



ANNUAL REPORT

2024-25



Photo credit – Aurizon



Photo credit – Aurizon

LETTER TO THE MINISTER FOR LOGISTICS AND INFRASTRUCTURE

The Hon William Yan MLA
Minister for Logistics and Infrastructure
GPO Box 3146
Darwin NT 0801

Dear Minister Yan

RE: AUSTRALASIA RAILWAY CORPORATION ANNUAL REPORT

I have pleasure in presenting the 2024/2025 Annual Report of the AustralAsia Railway Corporation.

The report details the activities and operations of the Corporation for the year ending 30 June 2025, in accordance with the provisions of section 32(2) of the AustralAsia Railway Corporation Act.

There is no additional information attached to the report that is required to be presented under section 32(1) of the Act, as there were no directions, objections, confirmations or reasons given under section 19 of the Act during the period to which the report relates.

Yours faithfully



Alastair Shields
Chairman

03 November 2025



Photo credit – Aurizon

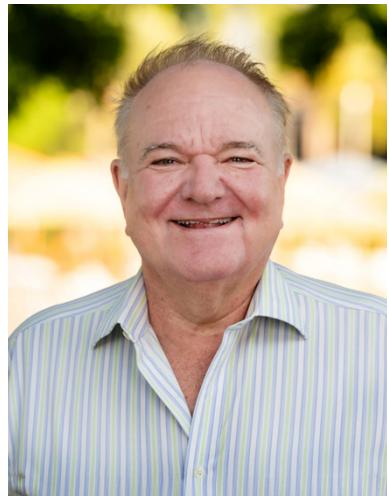


Photo credit – Aurizon

Contents

Chairman's Overview	4
Business Overview	6
Board Members	8
Board Members' Report	10
Auditor's Independence Declaration	12
Board Members' Declaration	12
Dashboard	13
Financial Statements	14
Independent Auditor's Report	30
Legislation	31

Chairman's Overview



The 2024-25 year was one of challenge and perseverance for the AustralAsia Railway Corporation and our operator Aurizon Bulk Central (North). An impressive 3.8 million tonnes of freight were transported over the AustralAsia Railway corridor in the 2024-25 financial year, an increase of 0.7million with ongoing growth in bulk minerals.

The operator, Aurizon, continued its landbridging and growth strategies whilst bedding down existing opportunities and actively engaging with our emerging markets. Aurizon transferred to a new terminal and management system towards the end of the year that, like most seismic shifts in operations, came with some minor technical challenges and delays – however they demonstrated experience and resilience throughout and returned availability and performance results quickly back to nation leading figures.

The Corporation and particularly our operator continued to work with proponents to advance the hundreds of potential projects and opportunities throughout our two shareholder jurisdictions – once again reinforcing the value of the rail corridor as an asset that underpins economic prosperity.

In contrast with the prior year, the network experienced significantly fewer serious weather events during the 2024-25 year, however Aurizon continued to invest in asset upgrades, resilience projects and weather monitoring in anticipation of the inevitable seasonal impacts. Some notable additions to the corridor include 100 new culvert level monitors and 15 weather stations. On behalf

of both jurisdictions and the Corporation, I recognise and thank the efforts of Aurizon work crews and management who keep our services running, often far from home, in extremely difficult circumstances.

As I note every year, expansive linear infrastructure is difficult to manage and maintain. Aurizon, in compliance with our contractual obligations, continues to deliver a track in as good as new condition, with enviable TQI results – safeguarding this nationally significant asset for generations to come.



Photo credit – Aurizon

A shameless plug must be given to our 20th Anniversary celebration book, 'The Meeting Place' by Jane Munday, which has been selling well and receiving broad praise for its unique capture of the people behind the railway project. If you have not grabbed a copy, I encourage you to (it makes a great stocking stuffer). It is available from reputable booksellers in SA and the NT, and from the Corporation.

I want to thank our CEO and Board Members - the Corporation's work and achievements are possible because of our strong collection of motivated Board and part-time staff who are always generous with their advice and assistance and are passionate about this important asset.

Toodles



Alastair Shields
Chairman

03 November 2025



Photo credit – Aurizon

Business Overview

Aggregate Volumes

The combined total of 3.8million tonnes of freight transported in 2024-25, an increase of 0.7 million tonnes on 2023-24, predominately driven by increased minerals traffic on the network.

BULK MINERALS TRAFFIC

Tonnages for 2024-25 were 3.1 million tonnes, representing an increase of 0.7 million tonnes from the previous year levels of 2.4 million tonnes.

The step up in volumes is attributed to Australian Ocean Logistics (AOL) who's volumes increased from 2.2 million tonnes in 2023-2024 to 2.8 million tonnes in 2024-25. This increase was driven by the combination of an additional 7th service weekly and a short-term campaign operating longer train consists. The remainder of the increase was Northern Iron who moved 0.15 million tonnes before entering voluntary administration in April 2025, offset marginally by nil Peko volumes in financial year 2025. OZ Minerals volumes remained largely consistent.

INTERMODAL

There have been no changes to the number of trains per week operating between Adelaide and Darwin. No material changes to market share still estimated 76% market share, with ~80-85% of the contestable market for intermodal freight on the corridor ex SA.

Intermodal tonnes increased marginally (+2%) from 699,074 tonnes in 2023-24 to 713,554 tonnes in 2024-25, noting that 2023-24 volumes and revenue were impacted by weather events north of Tennant Creek in January and March 2024 attributed to Tropical Cyclones Kirrily and Lincoln.

ABCN continue to work with the relevant parties on a variety of growth opportunities on the network

BULK LIQUIDS

Bulk Liquid tonnes are broadly in line with 2023-24 volumes.



Photo credit – Aurizon

Board Members



ALASTAIR SHIELDS B.Bus (Acctg). LLB, EMPA

Appointed 2 September 2014

Alastair is Chair of the AustralAsia Railway Corporation, Chair of the Racing Commission (NT), and Chief Executive Officer of the Darwin Waterfront Corporation. He is also the Northern Territory Government representative on the Joint Management Board for Kakadu National Park.

Alastair also provides specialist consulting services.

Alastair was born and educated in Darwin and has more than 35 years of public sector experience in the Northern Territory, most of it at the Northern Territory Department of the Attorney General and Justice and its predecessors. In the period 2013 to 2017, Alastair held a number of Chief Executive Officer roles for Northern Territory Government agencies.

Alastair has been involved in commercial negotiations for many major projects in the Northern Territory, including the AustralAsia Railway. He has qualifications in Law and

Accounting from the Charles Darwin University, and a Masters in Public Administration from ANZSOG. In 2007, he was awarded Australian Government Lawyer of the Year by the Australian Corporate Lawyers Association.



SAMUEL BURKE

Appointed CEO 31 May 2020

Sam Burke is the Chief Executive Officer of the AustralAsia Railway Corporation. Sam was raised and educated in the Territory and is passionate about business growth, major projects and tourism development. Previous roles include as a commercial and litigation lawyer, prosecutor with the Northern Territory Director of Public Prosecutions, Ministerial advisor and Chief of Staff, and Executive Director of Northern Territory Major Projects. Sam is currently also the Deputy Chief Executive Officer of the Darwin Waterfront Corporation, which is co-located with the AustralAsia Railway Corporation in Darwin. The Darwin Waterfront Precinct enjoys an average 1 million visits every year and Sam's role with the Corporation has broad responsibilities, including as Project Administrator for the Darwin Convention Centre PPP and management of the Stokes Hill Wharf.



ANDREW KIRKMAN

Appointed 14 October 2015

Appointed 14 October 2015, Andrew has 26 years' experience in the Northern Territory Public Sector. Most recently he was the Chief Executive of the Department of Agriculture and Fisheries and prior to that he was the Chief Executive of the Department of Infrastructure, Planning and Logistics for 8 years. Andrew has previously held positions as the Chief Executive of the Department of Transport and as Deputy Chief Executive and Executive Director in the Department of Housing. In addition to key roles in the AustralAsia Railway Corporation, Department of the Chief Minister, NT Treasury and Land Development Corporation, he has worked in finance and commercial roles in the private sector, locally in the mining industry and overseas on public private partnerships. Andrew holds tertiary qualifications in business and is a Certified Practicing Accountant.



TIM MATERNE

Appointed 25 November 2019

Tim is Legal Counsel for the Northern Water desalination plant and pipeline project being undertaken by the South Australian Government, and is an executive solicitor of the Commercial, Environment and Native Title Section at the South Australian Crown Solicitor's Office. Tim advises on all of the legal aspects of the project, and previously held a similar role in respect of the North South Corridor Torrens to Darlington road tunnel mega-project. Tim's experience also includes being Special Counsel representing the South Australian Government in major and complex litigation, and as a partner in private practice specialising in marine, transport insurance and utilities law.



MIKE WILDE

Appointed 28 July 2016

Mike Wilde is the Manager, Transport Supply Chain in the South Australian Department for Infrastructure and Transport (DIT). Prior to joining DIT, Mr Wilde spent over 32 years in the rail freight industry with experience in business development, customer service delivery, and operations planning roles. This includes 15 years in freight activities on the Alice Springs and Darwin corridors, holding senior management positions with FreightLink and as a board member for the Tarcoola to Darwin corridor maintenance joint venture.

Board Members' Report

The Board Members present their report on the accounts for the financial year ended 30 June 2025.

Members

The following persons held office as Members of the AustralAsia Railway Corporation (“the Corporation”) Board during the year and up to date of this report:

- Alastair Shields (Appointed 2 September 2014)
- Andrew Kirkman (Appointed 14 October 2015)
- Mike Wilde (Appointed 28 July 2016)
- Timothy Materne (Appointed 25 November 2019)
- Samuel Burke (Appointed 31 May 2020)

Further details on Members are provided at Note 10 to the financial statements and member profiles at page [XX](#) and [XX](#) of the Annual Report.

Principal Activities

The functions of the Corporation are specified in the *AustralAsia Railway Corporation Act 1996 (NT)*.

The Corporation was created to facilitate the completion of the AustralAsia Railway on behalf of the Northern Territory and South Australian Governments and subsequent to completion, to monitor operations of the railway throughout the fifty-year concession period to ensure obligations and responsibilities of the Concession Holder and Governments under the Concession Deed are met.

Ministerial Directions

No ministerial directions were received by the Corporation under Sections 18 or 19 of the *AustralAsia Railway Corporation Act 1996 (NT)* for the financial year ended 30 June 2025.

Review of Operations and Significant Changes during the Financial Year

The Corporation’s role is to monitor operations to ensure responsibilities under the Concession Deed and the statutory obligations pursuant to the *AustralAsia Railway Corporation Act 1996 (NT)* are met. The Concession Deed covers the rights, responsibilities and obligations of the Concession Holder and Governments throughout the fifty-year concession period from 2004.

Significant responsibilities of the Corporation include ensuring that the rail infrastructure, including the \$445.5 million (valued at cost) of Corporation owned infrastructure, is maintained in a ‘fit for purpose’ state by the Concession Holder throughout the Concession Period and that secure title over the rail corridor is held throughout this time.

The Corporation also provides advice and assistance to the Northern Territory and South Australian Governments on AustralAsia Railway matters.

The concession owners, Aurizon, have continued to comply with its obligations, including completing the misaligned weld and light rail replacement prescribed maintenance tasks ahead of schedule. The year has focused on growing business, promoting the economic benefits of the railway and managing reporting regimes with the Concession Holder to ensure that both Aurizon and the Corporation meet their responsibilities in accordance with the Concession Deed.

To celebrate the 20th anniversary of the Alice Springs to Darwin line, the

publication of a book commissioned by the Corporation celebrating the human stories of the rail corridor along with a roadshow was completed. Aurizon continued with its vision of land-bridging the nation, successfully commissioning a regular alternative logistics network for priority freight from around the world through the Port of Darwin.

Activities during the year resulted in the Corporation recording an operating deficit of \$2.86 million (2024: Deficit \$2.85 million). This operating deficit resulted from depreciation charges of \$2.95 million to the accounts, reflecting use of the Corporation's \$445.5 million (valued at cost) rail infrastructure assets. Operating deficits do not affect the operations of the Corporation, with Governments providing the necessary resources to ensure the going concern of the entity.

Matters Subsequent to the End of the Financial Year

There are no transactions or events of a material nature likely, in the opinion of the Board, to affect significantly the operations of the Corporation, the results of those operations, or the state of affairs of the Corporation, in the subsequent financial year.

Likely Developments and Expected Results of Operations

In accordance with contractual agreements resulting from operations during past financial years, the Corporation expects to continue to receive operational grants and payments towards operational expenditure during the 2025-26 financial year and perform any other services necessary to monitor operations of the AustralAsia Railway on behalf of the Northern Territory and South Australian Governments.

Auditor

The independent audit firm of BDO Audit (NT) continued as auditor in accordance with Section 27 of the *AustralAsia Railway Corporation Act 1996 (NT)* and Section 327 of the *Corporations Act 2001*.

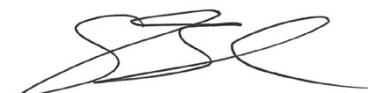
Auditor's Independence Declaration

A copy of the auditor's independence declaration, as required under Section 307C of the *Corporations Act 2001*, is set out on page 12.

This report is made in accordance with a resolution of the Board Members.



ALASTAIR SHIELDS
Chairman
31 October 2025



SAMUEL BURKE
Chief Executive Officer
31 October 2025

DECLARATION OF INDEPENDENCE BY C TAZIWA TO THE BOARD MEMBERS OF AUSTRALASIA RAILWAY CORPORATION

As auditor of Australasia Railway Corporation for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australasia Railway Corporation during the year ended 30 June 2025.



Casmel Taziwa
Audit Partner
BDO Audit (NT)

Darwin, 31 October 2025

BDO Audit (NT) ABN 48 242 540 619 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (NT) and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

Board Members' Declaration

The Board Members declare that:

1. The financial statements and accompanying notes:
 - a) are in accordance with the *Corporations Act 2001* and comply with Australian Accounting Standards (including Australian Accounting Interpretations); and
 - b) give a true and fair view of the Corporation's financial position as at 30 June 2025 and of its performance for the period ended on that date.
2. In the opinion of the Board Members, there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board Members.



ALASTAIR SHIELDS
Chairman
31 October 2025



SAMUEL BURKE
Chief Executive Officer
31 October 2025

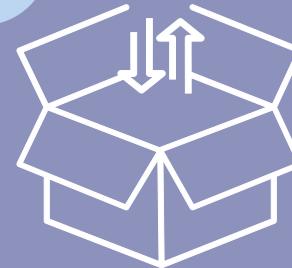
Dashboard

1



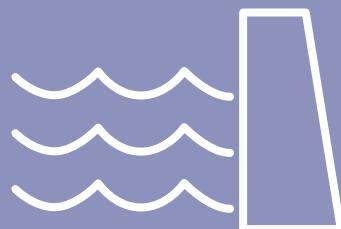
First Land bridging freight traversed the network destined for Adelaide and Melbourne

2



Additional capacity installed at Berrimah Terminal with construction of new Holding Road, 1100m of holding space

3



Flood resilience improved with 100x Culvert level monitors and 15x weather stations installed on the corridor

4



A combined total of 3.8 million tonnes of freight transported in 2024-25, an increase of 0.7 million tonnes from 2023-24

Financial Statements 2024-25



Photo credit – Aurizon

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Income			
Income from Ordinary Activities	302	302	
Other Income	225	216	
Total Income	3	527	518
 Expenses			
Employee Expenses	205	199	
Depreciation and Amortisation	2,953	2,953	
Other Expenses	4	230	211
Total Expenses		3,388	3,363
 Deficit for the Year		(2,861)	(2,845)
 Other Comprehensive Income			
Other Comprehensive Income for the Year		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Deficit for the Year		(2,861)	(2,845)

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Current Assets			
Cash and Cash Equivalents		1,267	1,170
Trade and Other Receivables	5	9	
Total Current Assets		1,272	1,179
 Non Current Assets			
Property, Plant and Equipment	5	373,355	376,309
Total Non-Current Assets		373,355	376,309
 TOTAL ASSETS		374,627	377,488
 Current Liabilities			
Trade and Other Payables	35	35	
Total Current Liabilities		35	35
 Non-Current Liabilities			
Net Loans	6	-	-
Total Non-Current Liabilities		-	-
 TOTAL LIABILITIES		35	35
 NET ASSETS		374,592	377,453
 Equity			
Assets Revaluation Reserves		18,020	18,020
Accumulated Funds		356,572	359,433
TOTAL EQUITY		374,592	377,453

The Statement of Financial Position should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity
For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Accumulated Funds			
Balance at 1 July		359,433	362,278
Deficit for the Period		(2,861)	(2,845)
Balance at 30 June		356,572	359,433
Assets Revaluation Reserves			
Balance at 1 July		18,020	18,020
Other Comprehensive Income		-	-
Changes in asset revaluation reserve		-	-
Total Comprehensive result for the year		-	-
Balance at 30 June		18,020	18,020
TOTAL EQUITY		374,592	377,453

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows
For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Cash Flows from Operating Activities			
Grants and Subsidies Received		302	302
Net Payments for Goods and Services		(424)	(403)
Interest Received		50	44
Other Income		170	335
Net Cash Provided by/(used in) Operating Activities	7	98	278
Net Increase/(decrease) in Cash and Cash Equivalents		98	278
Cash and Cash Equivalent at the Beginning of the Financial Year		1,170	892
Cash and Cash Equivalents at the End of the Financial Year		1,267	1,170

The Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements for the year ended 30 June 2025

1. General Information

The AustralAsia Railway Corporation (“the Corporation”) is a statutory authority, incorporated in Australia and operating within Darwin, Northern Territory, Australia.

Principal place of business:

Level 5 Hospitality
7 Kitchener Drive, Darwin NT 0800

Postal address:

GPO Box 1449, Darwin NT 0801

The Corporation was established to facilitate the completion of the AustralAsia Railway on behalf of the Northern Territory and South Australian Governments and subsequent to completion, to monitor operations of the railway throughout the fifty-year concession period (which commenced in 2004) to ensure obligations and responsibilities of the Concession Holder and Governments under the Concession Deed are met.

2. Material Accounting Policies

Statement of Compliance

The financial statements are general purpose financial statements and have been prepared to fulfil the Corporation’s reporting requirements under the *AustralAsia Railway Corporation Act 1996 (NT)* and the *Corporations Act 2001*. The accounting policies used in the preparation of these financial statements are consistent with those of previous years unless stated otherwise, and in the opinion of the Board Members are appropriate to meet the needs of the AustralAsia Railway Corporation.

The general-purpose financial statements have been prepared in accordance with the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *AustralAsia Railway Corporation Act 1996 (NT)* and the *Corporations Act 2001*.

The financial statements comprise AustralAsia Railway Corporation financial statements as an individual reporting entity. For the purposes of preparing the financial statements, the Corporation is a not-for-profit entity.

These financial statements are presented in Australian dollars, which is the Corporation’s functional and presentation currency. The financial statements were authorised for issue by the Board Members on 21 October 2025.

a) Basis of Preparation

The general-purpose financial statements have been prepared on an accrual basis using historical cost, except for the revaluation of certain non-current assets and financial instruments that are measured at re-valued amounts or fair values, as explained in the accounting policies below. Cost is based on the fair values of the consideration given in exchange for assets.

The Corporation is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to ‘rounding off’. All amounts are presented in Australian dollars and have been rounded off in accordance with that ASIC Corporations Instrument to the nearest thousand dollars. Figures in the financial statements and notes may not equate due to rounding.

Critical Accounting Estimates and Judgements

The Board Members evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current

information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

Key Estimates - Impairment

The Corporation assesses impairment at each reporting date by evaluating conditions specific to the Corporation that may lead to impairment of assets. Where an impairment indicator exists during the year, the recoverable amount of the asset is assessed by management and impairment losses are recognised in profit and loss where an asset's carrying value exceeds its recoverable amount. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash generating unit to which the asset belongs.

b) New and Revised Accounting Standards

Standards and interpretations effective from 2024-25

Several amending standards and AASB interpretations have been issued that apply to the current reporting periods but are considered to have no or minimal impact on Corporation financial reporting.

Standards and Interpretations Issued but not yet effective

No Australian accounting standards have been early adopted for 2024-25.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on Corporation reporting.

c) Going Concern Basis

The ongoing operations of the Corporation are reliant on continued funding by the Northern Territory and South Australian Governments.

d) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

e) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Corporation expects to be entitled in exchange for those goods or services. Performance obligations may be completed at a point in time or over time.

Corporation revenue from ordinary activities comprises grants received from the Northern Territory and South Australian Governments.

f) Government Grants

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the Corporation to transfer goods or services to the grantor or a third-party beneficiary, the transaction is accounted for under AASB15. In this case, revenue is initially deferred as a contract liability when received in advance and recognised as or when the performance obligations are satisfied.

Where grant agreements do not meet criteria above, it is accounted for under AASB 1058 and income is recognised on receipt of funding except for capital grants revenue received for the purchase or construction of non-financial assets to be controlled by the Corporation. Capital grants with enforceable contracts and sufficiently specific obligations are recognised as an unearned revenue liability when received and subsequently recognised progressively as revenue as or when the Corporation satisfies its obligations under the agreement. Where a non-financial asset is purchased, revenue is recognised at the point in time the asset is acquired and control transfers to the Corporation.

Government appropriation and grants are recognised in the profit or loss at the time of their receipt.

g) Income Tax

The Corporation is exempt from income tax as per the Income Tax Assessment Act 1936.

h) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows and Statement of Financial Position, cash and cash equivalents includes cash on hand and cash held in the Corporation's bank account.

i) Trade and Other Receivables

Trade and other receivables are recognised at fair value less any allowance for impairment losses.

The property, plant and equipment of the Corporation comprises mainly of railway infrastructure. This represents the Corporation's share of the \$1.1 billion rail infrastructure located between Alice Springs and Darwin completed in 2004.

The Corporation values land and infrastructure assets in accordance with the Australian Accounting Standard AASB 116 Property, Plant & Equipment and annually reviews the carrying balances of its assets in accordance with Accounting Standards to ensure any impairment loss is appropriately recorded.

Railway infrastructure is recorded at the cost of acquisition, being the purchase consideration determined at the date of the construction plus costs incidental to the construction.

The infrastructure assets, except for land, earthworks and capping layer, is depreciated on a straight-line basis over each assets expected useful life.

The following useful lives are used in the calculation of depreciation:

Railway Infrastructure	
Culverts and Bridges	50 years
Yards and Freight Handling Facilities	50 years
Signalling	15 years



The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Corporation. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

k) Borrowings

Loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs. Interest expense is recognised on an accrual basis (refer Note 6). No interest was payable on loans for either financial period.

l) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Corporation. These amounts are unsecured and are usually settled within normal trading terms of 30 days.

m) Employee/Member Benefits

Under a cost sharing arrangement between the AustralAsia Railway Corporation and Darwin Waterfront Corporation, the Corporation reimburses Darwin Waterfront Corporation for the relevant proportion of employee salaries via Ledger Funds Transfer which is the Northern Territory Government system for transferring funds between government owned/controlled entities. This arrangement has existed since Darwin Waterfront Corporation was established for the purposes of maximizing cost efficiencies and utilising, to the greatest extent possible, existing government resources for the Corporation – a requirement of the Intergovernmental Agreement between South Australia and the Northern Territory Government. Each year, the funding and resourcing allocations have been approved by the Board of each Corporation and is subject to modification and termination according to the needs of the entities from time to time.

n) Comparative Amounts

Comparative information has been reclassified and restated where necessary to be consistent with disclosures in the current reporting format.

o) Services Received Free of Charge

During the 2025 financial year the Corporation received advisory services from officers of the Northern Territory and South Australian Governments at no charge. These amounts are not readily determined and are considered immaterial.



Photo credit – Aurizon

3. Income	2025 \$'000	2024 \$'000
Income from Ordinary Activities		
<u>Operating Grants and Other Contributions</u>		
Northern Territory Government	152	152
South Australian Government	150	150
<u>Other Income</u>		
Interest on Cash Balances	50	45
Other Income ¹	175	171
Total Income	527	518

1. \$150,000 is the annual consideration for a commercial-in-confidence tenure agreement.

4. Other Expenses

Audit Fees (auditors received no other benefits) ¹	11	10
Other Operational Costs ²	219	201
Total Other Expenses	230	211

1. Audit fees payable for services provided for the 2024-25 financial statement audit is \$11,000.

2. Other operational costs include cross charges by Darwin Waterfront Corporation for the shared facilities and services such as for the shared office premises, costs of IT equipment and other general expenses (if any) reimbursed during the financial year.

5. Property, Plant and Equipment	2025 \$'000	2024 \$'000
Land		
At Cost	18,020	18,020
Total Land	18,020	18,020
Infrastructure Assets		
Earthworks and Capping Layer		
At Cost	270,917	270,917
Total Earthworks and Capping Layer	270,917	270,917
Culverts and Bridges		
At Cost	127,662	127,662
Less: Accumulated Depreciation	(54,681)	(52,128)
Total Culverts and Bridges	72,981	75,534
Freight Handling and Signalling		
At Cost	28,920	28,920
Less: Accumulated Depreciation	(17,482)	(17,082)
Total Freight Handling and Signalling	11,438	11,838
Total Property, Plant and Equipment	373,356	376,309

Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

	2025 \$'000	2024 \$'000
Land		
Carrying Amount at Beginning of Year	18,020	18,020
Carrying Amount at End of Year	18,020	18,020
Earthworks and Capping Layer		
Carrying Amount at Beginning of Year	270,917	270,917
Carrying Amount at End of Year	270,917	270,917
Culverts and Bridges		
Carrying Amount at Beginning of Year	75,534	78,087
Depreciation	(2,553)	(2,553)
Carrying Amount at End of Year	72,981	75,534
Freight Handling and Signalling		
Carrying Amount at Beginning of Year	11,838	12,237
Depreciation	(400)	(400)
Total Freight Handling and Signalling	11,438	11,837
Total Property, Plant and Equipment	373,356	376,309

6. Financial Liabilities

	2025 \$'000	2024 \$'000
Net Loans		
Loan from Northern Territory Government	25,000	25,000
Loan from South Australia Government	25,000	25,000
Total Loans from Governments	50,000	50,000
Loans to the Concession Holder	(50,000)	(50,000)
Net Loans	-	-

The Corporation received loans from the Northern Territory and South Australian Governments totaling \$50 million for the purpose of on lending to the Concession Holder. With the acquisition of the concession by Aurizon Holdings Ltd on 29 July 2022, Aurizon Holdings Ltd has accepted responsibility to repay these loans on the same terms as applied to the Consortium (the original Concession Holder). Repayment of loans to Government is conditional upon receipt of loan repayments from the Concession Holder.

Therefore, the loan liability of \$50 million has been netted off against the loan asset of \$50 million in the statement of financial position. The full amount of \$50 million was drawn down by the original Concession Holder and is not repayable until the completion of the 50-year concession period. Interest on the loan is triggered only after significant cumulative profits are earned by the Concession Holder and these are not anticipated in the short to medium term. Interest on the loan to the Concession Holder is secured over the assets of the Concession Holder.

7. Notes to the Statement of Cash Flows

Reconciliation of operating deficit for the period to net cash flows from operating activities:

	2025 \$'000	2024 \$'000
Operating Deficit	(2,861)	(2,845)
<u>Non-Cash Items</u>		
Depreciation and Amortisation	2,953	2,953
<u>Changes in Assets and Liabilities</u>		
Decrease/(Increase) in Receivables	6	162
Increase/(Decrease) in Payables	(1)	8
Net Cash provided/(used in) by Operating Activities	97	278

8. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Corporation manages its capital to ensure that it will be able to continue as a going concern. Financial instruments held by the Corporation include cash and deposits, receivables, payables, loan receivables and loans payables.

(a) Categories of Financial Instruments

The carrying amounts of the Corporation's financial assets and liabilities by category are disclosed in the table below

2024-25 Categorisation of Financial Instruments

Fair Value through Profit and Loss	Category	2025 \$'000	2024 \$'000
Cash and Cash Equivalents	Amortised cost	1,267	1,170
Receivables ¹	Amortised cost	2	7
Loans Receivable	Amortised cost	50,000	50,000
Total Financial Assets		51,269	51,177
Payables ¹		35	35
Loans Payable		50,000	50,000
Total Financial Liabilities		50,035	50,035

1. Total amounts disclosed exclude statutory amounts.

The Corporation classifies its financial assets in the following measurement category:

- those to be measured subsequently at fair value (through the profit or loss), and
- those to be measured at amortised cost.

8. Financial Instruments (continued)

(b) Financial Risk Management Objectives

The Board has overall responsibility for the determination of risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the management team. The Corporation's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the Corporation where such impacts may be material. The Board receives an appropriate number of reports per annum from the Chief Executive Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

(c) Interest Rate Risk

Interest rate risk is the risk of financial loss and/or increased costs due to adverse movements in the values of financial assets and liabilities as a result of changes in interest rates.

The Corporation has minimal exposure to interest rate risk with the exception of cash at bank. The exposure to interest rate risk on financial assets and financial liabilities is set out in the following table.

	2025 \$'000	2024 \$'000
Variable Rate Instrument		
Financial Assets	1,269	1,177

(d) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Corporation incurring a financial loss. Credit risk arises from cash assets and deposits with financial institutions, as well as credit exposures to the Corporation's outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted.

e) Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk by continuously monitoring forecast and actual cash flows and is funded by the Northern Territory and South Australian Government as required.

f) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the Corporation is exposed to is interest rate risk.

g) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values apart from the following provided below:

	2025		2024	
	Total Carrying Amount \$'000	Net Fair Value Level 3 \$'000	Total Carrying Amount \$'000	Net Fair Value Level 3 \$'000
Financial Assets and Liabilities				
Loans Receivable	50,000	15,329	50,000	14,091
Borrowings and Advances	(50,000)	(15,329)	(50,000)	(14,091)
Total Financial Assets and Liabilities	-	-	-	-

The fair value of the loan receivable and borrowings is estimated by discounting the remaining contractual maturity at the current Commonwealth Bond rate. Refer to Note 9 for the further information on right of set-off.

h) Maturity Analysis

The following tables detail the Corporation's remaining contractual maturity for commitments relating to its financial assets and liabilities:

	Carrying Amount \$'000	1 Year or Less \$'000	2 to 5 Years \$'000	Over 5 Years \$'000
2024-2025				
Financial Assets				
Receivables	5	5	-	-
Loans to Concession Holder	50,000	-	-	50,000
Total Financial Assets	50,005	5	-	50,000
Financial Liabilities				
Payables	35	35	-	-
State/Territory Govt Loans	50,000	-	-	50,000
Total Financial Liabilities	50,035	35	-	50,000
2023-2024				
Financial Assets				
Receivables	9	9	-	-
Loans to Concession Holder	50,000	-	-	50,000
Total Financial Assets	50,009	9	-	50,000
Financial Liabilities				
Payables	35	35	-	-
State/Territory Govt Loans	50,000	-	-	50,000
Total Financial Liabilities	50,035	35	-	50,000

9. Related Parties

AustralAsia Railway Corporation is a statutory authority created to facilitate the AustralAsia Railway on behalf of the Northern territory and South Australian Governments. Related parties of the Corporation include::

- key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the Corporation directly;
- spouses, children and dependents who are close family members of the KMP;
- all public sector entities that are controlled and consolidated into the whole of government financial statements; and
- any entities controlled or jointly controlled by KMP's or controlled or jointly controlled by their close family members.

Key Management Personnel (KMP)

Key management personnel of the AustralAsia Railway Corporation are those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation. These include the Chief Executive Officer, the Chair and the 3 members of the Board Directors of the AustralAsia Railway Corporation as listed under Note 12.

Remuneration of Key Management Personnel

The aggregate compensation of key management personnel of the Corporation is set out below:

	2025	2024
	\$'000	\$'000
Short-term benefits	178	184
Post-Employment Benefits	21	17
Total	199	201

9. Related Parties (continued)

For the 2024-25 year, only the Chair and part time Chief Executive Officer were remunerated. Public service employees who are Board Directors do not receive any additional remuneration or entitlements. Only the Chair is not a public service employee and is therefore remunerated in accordance with the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006 (NT)*. The part-time services of the Chief Executive Officer, included in the Short-term benefits as stated above, are funded under the cost sharing arrangement between the AustralAsia Railway Corporation and the Darwin Waterfront Corporation. This arrangement is independently assessed and approved annually by the Board of each Corporation. It is subject to modification and termination according to the needs of the entities from time to time and has been designed with the overarching objectives of cost-minimisation, skill retention and value. This arrangement has existed since the Darwin Waterfront Corporation was established, utilising to the greatest extent possible, existing government resources for the Corporation – a requirement of the Intergovernmental Agreement between South Australia and the Northern Territory Governments. A portion of the salary equivalent to the part time service, as predetermined and agreed by each Board, is therefore recouped by Darwin Waterfront Corporation via Ledger Funds Transfer, which is the Northern Territory Government system for transferring funds between government owned/controlled entities.

Related party transactions

Significant transactions with government related entities includes funding received from the Northern Territory Government and South Australian Government in the form of grant funding. The Corporation also transacts with other government entities; however these are not individually significant.

The following table provides quantitative information about related party transactions entered into during the year with all other Northern Territory Government controlled entities.

2024-25 Related Party Transactions

Related Party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$'000	\$'000	\$'000	\$'000
Darwin Waterfront Corporation	-	28	-	1
All Other NT Government Departments	202	88	4	-
SA Government department	150	-	-	-
Total	352	116	4	1

2023-24 Related Party Transactions

Related Party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$'000	\$'000	\$'000	\$'000
Darwin Waterfront Corporation	-	34	-	-
All Other NT Government departments	197	287	4	7
SA Government department	150	-	-	-
Total	347	321	4	7

During the financial year 2024-25, an Acting Chief Financial Officer was employed temporarily (5 months) by the Darwin Waterfront Corporation, whose services were shared with AustralAsia Railway Corporation under the cost sharing arrangement described in Note 2(m) and was the spouse of a Board Member (a KMP of the Corporation). The KMP and the Chief Financial Officer disclosed the perceived conflict of interest to the Corporation and the

Board put in place appropriate strategies to mitigate any potential conflicts by way of excluding the KMP from any decision making around the employment, remuneration, performance and direct reporting of the temporary Chief Financial Officer. The underlying amount of this related party transaction equated to \$20,579.55 (i.e 30% of the total remuneration of the Chief Financial Officer as per the cost sharing arrangement). The Chief Financial Officer concluded her temporary contract in March 2025 and handed over to a new Financial Controller recruited through an open recruitment process.

In addition to the above, outside of normal citizen type transactions with the Territory, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

All other transactions that have occurred with KMP and their related parties have been minor or domestic in nature. In this context, transactions are only disclosed when they are considered material in influencing the financial statements.

10. Details of Board Members

Members Remuneration

The number of Members of the Corporation whose income from the Corporation falls within the following bands:

	2025 \$'000	2024 \$'000
\$0	3	3
\$1 to \$79,999	1	1
\$79,001 to \$150,000	1	1

Apart from the Chair, remunerated in accordance with the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006 (NT)* and the CEO who is paid by the Corporation, all current Board Members are Northern Territory or South Australian public servants and receive no additional remuneration or entitlements for their Board Membership and are remunerated by their respective jurisdictions.

Meetings of Board Members

There were four scheduled meetings for the 2024-25 financial period attended by:

Member	Meetings eligible to Attend	Meetings Attended
Alastair Shields	4	3
Andrew Kirkman	4	4
Mike Wilde	4	4
Timothy Materne	4	4
Samuel Burke	4	4

10. Details of Board Members (continued)

Election and Continuation in Office of Board Members

The date of appointment of members:

Member	Initial Date of Appointment
Alastair Shields	2 September 2014
Andrew Kirkman	14 October 2015
Mike Wilde	28 July 2016
Timothy Materne	25 November 2019
Samuel Burke	31 May 2020

11. Commitments

There are no commitments other than those quantified within the financial statements as at 30 June 2025.

12. Contingent Liabilities

Guarantees and indemnities provided under contracts to which the Corporation is a party are ultimately underwritten by the Governments of the Northern Territory and/or South Australia. The Corporation has provided a number of indemnities under the project documents according to a risk allocation structure agreed with the Concession Holder and other parties to the project documents.

Principally, the Corporation has granted indemnities to ensure that title to the railway corridor is secure for the construction and operation of the railway infrastructure. These indemnities cover risks related to native title, claims under the Aboriginal Land Rights Act, undisclosed interests on the corridor, environmental contamination, heritage and sacred sites, and environmental assessment processes. For all of these risks, the Corporation has undertaken extensive work to secure appropriate title and to minimise the likelihood of any problems arising. The contingent liabilities arising from these indemnities are unquantifiable, though there is a low probability that they will arise.

The project documents provide for the early termination of the concession arrangement by the Concession Holder in certain circumstances that would give rise to the payment of an Early Termination Amount. The Early Termination Amount will be calculated by reference to the market value of the Project as at

the date of termination. In return for making the Early Termination Amount payment, ownership of the railway infrastructure will return to the Corporation.

There is an extensive risk management regime in place for all events that would give rise to an Early Termination Amount payment. In particular, the Corporation has specified periods to cure the event that would give rise to the termination. For all of these events, the cure is within the control of either the Corporation and/or the NT/SA Governments. During the cure period, the Corporation provides an indemnity to the Concession Holder for any losses it suffers as a result of the event that the Corporation/Governments are seeking to cure.

The contingent liabilities arising from all of the above guarantees and indemnities are unquantifiable but expected to be immaterial. However, for all of the events that would give rise to the liabilities, the Corporation has comprehensive risk management procedures in place. Accordingly, although the prospects of any one of the contingent liabilities eventuating is considered to be minimal, the Corporation has established contract management procedures to deal with possible eventualities should they arise.

13. Supplementary Information

Distributions

No dividends or distributions were paid or proposed during the financial period ended 30 June 2025.

Number of Employees

The Corporation reimbursed the Northern Territory Government for an average of four part time employees contracted to the Corporation during the financial year.

Indemnifying Officers

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid by the Corporation, during or since the end of the financial year, to any person who is or has been an officer or auditor of the Corporation.

Segments

The Corporation operates solely in Australia to monitor the operations of the AustralAsia Railway on behalf of the Northern Territory and South Australian Governments.

14. Events Subsequent to Balance Date

There are no events occurred subsequent to balance sheet.



Independent Auditor's Report



Tel: +61 8 8981 7066
Fax: +61 8 8981 7493
www.bdo.com.au

72 Cavenagh St
Darwin NT 0800
GPO Box 4640 Darwin NT 0801
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Australasia Railway Corporation

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australasia Railway Corporation (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information and the board members' declaration.

In our opinion the accompanying financial report of Australasia Railway Corporation, is in accordance with the *Corporations Act 2001* and *Australasia Railway Corporation Act 1996 (NT)*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the board members of the Company, would be in the same terms if given to the board members as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The board members are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the board members for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and *Australasia Railway Corporation Act 1996 (NT)* and for such internal control as management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board members are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit (NT)

C Taziwa

Audit Partner

Darwin: 31 October 2025

Legislation

The AustralAsia Railway Corporation was established by the AustralAsia Railway Corporation Act (NT) which was assented to on 7 January 1997, and commenced on 25 August 1997. The legislation is supported by the complementary enactment of the Alice Springs to Darwin Railway Act 1997 (SA).

The AustralAsia Railway Corporation Act (NT) has been amended by:

- AustralAsia Railway Corporation Amendment Act 1998
- AustralAsia Railway Corporation Amendment Act 2000
- AustralAsia Railway Corporation Amendment Act No. 2 2000
- AustralAsia Railway Corporation Amendment Act 2001
- AustralAsia Railway (Special Provisions) Regulations 2000
- Corporation Reform (Consequential Amendments NT) Act 2001

The Northern Territory and South Australian Governments have also passed additional supporting legislation that ensures an efficient interface between various pieces of South Australian and Northern Territory legislation and the processes involved in constructing and operating the AustralAsia Railway.

In the Northern Territory, the legislation includes:

- AustralAsia Railway (Special Provisions) Act 1999
- AustralAsia Railway (Special Provisions) Amendment Act 2000
- AustralAsia Railway (Special Provisions) Amendment Act (No. 2) 2000
- AustralAsia Railway (Third Party Access) Act 1999
- AustralAsia Railway (Special Provisions) Amendment Act 2003
- AustralAsia Railway (Third Party Access) Amendment Act 2003
- AustralAsia Railway (Special Provisions) Amendment Act 2004

In South Australia, the legislation includes:

- Alice Springs to Darwin Railway Act 1997
- Alice Springs to Darwin Railway (Financial Commitment) Amendment Act 1999
- AustralAsia Railway (Third Party Access) Act 1999
- Alice Springs to Darwin Railway (Miscellaneous) Amendment Act 2000
- Alice Springs to Darwin Railway (Financial Commitment Amendment) Act 2001



Photo credit – Aurizon



Photo credit – Aurizon



ANNUAL REPORT 2024-2025

T: 08 8999 5155

E: AustralAsia.Railway@nt.gov.au

W: www.aarail.com.au

Level 5, Hospitality Building,
7 Kitchener Drive, Darwin NT 0800



Photo credit – Aurizon