



(ABN 33 051 775 556)

Debt Issuance Program

This supplement ("**Third Supplement**") to the prospectus dated 24 October 2011 as previously supplemented by supplemental prospectuses dated 8 November 2011 and 4 January 2012 (together, the "**Prospectus**") constitute a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 ("**FSMA**") and is prepared in connection with the Debt Issuance Program ("**Program**") established by Telstra Corporation Limited ("**Issuer**" or "**Telstra**").

The purpose of this Third Supplement is to update the Prospectus for:

- (a) the publication of Telstra's unaudited consolidated financial results for the six months ended 31 December 2011, including the incorporation by reference of these results and the ASX announcement relating to these results; and
- (b) negotiations with the Australian Competition and Consumer Commission ("**ACCC**") in relation to a further revised undertaking by Telstra in respect of the structural separation of Telstra under the Telecommunications Act 1997 of Australia (the "**Telecommunications Act**"), including the incorporation by reference of the ASX announcement relating to the lodgement of the further revised Structural Separation Undertaking ("**SSU**") by Telstra with the ACCC, and the acceptance of the further revised SSU by the ACCC.

Terms defined in the Prospectus have the same meanings when used in this Third Supplement.

This Third Supplement is supplemental to, and should be read in conjunction with, the Prospectus. It has been prepared by, and is issued with the authority of, the Issuer and has been approved by the Financial Services Authority in its capacity as competent authority under Part VI of the FSMA as a supplement issued in compliance with the Prospectus Directive (Directive 2003/71/EC).

The Issuer accepts responsibility for all information contained in this Third Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Third Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Statements contained in this Third Supplement will, to the extent applicable and whether expressly, by implication or otherwise, be taken to modify and supersede statements incorporated in the Prospectus. To the extent that there is any inconsistency between any statement in this Third Supplement (or any statement incorporated by reference into the Prospectus by this Third Supplement) and any other statement in the Prospectus, the statement in this Third Supplement or as so incorporated prevails.

Save as disclosed in this Third Supplement, or in any document incorporated by reference in this Third Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

Investors should be aware of their rights under section 87Q(4) of the FSMA.

Supplementary Information

31 December 2011 Half Year Financial Report

On 9 February 2012, the Issuer published its unaudited consolidated financial results for the Half Year ended 31 December 2011 ("**December 2011 Half Year Financial Report**").

A copy of the December 2011 Half Year Financial Report has been filed with the National Storage Mechanism and, by virtue of this Supplement, the sections of the December 2011 Half Year Financial Report set out in the following table are incorporated in, and form part of, the Prospectus.

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All information contained in the December 2011 Half Year Report that is not incorporated in this Prospectus (as described above) is either covered elsewhere in the Prospectus or not relevant.

Any document incorporated by reference into the interim unaudited financial statements described above does not form part of the Prospectus for Prospectus Directive purposes.

There are no profit forecasts or estimates contained in the December 2011 Half Year Report that are incorporated in this Prospectus.

A copy of the December 2011 Half Year Financial Report can be found at <http://www.telstra.com.au/abouttelstra/download/document/tls819-half-year-results.pdf>. The contents of the internet site <http://www.telstra.com.au> are not incorporated by reference into, and do not form part of, this Prospectus.

ASX announcement of Financial Results for the Half Year ended 31 December 2011

The ASX announcement entitled "Telstra Corporation Limited Financial Results for the Half Year ended 31 December 2011" and dated 9 February 2012 shall be deemed to be incorporated in, and to form part of, the Prospectus, except that the following sections will not be incorporated into, or form part of, the Prospectus:

- (a) covering letter;
- (b) Appendix 4D – half yearly report;
- (c) the paragraph entitled "Outlook" and the table entitled "Guidance Summary" on page ii of the Financial Highlights – Half Year ended 31 Dec 2011;
- (d) the media release entitled "Telstra delivers revenue, profit and customer growth; guidance confirmed"; and
- (e) the paragraph entitled "Outlook" and the table entitled "Guidance Summary" on page 4 of the Directors' Report.

All information contained in that ASX announcement that is not incorporated in this Prospectus (as described above) is either covered elsewhere in the Prospectus or not relevant.

Any document incorporated by reference into that ASX announcement does not form part of the Prospectus for Prospectus Directive purposes.

There are no profit forecasts or estimates contained in that ASX announcement that are incorporated in this Prospectus.

A copy of that ASX announcement can also be found at <http://www.telstra.com.au/abouttelstra/download/document/tls819-half-year-results.pdf>. The contents of the internet site <http://www.telstra.com.au> are not incorporated by reference into, and do not form part of, this Prospectus.

Structural Separation Undertaking

As set out in the supplemental prospectus dated 4 January 2012, the Issuer lodged a revised SSU with the ACCC on 9 December 2011. The Issuer lodged a further revised SSU with the ACCC on 23 February 2012.

On 28 February 2012 the ACCC accepted the further revised SSU and migration plan (provided to the ACCC on 29 July 2011) outlining the steps the Issuer will take to disconnect voice and broadband services on its copper and HFC networks. The Definitive Agreements entered into with NBN Co and the Commonwealth will become operative on satisfaction of the remaining conditions precedent. These conditions precedent include NBN Co shareholder approval of the Proposed Transaction by the Commonwealth of Australia and the grant of waivers from the Communications Minister regarding the requirement under the Telecommunications Act for the Issuer to divest the HFC cable network and its FOXTEL interest.

The ASX announcement entitled "Telstra lodges revised Structural Separation Undertaking with ACCC" and dated 23 February 2012 shall be deemed to be incorporated in, and to form part of, the Prospectus.

Any document incorporated by reference into that ASX announcement does not form part of the Prospectus for Prospectus Directive purposes.

A copy of that ASX announcement is available at <http://www.telstra.com.au/abouttelstra/download/document/tls824-telstra-lodges-revised-ssu-with-acc.pdf>. The contents of the internet site <http://www.telstra.com.au> are not incorporated by reference into, and do not form part of, this Prospectus.

A copy of the further revised SSU lodged with the ACCC is available on the ACCC website: www.accc.gov.au. The contents of this internet site are not incorporated by reference into, and do not form part of, this Prospectus.