

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme ASCIANO LIMITED (AIO)

ACN/ARSN ACN 123 652 862

1. Details of substantial holder (1)

Name China Investment Corporation (CIC) and its controlled entities

ACN (if applicable) n/a

The holder became a substantial holder on 25/01/2016

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities(4)	Number of securities	Persons' votes(5)	Voting power (6)
Ordinary Shares	194,979,788	194,979,788	19.99% (based on 975,385,664 shares on issue)

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Flourish Investment Corporation (<i>Flourish</i>)	Relevant interest pursuant to s608(1) of the Corporations Act as beneficial owner of Ordinary Shares purchased on-market.	3,175,689 Ordinary Shares
Best Investment Corporation (<i>Best</i>)	Relevant interest pursuant to s608(1) of the Corporations Act as beneficial owner of Ordinary Shares purchased on-market	6,508 Ordinary Shares
CIC International Co., Ltd. (<i>CIC International</i>)	Relevant interest arises under s608(3)(b) of the Corporations Act as it controls Best and Flourish.	3,182,197 Ordinary Shares
Beijing Shunrong Investment Corporation (<i>Beijing Shunrong</i>)	Relevant interest arises under s608(3)(a) of the Corporations Act as it is an associate of CIC International. Accordingly Beijing Shunrong has a relevant interest in the same securities as Best and Flourish.	3,182,197 Ordinary Shares
CIC Capital Corporation (<i>CIC Capital</i>)	Relevant interest arises under s608(3)(a) of the Corporations Act as it is an associate of CIC International. Accordingly CIC Capital has a relevant interest in the same securities as Best and Flourish.	3,182,197 Ordinary Shares

CIC	Relevant interest arises under s608(3)(b) of the Corporations Act as it controls CIC International, Flourish and Best	3,182,197 Ordinary Shares
Controlled entities of CIC	Relevant interest arises under s608(3)(a) of the Corporations Act as each of them is an associate of CIC International. Accordingly each of them has a relevant interest in the same securities as Best and Flourish.	3,182,197 Ordinary Shares
Global Infrastructure Management LLC (GIP), being an associate of CIC as a result of Beijing Shunrong, (a wholly-owned subsidiary of CIC Capital (which is a wholly-owned subsidiary of CIC)), becoming a contractual party to the Cooperation Deed (Annexure A).	<p>Relevant interest in 77,032,604 Ordinary Shares held by the registered holder, Global Infrastructure Management Australia Pty Limited as trustee of the GIP Bell Australia Unit Trust, which arises under s608(1)(b) & (c) (power to exercise or control the exercise of a power to dispose and / or vote securities) and s608(3)(b) of the Corporations Act, by reason that GIP controls the registered holder.</p> <p>Relevant interest in 51,916,055 Ordinary Shares held by the registered holder, Bar SPV Pty Limited, which arises under s608(1)(b) & (c) (power to exercise or control the exercise of a power to dispose and / or vote securities) and s608(3)(b) of the Corporations Act, by reason that GIP controls the registered holder.</p> <p>Relevant interest in 61,301,584 Ordinary Shares held by the registered holder, Qube Holdings Limited (Qube), which arises under s608(1)(b) & (c) (power to exercise or control the exercise of a power to dispose and / or vote securities) of the Corporations Act, pursuant to the Memorandum of Understanding (MoU) between Qube, GIP and CPPIB, disclosed in Annexure D of the substantial holder notice lodged on behalf of GIP on 2 November 2015.</p> <p>Relevant interest in 1,547,348 Ordinary Shares held by the registered holder, HSBC Custody Nominees (Australia) Limited in which Canada Pension Plan Investment Board (CPPIB) has a relevant interest, which arises under s608(1)(b) & (c) (power to exercise or control the exercise of a power to dispose and / or vote securities) of the Corporations Act, pursuant to the MoU between Qube, GIP and CPPIB.</p>	191,797,591 Ordinary Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
-----------------------------	---------------------------------	--	--------------------------------

Flourish, CIC International, CIC	HSBC Custody Nominees (Australia) Limited	Flourish	2,935,321 Ordinary Shares
Best, CIC International, CIC	HSBC Custody Nominees (Australia) Limited	Best	6,508 Ordinary Shares
Flourish, CIC International, CIC	J P Morgan Nominees Australia Limited	Flourish	240,368 Ordinary Shares
GIP (an associate of CIC)	Global Infrastructure Management Australia Pty Limited as trustee of the GIP Bell Australia Unit Trust	Global Infrastructure Management Australia Pty Limited as trustee of the GIP Bell Australia Unit Trust	77,032,604 Ordinary Shares
	Bar SPV Pty Limited	Bar SPV Pty Limited	51,916,055 Ordinary Shares
	Qube	Qube	61,301,584 Ordinary Shares
	HSBC Custody Nominees (Australia) Limited	CPPIB	1,547,348 Ordinary Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the 4 months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Flourish, CIC International, CIC	23 October 2015	AUD 7.85		211,000 Ordinary Shares
Flourish, CIC International, CIC	16 October 2015	AUD 8.51		18,669 Ordinary Shares
GIP (an associate of CIC)	29 October 2015	AUD8.80		77,032,604 Ordinary Shares
		AUD8.80		51,916,055 Ordinary Shares
		AUD8.33305		61,301,584 Ordinary Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
-----------------------------------	-----------------------

GIP	Associates pursuant to section 12(2)(b) (entry into relevant agreement) and section 12(2)(c) (acting in concert) of the Corporations Act by virtue of entry into the Cooperation Deed (Annexure A) dated 25 January 2016 between Beijing Shunrong and GIP.
CIC International, CIC Capital, Beijing Shunrong, Best, Flourish, and other controlled entities of CIC	Bodies corporate controlled by CIC as described in s12(2)(a) of the Corporations Act

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
CIC	New Poly Plaza, No. 1 Chaoyangmen Beidajie Dongcheng District, Beijing, P.R. China.
CIC Capital	No.1 Chaoyangmen Beidajie, Dongcheng District, Beijing, P.R. China
Beijing Shunrong	1939, 19/F, No.1 Chaoyangmen Beidajie, Dongcheng District, Beijing, P.R. China.
CIC International	No.1 North Chaoyangmen Street, Dongcheng District, Beijing, P.R.China
Flourish	Room 704, No.2 Building, No.1 Naoshikou Street, Xicheng District, Beijing, P.R.China
Best	Room 936, No.2 Building, No.1 Naoshikou Street, Xicheng District, Beijing, P.R.China
GIP	12 East 49 th Street, 38 th Floor, New York, New York 10017, USA

Signature

print name: Ding Xuedong

capacity: Chairman and Chief Executive Officer of China Investment Corporation

sign here



date 25 /01/ 2016

Directions

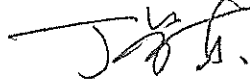
1. If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
 2. See the definition of "associate" in section 9 of the Corporations Act 2001.
 3. See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
 4. The voting shares of a company constitute one class unless divided into separate classes.
 5. The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
 6. The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 7. Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
8. If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
 9. Details of the consideration must include any and all benefit, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired

Annexure A

This is Annexure A of 9 pages (including this page) referred to in the accompanying Form 603

print name: Ding Xuedong capacity: Chairman and Chief Executive Officer of China Investment Corporation

sign here



date 25/ 01 / 2016

Date 25 January 2016

Parties

1. **Global Infrastructure Management, LLC** of 12 East 49th Street, 38th Floor, New York, New York 10017, United States of America (**GIP**)
2. **Beijing Shunrong Investment Corporation** of 1939, 19/F, No.1 Chaoyangmen Beidajie, Dongcheng District, Beijing, 100010, China (**Shunrong**)

Recitals

- A. The parties propose to co-operate in respect of certain future affairs of Asciano.
- B. This Deed establishes the relationship between the parties and sets out the terms upon which the parties agree to co-operate in respect of those future affairs of Asciano.

It is agreed as follows.

1 Interpretation

1.1 Definitions

In this Deed:

Asciano means Asciano Limited (ACN 123 652 862).

Associate has the meaning given to that term in section 12 of the Corporations Act where, for the purposes of sections 12(2)(b) and 12(2)(c) of the Corporations Act, the 'designated body' is Asciano, and **Association** has a corresponding meaning.

ASX means ASX Limited (ACN 008 624 691) or the market conducted by ASX Limited, as the context may require.

Corporations Act means the *Corporations Act 2001* (Cth).

Governmental Agency means a government, governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal or agency whether foreign, federal, state, territorial or municipal. It includes the Foreign Investment Review Board, Australian Securities and Investments Commission, New Zealand Overseas Investment Office, Australian Competition and Consumer Commission, ASX and the Takeovers Panel.

Own Associate means with respect to a party, the party's Associates excluding Associates of the party acquired solely as a result of entering into (or proposing to enter into) this Deed or any other agreement between the parties in relation to Asciano. However, with respect to Shunrong, the term **Own Associate** shall exclude Central Huijin Investment Ltd. and its subsidiaries, and any person or entity which would have been considered to be an affiliate of Shunrong solely due to the fact that such person or entity is under common control with Shunrong, whether directly or indirectly, by a government or governmental authority.

Relevant Interest has the meaning given to that term in the Corporations Act.

Shares means ordinary shares issued by Asciano.

Substantial Holder Notice means a notice of substantial holding required to be given to ASX and Asciano under section 671B of the Corporations Act.

Transaction has the meaning given to that term in clause 4.1(a).

Voting Power, with respect to Asciano, has the meaning given to that term in section 610 of the Corporations Act.

1.2 Interpretation

The following rules apply unless the context requires otherwise.

- (a) Headings are for convenience only and do not affect interpretation.
- (b) The singular includes the plural, and the converse also applies.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
- (e) A reference to a party to this Deed or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (f) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (g) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (h) A reference to an *agreement* includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a *document* includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.
- (i) Mentioning anything after *includes, including, for example*, or similar expressions, does not limit what else might be included.
- (j) A reference to a *right* or *obligation* of the parties under this Deed confers that right, or imposes that obligation, as the case may be, on each of them severally, and not jointly or jointly and severally.

2 Term

- (a) This Deed will terminate upon the earlier to occur of the date:
 - (i) which is 12 months after the date of this Deed; and
 - (ii) the parties agree in writing to terminate this Deed.
- (b) Following termination of this Deed, the:
 - (i) parties must co-operate with a view to making any necessary updated Substantial Holder Notice disclosures; and
 - (ii) obligations of the parties under this Deed terminate with immediate effect, except for the obligations of confidentiality in clause 7 which expire on the first anniversary of the termination of this Deed, and the operation of clauses 1, 2(b), 8, 9 and 10 which survive termination of this Deed.

3 Acquisitions and Notifications

- (a) Each party agrees that it will take reasonable steps to ensure that neither it nor its Own Associates acquires any Shares which would result in either party being in breach of the Corporations Act.
- (b) Each party undertakes to notify the other party as soon as practicable after it or its Own Associates has acquired a Relevant Interest in additional Shares, or has ceased to hold a Relevant Interest in any Shares or its Voting Power has changed, other than by reason of a change to the Voting Power of the other party or the Association created by this Deed.

4 Co-operation

4.1 Negotiations

- (a) Each party agrees to enter into negotiations with the other party to determine the nature and extent of co-operation between the parties in relation to certain future affairs of Asciano, including the terms upon which Shunrong may participate in any binding proposal made by GIP (whether alone or as part of a consortium) in relation to Asciano and the acquisition of all of the Shares not already owned by the parties or their respective Own Associates, subject to receipt by Shunrong of the requisite approvals from applicable Governmental Agencies to the extent required (the **Transaction**).
- (b) Each party acknowledges that by entering into this Deed, it becomes an Associate of the other party on the basis that this is a relevant agreement entered into for the purposes of the Transaction.

4.2 Substantial Holder Notices

- (a) Shunrong must prepare and give to Asciano and ASX a Substantial Holder Notice that identifies the Association between the parties.
- (b) The parties agree that they will work together to prepare and give to Asciano and ASX any other necessary Substantial Holder Notices after the date of this Deed.

5 Current Interests

- (a) The parties note that, based on information publicly disclosed by Asciano, there are currently 975,385,664 Shares on issue.
- (b) GIP confirms that, as at the date of this Deed, it (directly or through its Own Associates) has a Relevant Interest in 191,797,591 Shares, representing approximately 19.66% of all the issued Shares.
- (c) Shunrong confirms that, as at the date of this Deed, it has a Relevant Interest in 3,182,197 Shares, representing approximately 0.33% of all the issued Shares.

6 Compliance with Securities Laws

Each party agrees to comply with Australian securities laws in relation to any possession of material non-public information regarding Asciano.

7 Confidentiality

7.1 Confidential Information

- (a) In this clause 7, **Confidential Information** means the terms of this Deed, the negotiations with respect to the subject of this Deed, any commercially sensitive information about the parties, any information relating to the Transaction, and any definitive documentation that is prepared setting out the agreements between the parties, which:
- (i) is disclosed by or on behalf of one party (**Discloser**) to another party (**Recipient**); or
 - (ii) relates to one party (**Discloser**) of which another party (**Recipient**) becomes aware,
- including:
- (iii) information designated as confidential by the Discloser; and
 - (iv) any other information which by its nature should reasonably be considered to be confidential information of the Discloser or of a person to whom the Discloser owes a duty of confidence.
- (b) Confidential Information may be provided in writing, electronically, verbally or otherwise.
- (c) Confidential Information does not include any information which the Recipient can prove either is in the public domain or was known by the Recipient at the time of disclosure, other than by reason of a breach of this Deed.

7.2 Confidentiality

The Recipient must, subject to clauses 2(b)(ii), 7.3 and 7.4, keep confidential and not disclose to any person any Confidential Information.

7.3 Permitted disclosure

The Recipient may disclose Confidential Information:

- (a) to the extent such information is or becomes generally available other than as a result of disclosure by a party in breach of this Deed;
- (b) on a need to know basis and where such parties are bound by confidentiality obligations, to:
 - (i) the parties' professional advisers and related bodies corporate and related trusts; or
 - (ii) managed funds and clients of GIP;
- (c) to the extent required by law, by an order of a court or a Governmental Agency or by the listing rules of the ASX; or
- (d) to the extent that the obligations of confidentiality have terminated in accordance with clause 2(b)(ii).

7.4 Required disclosure

If the Recipient is required to disclose any Confidential Information, the Recipient must before doing so:

- (a) notify the Discloser; and
- (b) if possible, give the Discloser a reasonable opportunity to take any steps it considers necessary to protect the confidentiality of the Confidential Information, and
- (c) must disclose only the minimum amount of information necessary to comply with the requirement.

8 Announcements

All press releases and public announcements of any form to be made on behalf of the parties together must be agreed by each party.

9 Dispute Resolution

In the event that there is a dispute, controversy or claim under this Deed that the parties cannot resolve themselves (a **Dispute**), such Dispute will be submitted to final and binding arbitration in accordance with, and subject to, the IAMA Arbitration Rules adopted by the Resolution Institute, except as they may be modified herein or by mutual agreement between the parties. The appointing authority shall be the Resolution Institute, the number of arbitrators shall be one, and the seat of the arbitration shall be Sydney, New South Wales. The language to be used in the arbitral proceedings shall be English. The arbitrator will be an independent person agreed between the parties or, failing agreement, an arbitrator will be appointed by the President of the Resolution Institute. The arbitrator must not be any of the following nationalities: the People's Republic of China, the United States, Canada or Australia. The parties shall not be required to give general discovery of documents, but may be required to produce specific, identified documents which are relevant to the Dispute. All questions of law will be finally resolved by the arbitrator and his or her determination of those questions will be final and unappealable. Nothing in this clause 9 shall be construed as preventing any party from seeking interim relief in any court of competent jurisdiction. The arbitrator shall have the power to rule on their own jurisdiction and arbitrability issues. The arbitration award shall be final and binding on the parties. The arbitration awards shall be enforceable by any court of competent jurisdiction.

10 Miscellaneous

10.1 Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

10.2 Entire agreement

This Deed contains the entire agreement between the parties with respect to its subject matter.

10.3 Governing law

This Deed is governed by the laws of New South Wales, Australia.

10.4 Notice requirements

Any notice given in connection with this Deed:

- (a) must be in writing and must be addressed to a party and either:
 - (i) hand delivered to the party's registered office, principal place of business or any other address the party notifies for the service of notices; or
 - (ii) sent by email to any email address that party notifies in writing for the service of notices; and
- (b) is taken to have been given:
 - (i) in the case of being hand delivered, on the date on which it is delivered;
 - (ii) in the case of delivery by post, two business days after the date of posting (if posted to an address in the same country) or seven business days after the date of posting (if posted to an address in another country); and
 - (iii) in the case of delivery by email, at the time sent as shown on the email server provided that no automated email is received within three hours after such time indicating delivery failure.

10.5 No partnership or agency

Nothing in this Deed is to be construed as constituting an agency, partnership, joint venture, or any other form of association between the parties hereto, in which a party may be liable for the acts or omissions of the other party.

10.6 No restrictions on Shares

The parties acknowledge that nothing in this Deed shall confer on either party:

- (a) any power to exercise, or control the exercise of, a right to vote attached to Shares in which the other party holds or otherwise has a Relevant Interest; or
- (b) any power to dispose of, or control the exercise of a power to dispose of, Shares in which the other party holds or otherwise has a Relevant Interest.

Executed and delivered as a deed

**Signed Sealed and Delivered by
Global Infrastructure Management,
LLC in the presence of:**

Susan Levitt

Signature of Witness

Mark Levitt

Signature of Authorised Signatory

SUSAN LEVITT

Name of Witness

MARK LEVITT

Name of Authorised Signatory

**Signed Sealed and Delivered by
Beijing Shunrong Investment
Corporation in the presence of:**

Signature of Witness

Signature of Authorised Signatory

Name of Witness

Name of Authorised Signatory

Executed and delivered as a deed

Signed Sealed and Delivered by Global Infrastructure Management, LLC in the presence of:

Signature of Witness

Signature of Authorised Signatory

Name of Witness

Name of Authorised Signatory

Signed Sealed and Delivered by Beijing Shunrong Investment Corporation in the presence of:



Signature of Witness



Signature of Authorised Signatory

Name of Witness

Ju Wei Min

Name of Authorised Signatory