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The Manager
Australian Stock Exchange
Company Announcement Office
Level 4
20 Bridge Street
Sydney NSW 2000

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Dear Sir

MEDIA RELEASE – BLUESCOPE STEEL & ONESTEEL

Please find attached a media release for immediate release to the market.

Yours faithfully
TOLL HOLDINGS LIMITED


Bernard McInerney
Company Secretary

Encl.



18 December 2006

MEDIA RELEASE

Pacific National secures largest freight rail contract in Australia

Today, Pacific National, BlueScope Steel and OneSteel jointly announced the signing of the largest freight rail contract ever awarded in Australia.

The \$1 billion contract over 7 years with BlueScope Steel and OneSteel Ltd will see Pacific National haul approximately 3 million tonnes of steel product across Australia each year.

"We are very pleased to have secured a long term contract that will provide a safe, reliable and environmentally efficient transport solution for two of our major customers", said Don Telford, Chief Executive Officer, Pacific National.

BlueScope Steel's Vice President Logistics and Procurement, Ingilby Dickson, said: "We are pleased to have finalised this contract for our long-term rail freight requirements. We look forward to continuing our relationship with Pacific National to assist us in the timely and cost-effective delivery of our steel products."

OneSteel Market Mills Executive General Manager, Chris Keast said: "This contract secures Pacific National's reinvestment in rail freight capacity and capability, dedicated to steel products. This commitment is key to meeting the future logistics needs of OneSteel and its customers."

Pacific National's SteelLink Division has committed to new investment in rolling stock to ensure it maintains the highest levels of customer service and will continue to build on its operational efficiency.

SteelLink's fleet of dedicated trains will haul various steel cargoes from major manufacturing sites in Whyalla (SA), Newcastle (NSW), Port Kembla (NSW), and Western Port (Vic) to distribution centres in each of Australia's capital cities.

"Through innovation and continuous improvement processes, Pacific National will continue to meet the specific needs of both BlueScope Steel and OneSteel over the term of the agreement", Mr Telford said.

"The new contract builds on successful existing partnerships with the two companies that have been in place for more than a decade", Mr Telford said.

ENDS

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