromyhr: Okay. Then my next question is probably for George again around the provisions. I guess we can see the bad and doubtful debt provisions, 56 in Bulk and then there's seven in Coal, but then you've called out 50 million of provision releases recognised in the period.

That's in underlying earnings, I understand. Does that mean those are flowing through in the Other segments? I just wanted to reconfirm something we discussed at the half. I think, does the Other still include legal benefits in the underlying earnings, notwithstanding the amount that you've recognised in significant items?

George Lippiatt: Yes. Let's start with the legal matters. The legal settlement, there was about \$37 million below the line and about \$20 million above the line that was booked in Other in the first half. That's the legal part of your question. You're right on the provision for doubtful debts. That \$56 million increase in Bulk, that \$7-odd million increase in Coal.

In terms of the provision releases, it's about \$50 million relating to lower STI payments and also insurance events. The vast majority of that is allocated to the business unit, so it does not appear in Other.

Andre Fromyhr: Right. Okay. Great. Thank you very much.

Operator: Your next question comes from Jakob Cakarnis with Jarden Australia. Please go ahead.

Jakob Cakarnis: Morning, Andrew. Morning, George. Two for George and one for Andrew, if we can. George, just on the FY26 guidance, just noting that you guys provided a dividends per share (DPS) guide for FY26, can we gross that up by the average payout ratio over the last few years? Can we gross that up at 80% to get a rough guide for core earnings per share (EPS) FY26, please?

George Lippiatt: You could do that, Jakob. What I would say to you, though, is we've been paying out consistently at 80%. The Aurizon Board maintains the discretion to change that payout ratio.

The other things, obviously, you've got to make assumptions on around depreciation and net finance costs. Rather than give each three of those assumptions, we thought we'd jump straight to the endpoint and give you that \$0.19 to \$0.20 per share DPS guidance.

Jakob Cakarnis: Okay. So that wouldn't be miles off, though, if we gross that up by 80%, if I understand your answer correctly?

George Lippiatt: It shouldn't be. No.

Jakob Cakarnis: Okay. Thank you. And then I think you've answered this partially for Andre's question about the allocation of the provision unwind for the STIs. When you're booking that, let's say we move to FY26 and things are performing as you expect and you rebook that, is that an expense that also comes back into the business on the reverse?

George Lippiatt: Yes. That is correct. Obviously, the STI payments are dependent on us hitting our targets and then the insurance events are depending really on what events occur in the way of derailments. And that is an item that occurs because we self-insure. So where we have very few events, as we did in FY25, the business gets the benefit of that.

- Jakob Cakarnis: Yeah. And I guess that you've hinted on where the angle of the question's going, George. Just that self-insured amount, is there any way that we can reconcile how that's changed through time in the accounts that you provide to us? Is there somewhere in the financial notes that you can point to that I can track that through time, please?
- George Lippiatt: No, there's not. But what I can say is two things that I've touched on in prior earnings calls. The first is that over the last seven or eight years, we have not had a year where in terms of the liability for property damage, the amount has gone above our self-insurance amount.
- So we've got a really good track record there. The second thing is to back that up, I've said before, we're paying less in insurance now than we were 10 years ago. That's partly because of that track record.
- Jakob Cakarnis: Okay. I promised one for Andrew. Andrew, just on Slide 9, you're saying that there's a lot of opportunities in Coal for the redeployment of that Whitehaven capacity.
- Obviously, that's sitting on standard gauge, I assume fully depreciated kit. What's the play there? Do you go after the New South Wales market again? Or do you look at Bulk Central, which has a similar gauge and choose to play deeper there, please?
- Andrew Harding: Yes, good question. I'm going to get Ed to talk about his thoughts of responding to that challenge.
- Ed McKeiver: Thank you, Andrew. To put the volume, the impact of the Whitehaven loss in context, our contract with them is in New South Wales accounts for about 5% of the portfolio. The contract book, we expect the available capacity from FY27, that there'll be opportunities to replace those volumes by either increasing our railings for existing or potentially new customers in both and as your question goes to, Bulk markets where it's standard gauge markets, where we've got, as you know, we've got a track record for cascading assets and people redeploying them as to respond to the market. There's also other contracts in New South Wales in the ramp-up phase, our other customers and several others up for tender over the next three years.
- Jakob Cakarnis: To bring it back, sorry, Andrew, just to bring it back to you, is the commitment to shareholders that that's going to get an equivalent return on the capital as you look to redeploy it? How do we think about what happens, I guess, on a mix and ROIC basis as well as you try and remix that?
- Andrew Harding: Look, as we have, you should be able to clearly see that we have some good practises about how we actually determine where to allocate the equipment and it is based on value and we will be pursuing exactly that same process as we deal with the equipment that we've got that would become available in the Hunter Valley. We'll look at all of the options and we'll make a considered decision based on the data in front of us at the time.
- Jakob Cakarnis: Thanks for the opportunity for questions, guys.
- Operator: Your next question comes from Matt Ryan with Barrenjoey. Please go ahead.

Matt Ryan: Thank you. I was looking at Slide 7, the actions in progress banner and I was listening to your comments a bit earlier around the difficult operating conditions that you're hearing about from your customers and just wanted to understand, are you sort of linking those conditions to needing to do more on the cost front or are these the sorts of things that you think you should be doing anyway?

Andrew Harding: No. Don't link them. The reality is there's a normal course of business, cost reductions and improvement that you do every year. There's also, when I spoke about the basis for some of the cost reductions that you'd see in the normal operational space, we've seen the impact of the application of machine learning in some of the more technical parts of our business and the opportunity to improve cost performance in those areas.

And then there's a deep requirement to keep an eye on your competitors and make sure that we manage our costs appropriately in that environment. So you learn from your competitors and you do things that are actually smart in that place.

And then we also, on this occasion, looked at what's happening outside of the rail industry, in industry in general, both inside Australia and outside Australia for best practise and made some changes that resulted from doing that.

Matt Ryan: Okay, thank you. And the UT6 process from here, I think you've made a few more comments around that advancing. I guess the thing that I was wondering about was, do you think that there's going to be obvious changes that you could be making, considering this is, I guess, the second version of what you put in place a few years ago?

Andrew Harding: Look, when we put the changes in that led to UT5, that was a very long, exhaustive process. And there was considerable change that was made. The idea that you're confronted with when you actually, what comes at the end of that contract is, and I think, as I've said many times, even recently, is that you work really hard to build a great relationship with your customers.

You do that through the framework that supported UT5 so that no one wants to change in a wholesale fashion. And you want to build upon what you've got so that it actually works better for the customers and ourselves. And that's the thinking and the work that we've done to get to the non-binding stage at this stage of the process, which is a significant milestone given the number of players that are in place. And then we work through to finalising that hopefully by the end of the year.

Matt Ryan: Thank you.

Operator: Your next question comes from Anthony Moulder with Jefferies. Please go ahead.

Anthony Moulder: Good morning, all. If I can start with Containerised Freight, I appreciate it's a small part of the business, but you're still not break-even. You're talking about these new contracts that are being added.

I wonder if they're contracts or they're still spot volumes. And also, just your confidence in whether or not FY26 will actually see a break-even, albeit to EBITDA, not EBIT, for Containerised Freight, please?

Andrew Harding: I think I'll get George. Can you just give as much colour as you can to Anthony to help him understand where we're at and where we're likely to be?

George Lippiatt: Sure. Anthony, I'll start with contracts. That was the first part of your question. Then I'll go to utilisation and financial performance. In terms of contracts, we have two additional non-TGE contracted customers. We are, however, moving volumes for more than 30 customers at present.

So we're pleased to see that growth. If I then move to volumes and progress throughout the year, you'd remember on our half-year results call in February, we were talking at about 60% utilisation. Through the financial year, we're now in the high 60s.

So that's the exit run rate at the end of FY25. To give you a bit more colour though, the July container volumes were about 13,000 TEUs. So if you multiply that by 12, you get to about 75% utilisation.

Having said that, that includes that Bulk mineral sands Containerised volumes that Andrew touched on in his speech. If you back that out, we are at the high 60% utilisation range. So really pleased with the progress.

Another data point to give you a sense of it is we've grown our non-TGE volumes by four-fold over FY25. So good progress and credit to Gareth and the containerised rate team for the work they've done there.

In terms of the financial performance in FY26, given it is a non-take-or-pay market, it's hard to predict, but we are confident that we will see a favourable variance from FY25. So given those utilisation figures that I mentioned, we are expecting that EBITDA performance to improve from FY25 to FY26.

Operator: Thank you. Your next question comes from Sam Seow with Citi. Please go ahead.

Sam Seow: Good morning, guys, and thanks for taking the question. Just a quick one on the Network ownership review. I guess given you regularly do this kind of capital structure assessment, is there any kind of timing that we can expect on this review?

Andrew Harding: Yes, we'd be looking at an answer this year, more or less. And the thing that I'd add to how you spoke about this being a regular is that from time-to-time over the years, we've gone out to various parts of the decision-making criteria and we've gone out to various contributors to that group, that decision-making area, like, for example,

probably better with an example, like the customers. What do the customers think about this?

So we go out and we talk to the customers and find out what they think. From time to time, you get new customers. At some point in time, we'll do another process like that.

On this occasion, I decided that it would be good to actually get an understanding of what the real value of the business was, and that's the process that I'm undertaking with the support of a bank.

And the reality is that we'll get some information back and we can act on that information. If you think about it, you've probably got a continuum. At the bottom end of the continuum, you've got pricing that actually makes the decision really easy because you just can't even possibly go there.

At the top end of the continuum, you'd get values that actually say, this is extraordinarily high and you have an easy decision. And then you get, in the middle of the continuum, you get a whole bunch of numbers that are in the centre and there's many other issues that you have to actually have to consider and think about while you're working through that.

So hopefully what I've done is paint for you the fact that we've been through year-on-year processes from time-to-time. We may go external to seek other information to make sure that our decision-making is accurate and relevant and still current. And that's what we're doing this time.

Just when we went to the customer group, for example, they kept it a secret. When we went to the group that we've just spoken about, even though they're under NDAs, they didn't keep it a secret. So that's all that's happened.

Sam Seow: Okay. And maybe just a quick question on Coal. The regulatory volumes expected to kind of pick up quite materially, mid single digits. But I noticed, I guess, in your Coal Division, the contracted volumes as we look at near-term are probably flat to down. Could you perhaps maybe join the dots there and just marry up the two kind of data points?

Andrew Harding: Ed, I might get you to talk about that.

Ed McKeiver: Yes, certainly. Thanks for the question, Sam. So I think you're referring to what's effectively a 6.5% uplift in regulated volumes on the network and what the impact on the Coal business share would be.

I mean, I think if you applied 96% of the regulated volumes for rail this year on the network, and if you applied the same sort of pro rata, that equates to about an 8 million tonne, uplift in actuals if that holds. And as with more than half the volume of the network, that's aligned with our modest uplift for FY26.

Andrew Harding: George, I might just get you to give your take on that.

George Lippiatt: Sure, Sam. I mean, the regulator sets those volumes pretty early in calendar year 2025. And so it's based on the information they get at that point in time. My guess would be if they were setting that volume figure now, it would be a lower figure. Of course, that won't impact Network underlying earnings because of the regulatory revenue recognition change that we've talked about this year.

So hopefully that helps bridge some of it. We're not expecting a similar step up in Coal volumes from a percentage perspective to what the regulatory volume step up is in Network.

Sam Seow: Got it. And just an easy one, maybe on Bulk, but I just want to clarify the terminology you've used in the guidance. In particular, where you mentioned the non-recurrence of provisions, I just wanted to clarify whether you mean none of your current customers are expected to result in a provision in FY26, or if there's something that might reverse that we can add back in FY26? I guess it's the latter. I mean, the former, but just wanted to understand that a bit better?

George Lippiatt: Sam, it is the former. We don't expect to have further provisions for doubtful debts in FY26. But what I would say is that we continue to pursue all legal and commercial avenues for recovering those amounts from those three companies that are in voluntary administration.

Sam Seow: Got it. That's really helpful. Thanks, guys.

Operator: The next question comes from Cameron McDonald with E&P. Please go ahead.

Cameron McDonald: Good morning. Thanks for the update just on the Whitehaven contract. And just as an extension to the last question on the contracted volumes within Coal itself, not the Network, just coming back from 233 to 229, can you either confirm or deny that you've actually retained all of the existing contracts or is there another contract rolling off within the FY2026 year, albeit it won't be material, but will impact FY27?

Andrew Harding: George, do you want to just talk about that?

George Lippiatt: Yes, sure. Cameron, the shift from 232 to 229 is more to do with customer nominations. So customers are able to nominate plus or minus a band, each contract is different, but that's the bigger drive of 232 to 229. The Whitehaven contract is an FY27, outcome.

So yes, it's more contract nominations that have resulted in 229 versus 232. And you might remember that at the half year, we took the step of giving an estimate for contracted volumes, and we said it would be circa 230. So 229 is pretty close to that circa 230.

Cameron McDonald: Okay. So, but just an extension to that, there are no other contracts that you have lost?

Andrew Harding: No, not that I'm aware of.

Cameron McDonald: Okay, thank you. And then just in terms of, some recent press reports, particularly around Mount Isa and Glencore, is there anything we should be sort of aware of or concerned about with what they could potentially be doing up there?

Andrew Harding: I think that the situation on the Mount Isa line and the decisions that need to be made, there are many different outcomes that could actually occur, and they impact the area and ourselves in a number of different ways.

And we have to wait and see what the actual decision making is as you get to the end of the process. The thing I would point out is that there are the resources that are in the ground that cause, like copper and that are still in the ground, and they get mined and they get moved.

It's just where they get moved to and in what volume they get moved. If they're moved as a concentrate, they get moved as a high, they're a higher percentage. If they get moved as a cathode, they're actually at much lower volume. So there's just so much complexity in that, it's just not useful to speculate.

Cameron McDonald: Okay, thank you. And just on the Network review, I appreciate the comments that you made earlier, Andrew, but so just in terms of that process, is there anyone actually conducting third-party due diligence?

Andrew Harding: No. I'm not going to talk about the process, but we're very early stages in a process that's just collecting people's interest and valuation.

Cameron McDonald: And so, well, in terms of that valuation though, has anyone actually tabled a valuation with you?

Andrew Harding: I'm not going to get into the details of the process that we're in, other than to say that we've got a bank engaged and we're actually interested this year in understanding the value that the actual Network brings, rather than actually having our estimate of what we think it is. That's what I'm doing.

Cameron McDonald: Okay, thank you.

Operator: Your next question comes from Ian Myles with Macquarie Capital. Please go ahead.

Ian Myles: Hi, guys. Can we just look at the Network for a second? You talked in your guidance, I think, about higher direct costs as one of the counterpoints to the additional revenue? You've shown us that you expect to get, or you'll book 93 million of additional revenue?

And then in the slides, you've highlighted the overspends on maintenance and the likes, which are recoverable, will also be excluded from being expensed as you get put into or adjusted. So I'm just trying to work out why you said only 50% of the revenue would get converted to EBITDA.

George Lippiatt: Yes, Ian, there's three things. And bear in mind when we talk 90 million up, in the MAR, that includes the rev cap from two years prior. And so when I talk about the offsetting items, there's three. There's maintenance costs, which will go up.

The second one is rebates. We're expecting to have higher rebates as volumes increase in Network. And the third one, which is more minor, is the usual roll down of GAPE revenue. It was unusual in 2025 with GAPE, given we had the risk-free rate step up, but GAPE will return to the typical reduction year-on-year because the asset base doesn't inflate. There's the three factors.

Ian Myles: Okay. You've got a lot of provisions moving. You've got an online of a \$50 million provision and you've got bad debt provisions sort of going forward. Being more direct, I guess, if we look at the Bulk business, what is the net provisional frag or benefit during the period? And likewise with the Coal business?

George Lippiatt: Yes. I think it's impossible for us to give you an exact number on that, Ian, because bear in mind, some of it relates to insurance events, which we don't know what will occur throughout the year. But to give you maybe a steer, Bulk had a \$56 million negative provision for doubtful debt, so that doesn't repeat. That's a \$56 million benefit.

If you assume that the provision release and Bulk share of that \$50 million doesn't repeat, that will be much less than the \$56 million. In terms of Coal, it will have a net headwind from that provision release because the doubtful debt provision that won't or shouldn't repeat in FY26 was only \$7 million.

Ian Myles: Okay. And does Network get much benefit from these provisional releases?

George Lippiatt: Network is different from an insurance perspective in that Network is effectively self-insured, given the way the regulation works. So it doesn't get a benefit of that insurance event, but it will have a benefit in FY25 from lower STI payments.

Ian Myles: Okay. Just to be perfectly clear, I think Cameron asked a question around Containerised Freight and profitability. You said EBITDA improves, but Cameron asked the question, will it actually break even? Will Containerised Freight be able to break even in FY26? And I guess the extension to that is when do you expect it to break even if it doesn't?

George Lippiatt: I expect it will be close in FY26, Ian. I'm not going to give effective guidance by BU, but I expect it will be close. I absolutely expect it to more than break even in FY27.

Ian Myles: Okay. Look, that's great. Thanks.

Operator: Your next question comes from Justin Barratt with CLSA. Please go ahead.

Justin Barratt: Hey, guys. Thanks very much for your time. I just wanted to try and reconcile a couple of comments you made around the Coal business and volume expectations into FY26. So I think, Andrew, you mentioned that you expect your utilisation to increase and then you also expect a growth year-on-year in your actual volumes, but not to the same extent as Network.

So if I sort of do my maths, it looks like there's actually going to be, or you generally expect, a relatively significant improvement in utilisation in FY26. Is that broadly correct?

Andrew Harding: I think if you go back in history and you look at the high utilisations that we have achieved, they've been in the low 90%s. And a couple of years ago, utilisation of contract, the book got down to 80%, I think from memory, maybe 81%. And it's been slowly increasing for the last year or two. And we do expect contract utilisations to improve longer term.

Justin Barratt: Okay, great. And then the next one, just on coal yields, we've seen, obviously, a mixed effect over the last couple of years. Just wanted to confirm, I think you said in your prepared remarks, Andrew that you expect that impact to, I guess well, FY26 to be the last year of that impact?

I just wanted to confirm that. And then, I guess, more broadly, I think the question's been asked before, but also just recheck how the Whitehaven Coal. Losing that contract may impact yields in terms of mix going into FY27?

Andrew Harding: Yeah, look when we talk the vast majority of the discussion around yield and mix that is basically driven by volumes railed in Queensland and which of some of the customers railed well or don't rail. So, the challenge is, of course, a customer may not rail well one year and then for another reason, they may not rail well the next year and then they might rail well the year after.

Predicting when that individual customers are going to do the railings that they say they're going to do and therefore drives your mix is a pretty difficult task because you're relying on the numbers they give you and their ability to actually achieve them and it's not just that individual customer.

You may get another customer that actually rails much better than expected or much worse than expected. So that's what makes, mix something, that you can't get out of see because in part of your question, you said you'll get out of this and it'll be gone.

You don't get out of it and be gone. It's a description of what happens. We make assumptions for what will happen in the year ahead and then we describe how we went against that assumption at the end of the year. And it all depends on various customers' performance. I hope that ramble actually made some sense.

Justin Barratt: No, it definitely does. Thank you for that. But then just one final one, if I can. Just the non-operational cost-based, I guess, review. I just wanted to understand is that in terms of this one complete now or is it ongoing and there's a potential chance to hear more about, I guess, some cost rationalisation going forward?

Andrew Harding: Look, I think what we did on this occasion has finished and some of the things that actually caused the changes, we've captured that value and we'll move on. If you look at every year that Aurizon's done business, there's a cost reduction that takes place of some sort in some area for some reason and the normal course of business is what I'm describing, and we'll have reasons to make changes just like parts of industry.

We are, like everyone, looking at the application of the broad AI suite as to what can that do to contribute to our productivity improvement because that's what we've got to do year-on-year.

- Justin Barratt: Thank you.
- Operator: Your next question comes from Samantha Edie with Morgan Stanley. Please go ahead.
- Samantha Edie: Good morning. Congratulations on the result. I just have two questions today, please. So if you go ahead and sell down a Network business, would you then have to pay back the hybrid debt in full and is there any other debt that needs to be paid back as well?
- Andrew Harding: George, do you want to talk about debt management?
- George Lippiatt: Sure. Samantha, the hybrid was raised at the holdings entity and I referred in my speech to the fact that the guarantees that exist under that hybrid instrument would remain on foot regardless of any change in Network ownership.
- Samantha Edie: Okay, cool. Thank you. And then just the second question, can we just have an update on the Mount Pleasant coal contract, considering the EPA has knocked back the 22-year mine extension, so I think that coal mine is meant to expire in 2026?
- Andrew Harding: Yes, I'd have to say I was almost going to hand that question to Ed. Can you say something, but remember we're not talking about our customers.
- Ed McKeiver: That's right. That's where we're going to start. We prefer not to talk about customers in particular contracts and that is in the public domain. We're working with the customer and we're hopeful that they will get through the process. We've supported many customers in similar ways in the Valley and in Queensland.
- Samantha Edie: Okay, thank you.
- Operator: The next question comes from Nathan Lead with Morgans. Please go ahead.
- Nathan Lead: Good Day, Andrew and team and thanks for your presentation. Just two or three from me, if you don't mind. So first up, just in terms of Network, can you tell us what Aurizon's tax cost basis for Network for CGT purposes, just so we can understand the tax dis-synergies that might be involved in a transaction?
- Andrew Harding: Good question, Nathan. I'll give that to George.
- George Lippiatt: We don't disclose the tax cost base of Network, Nathan, but you can get a proxy of it by looking at the PP&E of Network that is in our accounts and then looking at the deferred tax liability, which is a public number. It's about A\$990 odd million in our most recent account. So that should give you a pretty good proxy if you're wanting to calculate it.
- Nathan Lead: That's coming out like A\$2.85 billion so...
- Nathan Lead: Alright, second question is for Network, just wanted to get an idea of some key timing. So UT6, when do you expect to have that finalised? Because obviously there's been a history of these things dragging on well past the end of the regulatory cycle. And

then secondly, I suppose, and it tees in with it, but just timing on actually making a decision on what's going on with Network's ownership?

Andrew Harding: So as far as the UT6 progress goes and sorry I'll pick up that issue you say they drag on past the end of the regulatory cycle. I mean, that was the old way that we worked together, where there was an imposed decision by the regulator. And sometimes they did to your point, go several years past the end of the regulatory period.

We're in a different dynamic. It's a customer agreement that we negotiated many years ago. And several years in front of that, which is the mid-2027, our customers and ourselves started a process to work on replacing it with another agreement.

Hence, you've seen a non-binding agreement, submission to the QCA put forward and noted briefly by ourselves. So that's happened. There's still quite a degree of work to go from that in principle agreement and take it forward to a, as usual, they're very complex and lengthy documents and there's a number of parties involved in it.

So that does potentially lead to the situation going longer than one would hope, but as sort of in a way of providing a estimate, we're estimating that we'll finish it by the end of the year. And that will get to the end of the year and then I'll tell you whether we made it or not.

Nathan Lead: Sorry, that's end of calendar year, Andrew?

Andrew Harding: End of the calendar year, sorry, to be more accurate.

Nathan Lead: Calendar year. Okay, great. And then the ownership decision is teeing off that?

Andrew Harding: Again, the process that we've entered into is to get something that we do every year. And we're getting, we collect information, we take that information on board and then we make a decision about what we will do. And you've seen the results of the board doing that every single year.

As far as to when and how we'll make this decision, we'll see how it goes through the year. If I was putting myself in the shoes of somebody who was interested in the Network, I'd be very interested to know the details that were in the next agreement with customers. So that would clearly play into a process like that more from a timing point of view than anything. And it may or may not change anything that people may want to do.

Nathan Lead: Great. Final question for me, and I suppose it sort of talks to more Bulk's longer term earnings prospects, but Slide 10, you call out the Karara Iron Ore re-contracting. My understanding that was a pretty hard ought sort of tender process.

Can you make any comment about what sort of earnings impact that would have given when you first entered into that agreement? It was a Greenfield mine and there's been a long period of inflation linked tariffs. So yes, if you just make a comment there?

Andrew Harding: George, do you want to talk about that?

- George Lippiatt: Yes, Nathan. So we're really pleased to have re-contracted that. It's a 10 year extension, with that extension commencing in a couple of years. So about 12 years left to run on the contract. As you said, long standing customer. And I think the customer themselves on their website commented that rates would be lower.
- I'm not going to quantify the earnings impact because we don't do that on individual contracts. But I would say we're focused on delivering for that customer from a volume perspective and that customer is looking at increased volumes going forward. So we're excited to deliver that additional volume profile for the customer in time.
- Nathan Lead: Yeah, thank you.
- Operator: Your next question comes from Anthony Moulder with Jefferies. Please go ahead.
- Anthony Moulder: Good morning again. I just wanted to follow up on Bulk. You've got three customers obviously that drove those doubtful debts. I think you mentioned Centrex as potentially earnings contributing perhaps in the second half. Are you expecting much to come from those three customers for FY26, please?
- Andrew Harding: George?
- George Lippiatt: Yes, sure. I mean, let's take each one, Anthony. So we continue to rail for OneSteel, both the internal steelworks and export iron ore out of Whyalla. But the iron ore volumes are lower and expected to be lower in FY26 compared with FY25.
- In terms of Centrex, they are going through a process with a listed company called PRL who's looking at acquiring that mine to add it to their existing phosphate rock mine. We're talking to them around when the volumes could ramp up.
- As I said in my speech, I wouldn't expect that in the first half and if it is in the second half, it would be small volumes. And then the third one is Northern Iron. They are not riling at present, and I also don't expect them to rail in a meaningful way in the first half. I won't pre-empt what the second half though could look like, but we are working closely with the administrator and receiver of the Northern Iron Warrego project.
- Anthony Moulder: All right. It doesn't sound like you'd have a lot of expectations for those three customers in your expectations for EBITDA growth from Bulk in FY26. Is that fair?
- George Lippiatt: That's fair.
- Anthony Moulder: And lastly, if I could on Coal, we've seen one of the other large coal haulage providers lose a lot of customers. And now having one more of the Whitehaven -- are you seeing more pricing pressure from that other rail haulage provider in the market, specifically in the Hunter Valley?
- Andrew Harding: Ed, would you like to say a few words?
- Ed McKeiver: Yes, sure. The market always -- it's resilient, I'll start with, and freight pricing in the short-term certainly got some headwinds in the Valley. That said, our contract structure and CPI-linked mechanisms help buffer the volatility, and we always

compete with a view to stable cash flows through the cycle. The contract negotiations are always price competitive. That's not surprising. We will compete aggressively to retain business and protect those earnings.

And as I've said on previous calls, it's difficult to predict what rates will actually do in future or in a particular negotiation because it's a function of the specific customer requirements, the available capacity at the time, but also the timing of negotiations. So rates are always important to our customers given their cost focus, but they also value flexibility and service reliability, which the tenders often factor in.

Anthony Moulder: Very good. Thank you.

Operator: Once again, if you wish to ask a question, please press star one on your telephone and wait for your name to be announced. Your next question comes from Scott Ryall with Rimor Equity Research. Please go ahead.

Scott Ryall: Hi, thank you. Well done. Well, then you've pre-empted my annual question on the Network review. So, I'm going to ask Ed McKeiver a question if that's all right. Ed, Andrew talked a little bit about the need for productivity across the business to face various pressures and things like that, which is very sensible.

And I guess just specifically on Coal, I wonder if you can talk or just give us an update on the implementation of TrainGuard, how that's progressing? Is that the main driver of being able to keep operating costs flat next year in your guidance? Just give us an update on where the implementation of that sits, please?

Ed McKeiver: Yes, sure. Thanks for the question, Scott. I'll start by saying costs are always a focus. And as I reported at the half year, we expect to hold unit costs per NTK flat into FY26. There's three key levers. One is the cost-out program benefits, which Andrew and George just spoken about.

The second one, of course, is the train crew costs driven by the TrainGuard implementation. And the third is the productivity dividend we're seeing through embedding cycle time and cancellation improvements in CQCN. We saw the best cancellation improvements in over 6 years during the last financial year.

Just to go specifically to your TrainGuard question, it's going very well. This year, we completed the rollout through the branch line. So now we have all of Blackwater and Goonyella complete and we're operating driver-only operations (DOO) services across those systems. We've got 32 consists operational across 1,900 kilometres. 750 train crew have been trained in the system, 250 technical staff have been trained.

We've done about 8,000 DOO services, driver-only services during the year. So approximately 50 drivers have left the business as a consequence. We retained some during FY25 to deal with growth and surge. And we also expect a further 50 to retreat this financial year, FY26.

Scott Ryall: Okay. Great. And does this -- how does it tie in? I noticed in the appendix your EA expires March 2026. Is this something that becomes an issue for the discussion with

the unions? Or you've taken them on the journey sufficiently that it's just part of the annual discussions that you have with them?

Ed McKeiver: Absolutely, Scott. It's the latter. It's taking them on the journey. Our people have been fantastic in relation to embracing the technology. And, of course, it makes their role -- their jobs safer. We haven't had a mainline SPAD on a TrainGuard-enabled train since implementation in over 2 years.

And right from the outset, our EAs require us to negotiate and consult with our employees around workplace change. And so, I couldn't be happier in the way that the workforce and the unions have supported the rollout.

Andrew Harding: And I think, Scott, just a context when Ed says there's no mainline SPAD in the year. My memory prior to TrainGuard being put in, you're looking at 20 to 30 a year. So, reducing that has vastly reduced the safety risk to train drivers from that quite significant event.

Scott Ryll: Okay, great. Thank you. That's all I had.

Operator: Thank you. There are no further questions at this time. I'll now hand back for closing remarks.

Andrew Harding: Look, thank you all for joining the call today. I look forward to delivering for investors in 2026 and against our longer-term aspirations. Thank you.

[END OF TRANSCRIPT]