

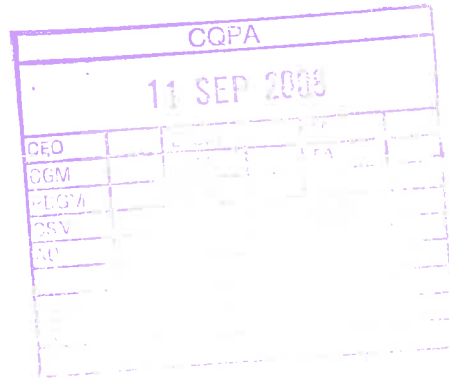


SHAREHOLDING MINISTERS FOR
GLADSTONE PORTS CORPORATION LIMITED

Our Reference: TRO-20915

- 8 SEP 2008

Mr I Brusasco AM
Chairman
Gladstone Ports Corporation Limited
PO Box 259
GLADSTONE QLD 4680



Dear Mr Brusasco

We refer to correspondence of 8 August 2008 from Mr Adrian Noon, Executive Director, Office of Government Owned Corporations and Mr Lawrence Hannah, Acting Executive Director, Rail, Ports and Freight, Department of Transport advising your corporation of recently approved changes to the Investment Guidelines for Government Owned Corporations 2003 (the guidelines).

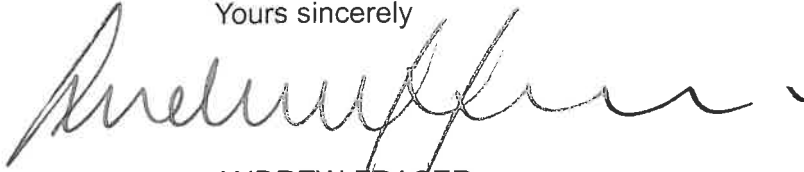
This advice noted Gladstone Ports Corporation Limited's investment approval and notification thresholds had been assessed but consideration of potential threshold increases would be deferred till the outcome of the 2008 Review of Queensland Port Network Structure (the Review) was finalised.

Following completion of the Review's interim report, we have approved Gladstone Port Corporation Limited's investment approval and notification thresholds to be increased to \$40 million and \$10 million respectively.

Gladstone Ports Corporation Limited has been involved and worked closely with both shareholding departments on previous major investment proposals prior to submission for our consideration and we look forward to this continued involvement. In order to improve the investment proposal review process, it is requested that the board ensure that all significant information considered in its decision making processes, including the business case and the extract of minutes detailing the board's approval be included as part of the approval request.

We also wish to emphasise that while Gladstone Ports Corporation Limited's autonomy in respect to its investment decisions has increased, it is with an expectation of strict adherence to the negotiated Statement of Corporate Intent and the guidelines, observance of good corporate governance practices and greater board accountability for the corporation's performance. We also request that we be informed in advance by the board in relation to potentially sensitive investments or contracts and maintain the discretion to request projects below the approval threshold levels be submitted for our approval.

Yours sincerely



ANDREW FRASER



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