

13 December 2006

The Manager

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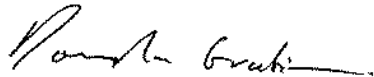
ELECTRONIC LODGEMENT

Dear Sir or Madam

Announcement pursuant to Listing Rule 3.16.3 - Change of Auditor

Telstra Corporation announced today that following the completion of T3 the Auditor-General has resigned as Telstra's auditor, as foreshadowed in the T3 share offer prospectus. Ernst & Young has been appointed as Telstra's auditor, having acted as agent of the Auditor-General to assist in performing independent external audit duties since fiscal 2000. Ernst & Young's appointment extends to the year ending 30 June 2009, subject to confirmation of their appointment at Telstra's 2007 annual general meeting.

Yours sincerely

A handwritten signature in black ink, appearing to read "Douglas Gration".

Douglas Gration
Company Secretary