

20 July 2004

Office of the Company Secretary

The Manager

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ELECTRONIC LODGEMENT

Dear Sir or Madam

Telstra Board announces appointment of Chairman

The Telstra Board today appointed Mr Donald McGauchie AO as Chairman of the Board.

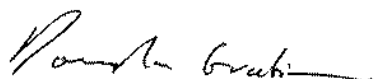
Mr McGauchie has been a director of Telstra since 1998 and Chairman of the Telstra CountryWide Advisory Board since 2000.

Mr McGauchie is also Chairman of the Rural Finance Corporation of Victoria and Deputy Chairman of Ridley Corporation Ltd and a director of the Reserve Bank of Australia, National Foods Limited, James Hardie Industries NV and Nufarm Limited. Mr McGauchie was Chairman of Woolstock Australia Limited from 1999-2002 and President of the National Farmers Federation from 1994-1998.

The Board thanked Mr John Ralph AC for his service as interim Chairman since April 2004. Mr Ralph will resume his role as Deputy Chairman.

Attached is a copy of a media release relating to Mr McGauchie's appointment.

Yours sincerely



Douglas Gration
Company Secretary

Media Release



20 July, 2004

232/2003

Donald McGauchie elected Telstra Chairman

The Board of Telstra Corporation Limited today announced that Mr Donald McGauchie AO has been elected Chairman of the Company with immediate effect.

Mr McGauchie's election by the Board of the Company follows a 3-month search process involving the executive search firm Spencer Stuart, with consideration of internal and external candidates for the position.

The Company's majority shareholder, the Commonwealth Government was consulted on the decision and raised no objections.

Mr John Ralph AC has stepped down from his role as interim Chairman. The Board thanked Mr Ralph for his contribution, in particular, for his role in chairing the selection process for the new Chairman.

Mr McGauchie has been a non-executive Director of the company since 1998 and Chairman of the Advisory Board of Telstra Country Wide since 2000.

Mr McGauchie's extensive knowledge of the core operation of the Company will enable a rapid and smooth transition. The Board is delighted that Mr McGauchie has assumed this role and is united in its support of his Chairmanship.

Mr McGauchie holds a number of other non-executive Directorships and will reduce these to ensure that he is able to dedicate sufficient time to this position.

Mr McGauchie said: "I look forward to working with the Board and the CEO Ziggy Switkowski to implement the strategic direction outlined in the Board's recent capital management statement.

"Telstra has reached an important phase in its development – our great challenge now is to deliver shareholder value," he said.

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Editors note:

High resolution image of Mr McGauchie is available for download from
<http://www.telstra.com.au/communications/corp/executives.cfm>

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Media Release



Biography

Donald McGauchie AO
Chairman, Telstra Corporation Limited
Age 54

Donald McGauchie is a Director of Telstra and has been Chairman of the Advisory Board of Telstra Country Wide since 2000. He is Chairman of the Remuneration Committee of the Board.

Mr McGauchie is a member of the Board of the Reserve Bank of Australia and is Chairman of the Rural Finance Corporation, a Victorian statutory corporation.

His other non-executive Directorships include Deputy Chairman of Ridley Corporation Limited since November 1999, Director of National Foods Limited since November 2000, Director of James Hardie Industries NV since August 2003 and Director of Nufarm Limited since December 2003.

Mr McGauchie is a partner in his family's farming operation in northern Victoria and has been extensively involved in agriculture trade, policy and market reform.

He was President of the National Farmers Federation from 1994 to 1998 and has served on the Prime Minister's Supermarket to Asia Council, the Foreign Affairs Council and the Trade Policy Advisory Council.

Mr McGauchie's previous experience includes Chairmanship of Woolstock Australia Limited and Director of GrainCorp Limited.

In 2004, Mr McGauchie was made an Officer of the Order of Australia. He received the RaboBank Agribusiness Leader of the Year Award in 2000 and a Centenary Medal for services to Australian Business and Agriculture in 2001.

Telstra's national media inquiry line is 13 1639 and Telstra's Media Centre is located at:
www.telstra.com.au/communications/media