

DEED OF RELEASE

between

HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND

and

TOLL GROUP (NZ) LIMITED

and

TOLL HOLDINGS LIMITED

THIS DEED dated the

day of

2004

BETWEEN **HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND**
("Crown")

AND **TOLL GROUP (NZ) LIMITED** ("Toll Group")

AND **TOLL HOLDINGS LIMITED** ("Toll Holdings")

BACKGROUND

- A.** The parties entered into an Agreement dated 7 July 2003 in respect of the sale by Toll NZ Limited and Toll New Zealand Consolidated Limited of the rail network and network assets to the Crown.
- B.** The Crown and Toll New Zealand Limited and Toll New Zealand Consolidated Limited have now entered into an agreement for the sale and purchase of the rail network and network assets.
- C.** The parties agree to terminate the Agreement in accordance with this deed.

WITNESSES AS FOLLOWS:

1. INTERPRETATION

In this deed unless the context indicates otherwise:

1.1 Definitions:

"**Claims**" means all actions, suits, claims, demands, costs, losses and liabilities of any nature whatsoever, whether arising at law, in equity or under statute, including negligence; and

"**Agreement**" means the agreement between the Crown, Toll Group and Toll Holdings dated 7 July 2003.

1.2 Defined Expressions: expressions defined in the main body of this deed have the defined meaning in the whole of this deed including the background;

1.3 Gender: words importing one gender include the other genders;

1.4 Headings: section, clause and other headings are for ease of reference only and will not affect this deed's interpretation;

1.5 Negative Obligations: any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done;

1.6 Parties: references to parties are references to parties to this deed;

1.7 Plural and Singular: words importing the singular number include the plural and vice versa; and

1.8 Sections, Clauses and Schedules: references to sections, provisions, clauses and schedules are references to this deed's sections, provisions clauses and schedules.

2. TERMINATION OF AGREEMENT

2.1 Termination: With immediate effect from the date of this deed the Agreement shall terminate and be of no further effect provided that clause 9.2 (Covenants) of the Agreement shall continue in full force and effect.

2.2 Release: On and after the date of this deed, the parties shall each (to the extent permitted by law) release and forever discharge the other parties from all Claims arising out of the Agreement with the exception of any Claims arising out of clause 9.2 (Covenants) of the Agreement which shall not be released or discharged.

3. WARRANTIES

Each party represents and warrants to the other that:

3.1 Authority: it has the legal right, authority and power to enter into this deed and to perform its obligations under it and has taken all necessary action to authorise this deed execution, delivery and performance.

3.2 Binding Obligation: this deed constitutes a valid and binding obligation enforceable against the parties in accordance with its terms; and

3.3 No Conflict with Other Obligations: entering into this deed does not and will not:

3.3.1 breach or conflict with any statutory, contractual or fiduciary obligation of the parties;

3.3.2 conflict with any law or rule; or

3.3.3 constitute a default under any agreement or arrangement by which any party is bound.

4. ENTIRE AGREEMENT

This deed constitutes the entire agreement between the parties with respect to the subject matter of this deed and supersedes all prior understandings, agreements, representations and correspondence between the parties.

5. GOVERNING LAW AND JURISDICTION

This deed is governed by the Laws of New Zealand and the parties submit to the exclusive jurisdiction of the New Zealand Courts in respect of all matters relating to this deed.

6. PARTIAL INVALIDITY

If any provision of this deed is or become invalid or unenforceable, that provision will be deemed deleted from this deed and such invalidity or unenforceability will not effect the other provisions of this deed, all of which will remain in full force and effect to the extent permitted by law, subject to any modification made necessary by the deletion of the invalid or unenforceable provision.

7. COUNTERPARTS

This Deed may be executed in two or more counterparts, each of which is deemed an original and all of which constitute one and the same agreement. This Deed will be effective upon the exchange by facsimile of executed signature pages.

8. AMENDMENTS

No amendment to this deed will be valid unless recorded in writing and signed by a duly authorised signatory of each party.

Executed as a deed.

SIGNED for and on behalf
of **HER MAJESTY THE QUEEN IN
RIGHT OF NEW ZEALAND** by her
MINISTER OF FINANCE:

in the presence of:

Signature of witness

Full name of witness

Address

Occupation

SIGNED for and on behalf
of **TOLL GROUP (NZ) LIMITED** by:

Signature of Director

Signature of Director

Full name of Director

Full name of Director

SIGNED for and on behalf
of **TOLL HOLDINGS LIMITED** by:

Signature of Director

Signature of Director

Full name of Director

Full name of Director