

ATEC SECURES STRATEGIC INVESTMENT BY US FUND THE ENERGY & MINERALS GROUP

18 February, 2011

- ATEC secures significant investment by The Energy & Minerals Group, a specialist global private equity fund focussed on investments in minerals, mining and associated infrastructure
- ATEC fully funded to complete financial close of their equity share of the approx \$1.0bn Surat Basin Rail project
- The transaction has received shareholder and government approvals
- EMG principals to join ATEC Board of Directors

ATEC, the founder and one third owner of the Surat Basin Rail project (SBR) is pleased to announce that The Energy & Minerals Group ("EMG") has committed to the acquisition of a major equity stake in the company. Two EMG Directors will join the ATEC Board of Directors.

The funds provided by EMG will allow ATEC to meet its total equity commitment to the construction of the SBR project. The approx. \$1.0billion railway project is a 210km rail corridor linking Wandoan to Banana completing the transport link between Toowoomba and Gladstone often referred to as the "Southern Missing Link"™. The SBR is crucial for the transportation of mainly thermal coal to the proposed Wiggins Island Coal Export Terminal ("WICET") at the Port of Gladstone. The three equity partners in SBR are QR National, Xstrata Coal (QLD) and ATEC are working closely with the Queensland Government to deliver the project in the same timeline as Stage 2 of the WICET.

Director & CEO of ATEC, John Balassis, said "the significant investment by EMG recognizes and reinforces the vision of ATEC founder Everal Compton in establishing the company to create and expand inland rail corridors to improve the connectivity and efficiency of Australia's export capacity. SBR is ATEC's first project and we have been working on its development since 2004. In the Surat there is an estimated five billion tonnes of thermal coal which is being demanded by international markets and we acknowledge Anna Bligh's vision in granting ATEC's mandate application in 2006, thus allowing the potential for this valuable resource to be exported to the world."

ATEC has three core investments, which are focused on servicing the bulk mineral and commodity industries in rail development projects, managing bulk and intermodal terminal land and in a joint venture company, Intermodal Terminal Services Pty Limited, which services the above rail and rail infrastructure industries.

Balassis said “One and a half decades after its founding, the investment by EMG signifies the transformation of ATEC into a dedicated rail network infrastructure and services business capable of originating and funding significant rail projects. We are delighted to welcome aboard the experience and expertise that EMG brings to ATEC and together look forward to growing the business in close association with EMG within Australia.”

Matthew Storey of Patersons Corporate Finance advised ATEC.

About ATEC

Australian Transport & Energy Corridor Limited (ATEC) is focussed on developing open access rail infrastructure as an independent non integrated service provider. The infrastructure it is seeking to develop is primarily exposed to the bulk mineral industry. ATEC’s additional rail projects in the pipeline include the Border Rail project, which connects the Southern Surat and Northern Gunnedah mineral basins to the Port of Newcastle. It is in pre feasibility stage and recently received Significant Project Status from the Commonwealth government. ATEC is currently assessing the bankability of the project.

ATEC has also established a freight terminals exposure through the management of ATEC Freight Terminals Trust. The Trust is developing an open access freight terminal at Toowoomba QLD to service the emerging Surat Basin. It has also secured other sites, which it is seeking to develop. ATEC is also in a joint venture company, Intermodal Terminal Services, developed in partnership with James Wilson, who founded South Spur Rail. Intermodal Terminal Services provides maintenance and management services to rail network and rolling stock owners and providers. It has service centres in Perth, Sydney and Newcastle.

For further information call John Balassis 07 3003 0900; Everaldo Compton 07 3862 9879.

About EMG

The Energy & Minerals Group (EMG) is a private investment firm with a family of funds that invest in the energy and minerals sectors. EMG makes equity investments of \$150 to \$400 million in entities with talented, experienced management teams, focused on hard assets that are integral to existing and growing markets.

For more information see www.emgtx.com