

GLENCORE

2 May 2019

Charles Millstead
Chief Executive Officer
Queensland Competition Authority
Level 27, 145 Ann Street
Brisbane QLD 4001

Dear Mr Millstead,

I refer to the draft amending access undertaking submitted to the QCA for approval by Aurizon Network on or about early May 2019.

Hail Creek Coal Holdings Pty Ltd (**Hail Creek Coal**) is writing this letter in its own capacity.

Hail Creek Coal has been directly involved in the consultative process by which the draft amending access undertaking was developed, and is satisfied that the process was appropriate and gave Hail Creek Coal a fair and reasonable opportunity to influence the content of the proposed amendments to Aurizon Network's undertaking.

Hail Creek Coal is also satisfied that matters of importance to it have been reflected in the terms of the draft amending access undertaking.

Hail Creek Coal is satisfied that the draft amending access undertaking in the form submitted by Aurizon Network to the QCA on or about early May 2019 contains a significant number of increased and material benefits for access seekers, access holders and their customers, and that those benefits justify the financial outcomes the proposed amendments to Aurizon Network's undertaking secures for Aurizon Network.

Hail Creek Coal's support of the draft amending access undertaking submitted by Aurizon Network to the QCA on or about early May 2019 is conditional on that draft amending access undertaking being approved by the QCA in the same form as it was submitted to the QCA.

Hail Creek Coal does not by this letter support a draft amending access undertaking that is different to the draft amending access undertaking submitted by Aurizon Network to the QCA on or about early May 2019.

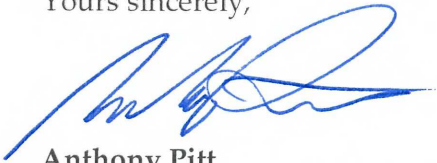
There are some matters contained in the draft amending access undertaking on which Hail Creek Coal does not express a view and in respect of which Hail Creek Coal is happy for the QCA to determine in accordance with its discretion. Those matters are listed in the attachment to this letter.

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Subject to those matters and the condition that the QCA approves the UT in the exact form (subject to immaterial changes) submitted by Aurizon Network to the QCA, Hail Creek Coal supports the QCA's approval of the draft amending access undertaking.

Please feel free to contact Anthony Pitt at Anthony.Pitt@glencore.com.au should you have any matters you would like to discuss.

Yours sincerely,



Anthony Pitt
Hail Creek Coal Holdings Pty Ltd

Attachment 1

Hail Creek Coal Holdings Pty Ltd does not express a view in respect of the following matters contained in the draft amending access undertaking and Hail Creek Coal Holdings Pty Ltd is happy for the QCA to determine the following in accordance with its discretion.

- 1 the Reference Tariff values in Schedule F (7.2, 8.2, 9.2, 10.2, 11.2);
- 2 the System Allowable Revenue values in Schedule F (7.3, 8.3, 9.3, 10.3, 11.3);
- 3 any changes to payloads in Schedule F compared to those shown in the approved UT5;
- 4 loading times for additional mines not included in the approved UT5;
- 5 Gtk forecasts within Schedule F, to the extent that they differ to those contained in the approved UT5; and
- 6 the values shown in Schedule K.