

SFE NOTICE NO. 121/06

Date of Issue: 9 October 2006
Effective Date: 10 October 2006

TELSTRA CORPORATION LIMITED T3 OFFER – NO ACTION IN RESPECT OF TELSTRA LIMITED INDIVIDUAL SHARE FUTURES CONTRACTS

1.0 Introduction

1.1 Telstra Corporation Limited (ASX Code: **TLS**) announced on 9 October 2006 details of T3 Offer by the Australian Government (“the Government”) of the sale of a substantial part of its shareholding in Telstra through a public share offer by way of an issue of instalment receipts (IRs).

1.2 Entitlement Offer

Within T3, there is a shareholder entitlement offer (which ASX is treating as a Priority Offer) to Telstra shareholders on the following basis.

Shareholding	Entitlement
Up to 6,000 TLS	3,000 IRs
6,001 to 400,000 TLS	1 IR for every 2 TLS held
Over 400,000 TLS	200,000 IRs

The ex-date for the priority offer is Tuesday 10 October 2006. For further details of the above summary of the entitlement offer, and timetable details, and other aspects of the T3 offer, please refer the ASX Circular released today on the T3 Offer, and also the Prospectus.

2.0 No Contract Adjustments

2.1 There will be no contract adjustments on the ex-priority date of Tuesday 10 October 2006 on account of the non-pro rata entitlement offer component of the T3 sale offer.

Further Information

Should you have any queries regarding the impact of the T3 offer on TLS ISF please contact:

Business Development – Peter Ho on 9227 0668 or peter.ho@asx.com.au.

Operational Enquiries – SFE Service Desk on 612 9256 0677 or servicedesk@sfe.com.au



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