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18 December 2007

William Peet  
Chief Executive Officer  
Ontrack  
P.O. Box 593  
Wellington

Dear William

**Re: Your letter of 17 December 2007**

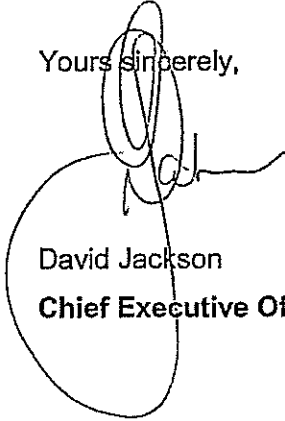
We are very disappointed with your response of 17 December.

In our letter of 14 December, we sought to further understand the DCF valuation you have determined so we may fully brief the Toll Holdings Board. You state that "...we have arrived at our indicative offer in a manner that is satisfactory to us.." Surely good faith negotiations require us to understand more fully the assumptions underpinning your indicative offer, and where appropriate to point out material flaws in such assumptions. In this regard we highlighted our concerns about \$100m of cash flow assumed for a new ferry, when we had already factored in modification capital to allow the Arahura to carry greater CV capacity. This change alone would make a material difference to your DCF valuation.

Also, we did not provide you with any cashflows post 2011, and therefore need to understand what has been used in order to complete our assessment of the valuation.

We re-iterate our requests of 14 December, and ask in good faith that you fully respond, so we can properly brief our board.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'DJ', is written over a large, hand-drawn oval. The signature is positioned above the printed name and title.

David Jackson  
**Chief Executive Officer**