Here is the story of the Western Desert Railway.
In preparation for Operation Compass plans had been submitted in September and October 1940 for a number of additional sidings and a new railhead (the end of the line where supplies were transferred from train to truck) at Qasaba, about twenty miles east of Mersa Matruh, all of which were completed, and for the railway to be extended a further 140 miles from Mersa Matruh to Sollum. Construction by the NZ Railway Construction and Maintenance Group, with 10th and 13th Railway Construction Companies assisted by a Palestinian Labour Company and native labour, had
begun on 18 December, but the advance progressed so quickly that it soon outpaced the railway and construction was abandoned on 14 January at Similla Junction, just eight miles from Mersa Matruh.

On 1 June 1941 10th NZ Railway Construction Company recommenced construction to extend the line a further 145 miles from Similla Junction to Capuzzo, with a capacity of 2,000 tons per day. Progress at first was slow, primarily because of a lack of rails, but Operation Battleaxe had shown that only an offensive on the largest scale offered any hope of success and the task was tackled with great vigour and gained increasing momentum. By 16 September the line had been extended a further seventeen miles from Similla Junction to El Mohalafa, where a new railhead known as Charing Cross was constructed. Although officially named Station Kilo 27 for political reasons to appease the Egyptians, and reluctantly called El Mohalafa which means ‘The Treaty’, it greatly assisted the establishment of supply bases on the frontier. However, to support a large force operating in Cyrenaica it would be necessary to push the railway as far west as tactically possible.

On 22 September 13th NZ Railway Construction Company joined the work, and by 20 October the rate of track laying had doubled to an astonishing two miles per day, "bewildering to desert navigators who were apt to find their calculations wildly astray on their return." By the end of the first week of November the line reached Misheifa, 93 miles from Mersa Matruh, the point that had been selected as the objective to be reached before the offensive began, where a railhead was opened on 15 November. Using nine miles of track it was designed in a large circular layout to achieve maximum dispersion, enabling convoys to approach on a wide front and making it difficult to attack from the air. Consisting of marshalling yards, separate loops for ammunition, supplies and two for fuel, and spurs for engineers, ordnance, water and salvage, it was intended to cope with an intake of 2,000 tons each day. Such was the importance of the railhead at Misheifa that it achieved the status of a supply dump second only to the huge dumps around Amiriya in the Delta. A dummy railhead was also constructed five miles west of Misheifa, which contained real anti-aircraft guns and even smoke-producing dummy engines. It proved to be an extremely successful decoy to German bombers, attracting upwards of 50% of the air raids directed towards the railhead.

Construction of the Western Desert railway had progressed so far west towards Fort Capuzzo that by 19 February 1942 it was possible to open a small railhead in the Sidi Barrani and Sheferzen areas. The railway was extended further westward, despite severe rainstorms, sandstorms and Luftwaffe raids which all delayed construction, and the railhead at Fort Capuzzo opened on 16 March. With 11½ miles of track and similar in design to the railhead at Misheifa, the creation of a railhead with such a considerable capacity so far west greatly eased the Eighth Army’s maintenance. Had the railway reached Fort Capuzzo, or better still El Adem, in January it is likely that the withdrawal to the Gazala line would have been avoided.

On 3 April work began to extend the railway a further 126 miles to Belhamed, where a new railhead was planned, while road construction and improvement continued with much energy, particularly the roads up the escarpment at Sollum and through Halfaya pass. The railhead at Belhamed opened on 26 May, although initially it was used purely for the delivery of tanks.

Prior to Rommel's attack on 26 May 1942 Eighth Army continued to increase its reserves in Tobruk and Belhamed, and continued with the construction of the Belhamed railhead and the extension of the railway towards Tobruk.

Although Rommel made use of the railway, and attempted to construct a siding to the front, apart from linking the line to the harbour in Tobruk, the Germans made no substantial additions to the railway.
Following the battle of El Alamein Eighth Army planned for railheads to be constructed at El Imayid from D-day plus one and at El Alamein as soon as the tactical situation allowed. Railway construction troops together with a construction train fully loaded with equipment and stores were held at Alexandria at the call of 30 Corps, while another two construction trains were held fully prepared in Suez, ready to be called forward as the need occurred. They would follow up the advance as quickly as possible while railway signal companies and the NZ Railway Operating Company would open up successive railheads. After the railhead at Tobruk was opened on 1 December, the Capuzzo railhead closed down.