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David Jackson  
Chief Executive Officer  
Toll NZ Consolidated Limited  
Level 17, HSBC Building  
1 Queen St  
AUCKLAND

Dear David

Further to our phone call this morning.

We need to know whether our revised indicative offer made last week is acceptable or not, so that we can determine whether this negotiation is progressing. We accept that a positive response from you to our revised indicative offer would be subject to reaching agreement on the value of TTL, amongst other things.

I confirm that we regard the valuation of TTL as being relatively simple, based on:

- Information you have supplied us in your email of 25 January;
- The rail and ferry business operating in a competitive freight market. That market will set price and service quality requirements; and
- Conventional valuation methodology.

As discussed, I need your response tomorrow.

Yours sincerely

William Peet  
Chief Executive