

# MEDIA RELEASE



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## **ACCC will not oppose Aurizon’s Flinders Logistics acquisition after changes to transaction structure**

The ACCC will not oppose Aurizon’s (ASX: AZJ) proposed acquisition of Flinders Logistics Pty Ltd, following a restructure of the transaction to address the ACCC’s preliminary competition concerns.

Flinders Logistics operates a stevedoring and logistics business for bulk and limited break-bulk cargo at Berths 18-20 and 29, Port Adelaide and at Port Pirie, South Australia. Berth 29 is considered critical for the import and export of certain mining products and mineral sands.

Aurizon is a national freight company and provides rail haulage to and from Port Adelaide.

On 11 July 2024, the ACCC [released a statement of issues](#) outlining its preliminary competition concerns with the proposed acquisition.

“We were concerned that after the acquisition, Aurizon would have the exclusive right to load and unload all trains at Berth 29, Port Adelaide,” ACCC Commissioner Dr Philip Williams said.

“Having this exclusive right was concerning to us, because it may have provided Aurizon with the ability and incentive to limit the access of competing rail haulage providers.”

“This could have resulted in a substantial lessening of competition in the supply of rail haulage services for the import or export of containerised bulk minerals on behalf of customers in South Australia and western New South Wales and Victoria,” Dr Williams said.

Following the ACCC outlining its preliminary concerns the merger parties restructured the transaction to exclude the underlease for the Berth 29 rail pad from the proposed acquisition, allowing third parties to load and unload trains themselves.

“Under the new transaction structure, rival rail haulage providers will no longer be required to rely on Aurizon to load and unload their trains, which will mean other logistics companies will be able to compete to supply mining customers,” Dr Williams said.

Flinders Port Holdings Pty Ltd, the parent company of Flinders Logistics, will retain control of the rail pad and operate it as a common user asset, in accordance with an access policy to be published on Flinders Ports’ website.

Third parties will be able to apply for a non-exclusive licence to use the rail pad for the servicing of trains during specified windows and for short-term container storage. Without the restructure, Aurizon would have retained an exclusive lease of that area.

“The ACCC carefully examined and consulted on the changes and has concluded that the acquisition is now unlikely to result in a substantial lessening of competition,” Dr Williams said.

More information is available on the ACCC’s public register here: [Aurizon Holdings Limited – Flinders Logistics Pty Ltd](#)

## **Background**

Aurizon is an ASX listed freight company that primarily supplies rail freight services to customers throughout Australia, excluding Tasmania.

Aurizon supplies 'above rail' services, including locomotives and wagons to transport freight for coal, mining, industrial and agricultural industries.

In addition to its above rail business, Aurizon supplies 'below rail' services, which involves providing access to and managing rail infrastructure safety, signalling and communication systems, train control, rail construction, and maintenance.

Aurizon operates the Central Queensland Rail Network and the Tarcoola to Darwin railway, as well as other spurs, yards, and sidings throughout Australia.

Flinders Logistics is a wholly owned subsidiary of Flinders Port Holdings Pty Ltd (Flinders Port Holdings). Flinders Ports owns and operates seven ports in South Australia, including Port Adelaide and Port Pirie.

Port Adelaide is the most significant port in South Australia and facilitates the import and export of a variety of goods, such as minerals, grain, motor vehicles, petroleum, and containerised general cargo. Port Pirie is significantly smaller than Port Adelaide, and primarily handles bulk minerals, coal, and grain.

Flinders Logistics supplies stevedoring, logistics and warehousing services to importers and exporters of bulk commodities at Berths 18-20 and Berth 29 at Port Adelaide and at Port Pirie. Flinders Logistics supplies cargo handling services at Port Pirie through its subsidiary, Pirie Bulk Pty Ltd.

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