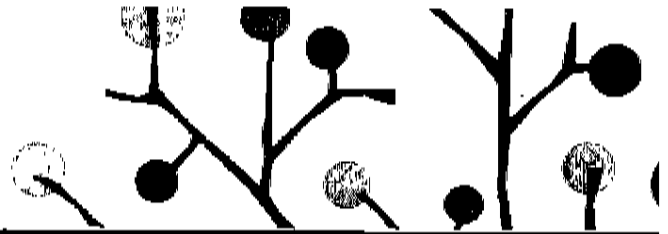


futurefund



Fax

FAXED
31-8-09

To: The Manager, Company Announcements Office, Australian Securities Exchange

From: Future Fund

Fax: 1300 135 638

Pages: 31 including cover sheet

Date: 31 August 2009

Re: Future Fund Board of Guardians – Notice of change of interests of substantial

Please find attached Notice of Change of Interests of Substantial Holder – Future Fund Board of Guardians



Australian Government
Future Fund

31 August 2009

The Manager
Company Announcements Office
Australian Securities Exchange
4th Floor
20 Bridge Street
SYDNEY NSW 2000

By Facsimile: 1300 135 638
Total number of pages: 30

Future Fund Board of Guardians - Notice of change of interests of substantial holder

We enclose our Form 604 - Notice of change of interests of substantial holder, dated 31 August 2009, for release to the market.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Fry'.

Ms Robyn Fry
Secretary

Encl.

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Telstra Corporation Limited

ACN/ARSN 061 775 550

1. Details of substantial holder (1)

Name Future Fund Board of Guardians

ACN/ARSN (if applicable) _____

There was a change in the interests of the substantial holder on

27/08/2009

The previous notice was given to the company on

20/10/2008

The previous notice was dated

20/10/2008

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Shares	2,000,375,090	16.076%	1,351,358,957	10.66%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
21/11/2008	Future Fund Board of Guardians	Transfer in accordance with the Future Fund Act 2006, a copy of the transfer is attached as Annexure 'A'.	Nil. Pursuant to clause 6(1) of Schedule 1 of the Future Fund Act 2006	35,351,956 Ordinary Shares	35,351,956
21/08/2009	Future Fund Board of Guardians	Sale of shares pursuant to Fixed Price Underwrite Agreement dated 20/08/09, a copy of which is attached as Annexure 'B' and pursuant to the confirmation letter dated 21/08/09, a copy of which is attached as Annexure 'C'.	A\$2,374,760,758	884,366,089 Ordinary Shares	884,366,089

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Future Fund Board of Guardians	Future Fund Board of Guardians		Holder of the Ordinary Shares	1,351,358,957 Ordinary Shares	1,351,358,957

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

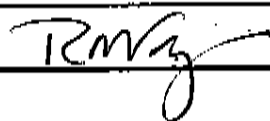
Name	Address
Future Fund Board of Guardians	C/- Future Fund Management Agency, Locked Bag 20010, Melbourne VIC 3001

Signature

print name Robyn Marie Fry

capacity Secretary

sign here



date 31 / 08 / 2009

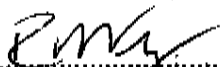
DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 605 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A

This is Annexure "A" of 4 pages referred to in Form 604 - Notice of change of interests of substantial holder signed by me and dated 31 August 2009.



Robyn Marie Fry
Secretary

SHARE TRANSFER FORM

Duty stamp here

FULL NAME OF CORPORATION**Name:**

Telstra Corporation Limited ACN 051 775 556

Place of registration:

Australian Capital Territory

DESCRIPTION OF SECURITIES**Class:**

Ordinary

If not fully paid, paid to:**REGISTER ON WHICH SECURITIES REGISTERED**

Members

QUANTITY**Words:**

Thirty five million, three hundred and sixty one thousand, nine hundred and fifty six.

Figures:

35,361,956

FULL NAME(S) OF TRANSFEROR/SELLER

Commonwealth of Australia

CONSIDERATION/PRICE

Nil. Pursuant to clause 6(1) of Schedule 1 of the Future Fund Act 2008

Date of transfer/purchase: 21/11/2008**FULL NAME(S) OF TRANSFEREE/BUYER**

Future Fund Board of Guardians

FULL ADDRESS OF TRANSFEREE/BUYER

Locked Bag 20010, Melbourne VIC 3001

The transferor, being the registered holder of the above securities, transfers to the transferee those securities for the above consideration or price, subject to the conditions on which they are held at the time of the signing of this transfer. The transferee agrees to accept the securities subject to those conditions and to be bound by the constitution of the corporation.

T3 - share transfer to Future Fund

SIGNATURE

Signed sealed and delivered
for and on behalf of the
Commonwealth of Australia
represented by and acting through
Robert Butterworth
Division Manager, Shareholder and Asset Sale Division
Department of Finance and Deregulation

Date signed: 20 November 2008

Robert Butterworth

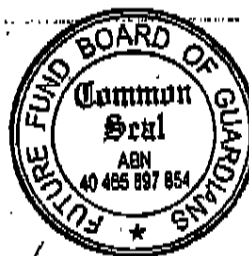
Signature

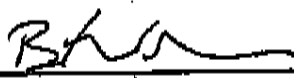
ROBERT BUTTERWORTH

Name (please print)

SIGNATURE

The seal of the Future Fund Board of Guardians
affixed in accordance with the
Future Fund Act 2008 (Cth) in the presence of:




BRIAN WATSON
Board member

Date: 17 Nov '08


Paul Costello
General Manager

Date: 19 November 2008

Annexure B

This is Annexure "B" of 19 pages referred to in Form 604 - Notice of change of interests of substantial holder signed by me and dated 31 August 2009.


.....
Robyn Marie Fry
Secretary



Australian Government
Future Fund

COMMERCIAL-IN CONFIDENCE

20 August 2009

Guy Fowler and Andrew Stevens
UBS AG, Australia Branch
Level 16 Chifley Tower
2 Chifley Square
SYDNEY 2000

Dear Guy and Andrew

Sale of Shares in Telstra Corporation Limited (ABN 33 051 775 556)

1. Introduction

- 1.1 This Agreement sets out the terms and conditions upon which the Future Fund Board of Guardians (a body corporate established under section 34 of the Future Fund Act 2006 ("Future Fund Act")) (the "Board") engages UBS AG, Australia Branch (ABN 47 088 129 613) (the "Lead Manager") to:
- (a) underwrite a sale of 497,700,000 existing fully paid ordinary shares in Telstra Corporation Limited (ABN 33 051 775 556) (the "Issuer") held by the Board (the "Underwritten Shares"); and
 - (b) in the circumstances referred to in clause 2.3 use its best endeavours to procure a sale of the Additional Sale Shares (as defined in clause 2.3),
- (collectively the "Sale").
- 1.2 On the day of execution of this Agreement the Board will open an account with the Lead Manager or its nominated affiliate in accordance with its usual practice, and do all such things necessary to enable it to act as broker to sell the Underwritten Shares and any Additional Sale Shares in accordance with this Agreement.

2. Sale of shares

- 2.1 **Sale.** The Board agrees to sell the Underwritten Shares and the Lead Manager agrees to:
- (a) manage the sale of the Underwritten Shares by procuring purchasers for the Underwritten Shares at the price of \$3.47 per Underwritten Share ("Sale Price"). Purchasers may include the Lead Manager's related bodies corporate and may be determined by the Lead Manager in its discretion provided that the purchasers and the offers to them comply with the requirements of clauses 2.6 and 2.7; and
 - (b) underwrite the sale of the Underwritten Shares by, subject to clause 2.5, purchasing at the Sale Price per Underwritten Share those of the Underwritten Shares which have not been purchased by third party purchasers in accordance with clause 2.1(a) as at 8.00am on 21 August 2009 (or such earlier time as the parties agree),

In accordance with the terms of this Agreement.

2.3 Additional Sale Shares.

- (a) Before the end of the Risk Period the Lead Manager must consider in consultation with the Board and in good faith, having regard to the level of demand by purchasers in the Sale and the Board's objectives, whether sufficient demand exists to sell at the Sale Price more shares than the Underwritten Shares. If the Lead Manager so considers, it must request that the Board considers selling, at the same time as the Underwritten Shares and at the Sale Price per share, additional ordinary shares held by the Board in the Issuer.
- (b) If such a request is made the Board shall have an absolute discretion to determine to sell no such additional shares or to determine to sell all or part of the additional shares the subject of the Lead Manager's request.
- (c) If the Board notifies the Lead Manager that the Board does wish to sell a particular number of additional shares as aforesaid then the Lead Manager shall use its best endeavours to procure the sale to persons described in clauses 2.6 and 2.7 of that particular number of additional shares as so notified at the Sale Price in respect of each such additional share ("Additional Sale Shares").

In this Agreement "Risk Period" means the period commencing on the execution of this Agreement and ending on the earlier of 10 am on the Trade Date (as defined in the Timetable) and at the time of allocations of Underwritten Shares to purchasers pursuant to Schedule 2.

- 2.4 **Timetable.** The Lead Manager must conduct the Sale in accordance with the timetable set out in Schedule 1 (the "Timetable") (unless the Board consents to a variation) and in accordance with the marketing rules set out in Schedule 2.

- 2.5 **Maximum Principal Shares.** In the event that the number of the Underwritten Shares which the Lead Manager would be required to purchase under clause 2.1(b) would exceed the maximum number of the Underwritten Shares that can be sold to the Lead Manager without the Lead Manager breaching the 5% individual foreign ownership limit contained in Part 2A of the Telstra Corporation Act (Cth) 1991 then the obligation of the Lead Manager under clause 2.1(b) shall be to purchase that maximum number of the Underwritten Shares as aforesaid ("Maximum Principal Shares") and in such event the provisions of clause 2.9 shall apply.

- 2.6 **Manner of Sale.** The Lead Manager will conduct the Sale by way of an offer only to persons:

- (a) If in Australia, who do not need disclosure under Part 6D.2 of the Corporations Act 2001 (Cth) ("Corporations Act"); and
- (b) If outside Australia, to whom offers for sale of securities may lawfully be made without the need for any prospectus or other disclosure document or other lodgement, registration, filing with or approval by a government agency (other than one with which the Board is willing to comply), as determined by agreement by the Board and the Lead Manager.

- 2.7 **US Securities Act.** The Underwritten Shares and the Additional Sale Shares, if any, are being offered and sold:

- (a) to persons that are not in the United States and are not "U.S. persons" (as defined in Rule 902(k) under the U.S. Securities Act of 1933, as amended (the "US Securities Act")) ("U.S. Persons") and are not acting for the account or benefit of U.S. Persons, in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the U.S. Securities Act; and
- (b) to persons that are in the United States or are U.S. Persons or are acting for the account or benefit of U.S. Persons whom the Underwriter reasonably believes to be qualified institutional buyers ("QIBs"), as defined in Rule 144A under the US Securities

Act, in transactions exempt from the registration requirements of the US Securities Act pursuant to Rule 144A thereunder,

2.8 Effecting of Sale and settlement.

- (a) The Lead Manager shall procure that the sale of the Underwritten Shares pursuant to clause 2.1, and any of the Additional Sale Shares sold pursuant to clause 2.3, shall be effected on the Trade Date, by way of a special crossing (in accordance with the ASX Market Rules) at the Sale Price, with settlement to follow on a T+4 basis in accordance with the ASTC Settlement Rules. Payment is to be made in cleared funds into the account nominated by the Board in writing.
- (b) Any such offers and sales of any of the Underwritten Shares and any Additional Sale Shares to QIBs will be purchased on the Settlement Date (being the date specified in the Timetable) by the Lead Manager or its Affiliates at the Sale Price and resold to those QIBs pursuant to Rule 144A under the US Securities Act, and such of the Underwritten Shares or Additional Sale Shares, as the case may be, shall be registered in such names as the Lead Manager requests and delivered through the facilities of CHESS into the accounts specified by the Lead Manager.

2.9 Sale of Balance Shares. In the event that clause 2.5 applies in respect of the Lead Manager then:

- (a) the Lead Manager must sell, by 31 December 2009, as agent for the Board in the ordinary course of its business, the Balance Shares. If the Balance Shares are not sold by 31 December 2009 for at least the Sale Price per Balance Share then the Lead Manager must indemnify the Board for the shortfall in accordance with clause 2.9(1);
- (b) the Lead Manager acknowledges that it does not acquire any interest in the Balance Shares (if any), or any rights (by way of security or otherwise) in respect of them except to act as agent for sale;
- (c) the Lead Manager warrants that the information it provided to the Board and its financial advisers at the Settlement Date in respect of the Maximum Principal Shares is accurate as at the time it is provided by the Lead Manager;
- (d) the Lead Manager will ensure that the settlement of sales and purchases will be in accordance with this Agreement and the ASTC Settlement Rules;
- (e) the sale of the Balance Shares, if any, will be effected in accordance with the ASTC Settlement Rules, with settlement to follow on a T+3 basis;
- (f) the Lead Manager agrees:
 - (i) to use its best endeavours to sell all of the Balance Shares, in accordance with clause 2.9(d), on, or as soon as practicable after, the day first referred to in clause 2.8(a); and
 - (ii) that neither it nor any of its related bodies corporate will resell, otherwise dispose of any legal or beneficial interest in, or enter into any derivative transaction in relation to, or any arrangement whose value is in any way referable to, any of the Maximum Principal Shares until all of the Balance Shares are sold without the Board's consent, not to be withheld provided the Lead Manager agrees to purchase an equivalent number of the Balance Shares immediately after it sells the relevant Maximum Principal Shares;

- (g) at the same time that the Lead Manager is required to make the payment referred to in clause 2.8(a), it must advance to the Board an amount ("Advance Amount") equal to the number of the Balance Shares multiplied by the Sale Price less any fees agreed by the parties to be payable for the Balance Shares assuming they were sold for the Sale Price ("Balance Shares Fee"). No interest will be payable on the Advance Amount. The Board is not required to repay the Advance Amount other than from, and to the extent it receives the proceeds of sale of the Balance Shares. The outstanding Advance Amount will not be repayable in any circumstances in respect of those of the Balance Shares not sold by 31 December 2009 and the sales agency will terminate at that time;
- (h) If the Board receives a dividend or other distribution on a Balance Share prior to 31 December 2009, where that dividend or distribution was announced after the day first referred to in clause 2.8(a), then the Board must pay the after-tax amount of the receipt to the Lead Manager in reduction of the Advance Amount applicable to that Balance Share;
- (i) the Lead Manager must procure that the proceeds of sale of the Balance Shares are paid to the Board immediately upon receipt of those proceeds but the Lead Manager shall be entitled to satisfy such payment obligation by automatically applying such proceeds of sale of the Balance Shares as agent (net of the fees (if any) agreed by the parties to be payable in respect of the particular Balance Shares) against repayment of the Advance Amount by the Board, immediately upon receipt of those proceeds;
- (j) the Lead Manager must indemnify the Board in respect of, and satisfy such indemnity by paying to the Board, any amount by which the actual sale price of a Balance Share is less than the Sale Price, plus any GST Amount (as defined in clause 4.2) that is payable (in accordance with clause 4) on the said shortfall payment amount;
- (k) the Lead Manager will automatically apply any amount due under the indemnity in clause 2.9(i) against repayment by the Board of the Advance Amount relating to a Balance Share on receipt of the proceeds of sale of the applicable Balance Share; and
- (l) the Lead Manager must sell the Balance Shares solely to persons that are not in the United States and are not, and are not acting for the account or benefit of, U.S. Persons in "offshore transactions" in accordance with Regulation S, provided, however, notwithstanding this clause 2.9(l), the Lead Manager may sell Balance Shares in a regular brokered transaction on the ASX if neither it, nor any person acting on its behalf, knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States.

For the purposes of this clause 2.9 the "Balance Shares" mean that number of ordinary shares in the capital of the Issuer equal to the number of the Underwritten Shares which the Lead Manager would be required to purchase under clause 2.1(b) but for the operation of clause 2.5 LESS the number of the Maximum Principal Shares.

3. Fees

In consideration of performing its obligations under this Agreement the Lead Manager shall be entitled to such fees as the parties agree.

4. GST

- 4.1 **Input Tax Credit.** Any fees which the parties agree to be payable to the Lead Manager and any and other amounts payable to the Lead Manager under this Agreement are to be agreed and calculated to be exclusive of GST. However, if any amounts payable to the Lead Manager under this Agreement are calculated by reference to a cost or expense incurred by the Lead Manager, the amount payable to the Lead Manager under any other provision of this Agreement must be reduced by the amount of any input tax credit to which the Lead Manager reasonably determines it is entitled for an acquisition in connection with that cost or expense.
- 4.2 **Tax Invoice.** If any supply made under this Agreement is a taxable supply, the entity making the taxable supply ("Supplier") must issue a valid tax invoice to the party providing the consideration for that taxable supply ("Recipient"). The tax invoice issued by the Supplier must set out in detail the nature of the taxable supply, the consideration attributable to the taxable supply, the amount of GST payable by the Supplier in connection with the taxable supply and any other details reasonably requested by the Recipient. The GST amount means, in relation to a taxable supply, the amount of GST for which the Supplier is liable in respect of the taxable supply ("GST Amount").
- 4.3 **Timing of Payment.** The Recipient must pay the GST Amount in connection with a taxable supply at the same time that the Recipient must provide the consideration for that taxable supply (under the other provisions of this Agreement), or if later, within 5 business days of the Recipient receiving a tax invoice for that taxable supply.
- 4.4 **Payment Differences.** If the GST payable by the Supplier in connection with the taxable supply differs from the GST Amount paid by the Recipient under this clause, the Supplier must repay any excess to the Recipient or the Recipient must pay any deficiency to the Supplier, as appropriate within 5 business days of the Supplier providing the Recipient with a written notification regarding the difference in the GST payable. Where the difference in the GST payable results from an adjustment event, the written documentation provided by the Supplier under this clause must include an adjustment note or tax invoice as required by the GST law.
- 4.5 **Defined Terms.** The references to "GST" and other terms used in this clause 4 (except Recipient and GST Amount) have the meanings given to those terms by the *A New Tax System (Goods and Services Tax) Act 1999* (as amended from time to time). However, any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 4.
- 4.6 **References.** A reference to something done (including a supply made) by a party includes a reference to something done by any entity through which that party acts.

5. Undertakings

- 5.1 **Restricted Activities.** The Board and the Lead Manager undertake to:
- (a) not, prior to settlement on the Settlement Date commit, be involved in or acquiesce in any activity which breaches:
- (i) in the case of the Lead Manager only, the Corporations Act and any other applicable laws;

- (ii) in the case of the Board only, the Future Fund Act;
 - (iii) the ASX Listing Rules and ASX Market Rules;
 - (iv) in the case of the Lead Manager only, its constitution;
 - (v) any legally binding requirement of ASIC or the ASX; and
- (b) immediately notify the other party of any breach of any warranty or undertaking given by it under this Agreement,

each of these undertakings being material terms of this Agreement.

- 5.2 **US Opinion.** The Board will procure that Sullivan & Cromwell, United States counsel to the Board, provide the Lead Manager with a "no registration" opinion on the Settlement Date and expressed to be for its benefit, such opinion to be substantially in the form of the draft provided to the Lead Manager prior to the execution of this Agreement.
- 5.3 **Moratorium.** The Board undertakes that it will not without the prior written consent of the Lead Manager (such consent not to be unreasonably withheld or delayed) at any time in the 90 days after completion of the transfer of the Underwritten Shares on the Settlement Date sell, transfer, grant an option over or otherwise dispose of any ordinary shares held by it at the date of this Agreement in the Issuer excluding:
- (a) the sale of the Underwritten Shares pursuant to this Agreement; and
 - (b) a sale, transfer or disposal pursuant to any arrangement between the Board and the Issuer pursuant to which the Board is entitled to transfer shares it holds in the Issuer to shareholders of the Issuer electing to reinvest dividends under the Issuer's dividend reinvestment plan.

6. Representations and Warranties

- 6.1 **Representations and warranties by Board.** As at the date of this Agreement and on each day until and including the Settlement Date, the Board represents and warrants to the Lead Manager that each of the following statements is true, accurate and not misleading.
- (a) (body corporate) the Board is a body corporate validly existing and duly established under section 34 of the Future Fund Act;
 - (b) (capacity) the Board has full legal capacity and power under the Future Fund Act to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
 - (c) (authority) the Board has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorise its entry into this Agreement and its carrying out of the transactions that this Agreement contemplates;
 - (d) (agreement effective) this Agreement constitutes the Board's legal, valid and binding obligation, enforceable against it in accordance with its terms;
 - (e) (ownership, encumbrances) the Board (or a custodian nominated under clause 12.1) is the registered holder and sole legal owner of the Underwritten Shares and any Additional Sale Shares, which are (subject to clause 12.1) held by the Board for and on behalf of the Commonwealth of Australia pursuant to the operation of the Future Fund Act. The Board will transfer the full legal and beneficial ownership of the Underwritten Shares and any Additional Sale Shares free and clear of all liens, charges, security interests, claims, equities and pre-emptive rights, subject to registration of the transferee(s) in the register of shareholders of the Issuer;
 - (f) (Underwritten Shares) following sale by the Board, the Underwritten Shares and any Additional Sale Shares will rank equally in all respects with all other outstanding

ordinary shares of the Issuer, including their entitlement to dividends, and may be offered for sale on the financial market operated by ASX Limited ("ASX") without disclosure to investors under Part 6D.2 of the Corporations Act;

- (g) (power to sell) the Board has the corporate authority and power to sell the Underwritten Shares and any Additional Sale Shares under this Agreement and no person has a conflicting right, whether contingent or otherwise, to purchase or to be offered for purchase the Underwritten Shares or any Additional Sale Shares, or any of them;
- (h) (no contravention) the entry and performance of this Agreement by the Board has not and will not give rise to a material contravention by the Board of the Future Fund Act;
- (i) (no insider trading offence) the sale of the Underwritten Shares and any Additional Sale Shares will not constitute a violation by the Board of Division 3 of Part 7.10 of the Corporations Act;
- (j) (ASX listing) the Underwritten Shares and any Additional Sale Shares are quoted on the financial market operated by ASX;
- (k) (not an affiliate) the Board is not, and during the last three months prior to the date of this Agreement has not been, nor does it expect to become, an "affiliate" (as defined in Rule 144 under the US Securities Act ("Affiliate")) of the Issuer and for the avoidance of doubt, when used in this Agreement in respect of the Board the term "Affiliate" shall not include the Issuer or any of its Affiliates;
- (l) (no general solicitation or general advertising) none of the Board, any of its Affiliates or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on its behalf, as to whom the Board makes no representation) has offered or sold, or will offer or sell, any of the Underwritten Shares or any Additional Sale Shares in the United States using any form of general solicitation or general advertising within the meaning of Rule 502(c) under the US Securities Act;
- (m) (no directed selling efforts) with respect to those Underwritten Shares and any Additional Sale Shares sold in reliance on Regulation S under the US Securities Act, none of the Board, any of its Affiliates, or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on its behalf, as to whom the Board makes no representation) has engaged or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the US Securities Act) and each of the Board, its Affiliates, and any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on its behalf, as to whom the Board makes no representation) has complied and will comply with the offering restrictions requirement of Regulation S;
- (n) (offering restrictions) each of the Board, its Affiliates and any person acting on their behalf (other than the Lead Manager or its Affiliates or any person acting on its behalf, as to whom no representation or warranty is made) has complied and will comply with the offering restrictions requirements of Regulation S with regard to the Underwritten Shares and any Additional Sale Shares to be sold in reliance on Regulation S;
- (o) (foreign private issuer and no substantial US market interest) to the best of the Board's knowledge, the Issuer is a 'foreign private issuer' as defined in Rule 405 under the US Securities Act and there is no 'substantial US market interest' (as defined in Rule 902(l) under the US Securities Act) in the Underwritten Shares or any Additional Sale Shares or any security of the same class or series as the Underwritten Shares or any Additional Sale Shares;

- (p) (no stabilisation or manipulation) neither the Board nor any of its Affiliates has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilisation or manipulation of the price of the Underwritten Shares or any Additional Sale Shares in violation of any applicable law;
- (q) (no integrated offers) none of the Board, any of its Affiliates or any person acting on behalf of any of them, has solicited any offer to buy or offered to sell, and they will not solicit any offer to buy or offer to sell in the United States or to any US person any security which could be integrated with the sale of the Underwritten Shares or any Additional Sale Shares in a manner that would require the offer and sale of the Underwritten Shares or any Additional Sale Shares to be registered under the US Securities Act;
- (r) (no registration required) it is not necessary in connection with:
 - (i) the initial offer and sale of the Underwritten Shares and any Additional Sale Shares to purchasers in the manner contemplated by this Agreement; and
 - (ii) the initial resale of the Underwritten Shares and any Additional Sale Shares by the Lead Manager or its Affiliates in the manner contemplated by this Agreement,

to register such initial offer and sale or such initial resale of such Underwritten Shares or any Additional Sale Shares under the US Securities Act, it being understood that the Board makes no representation or warranty about any subsequent resale of the Underwritten Shares or any Additional Sale Shares;

- (s) (144A eligibility) To the best of Board's knowledge, the Underwritten Shares and any Additional Sale Shares are eligible for resale pursuant to Rule 144A and are not of the same class as securities listed on a national securities exchange registered under Section 6 of the U.S. Securities Exchange Act of 1934 or quoted in a U.S. automated interdealer quotation system;
- (t) (Rule 12g3-2(b) status) To the best of Board's knowledge, the Issuer is exempt from reporting under Section 13 or 15(d) of the Exchange Act pursuant to Rule 12g3-2(b) thereunder; and
- (u) (not a controller) the Board does not control the Issuer. In this clause "control" has the meaning given in s50AA of the Corporations Act (Cth) 2001.

6.2 **Representations and warranties of the Lead Manager.** As at the date of this Agreement and on each day until and including the Settlement Date, the Lead Manager represents to the Board that each of the following statements is correct.

- (a) (body corporate) It is a body corporate validly existing and duly established under the laws of its place of incorporation;
- (b) (capacity) It has full legal capacity and power to enter into this Agreement and to carry out the transactions that this Agreement contemplates;
- (c) (authority) It has taken, or will have taken by the time required, all corporate action that is necessary or desirable to authorise its entry into this Agreement and its carrying out of the transactions that this Agreement contemplates;
- (d) (agreement effective) this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms;
- (e) (licences) It holds all licences, permits and authorities necessary for it to fulfil its obligations under this Agreement and has complied with the terms and conditions of the same in all material respects;

- (f) (status) it is a QIB or is not a US person (as defined in Regulation S under the US Securities Act);
- (g) (no registration) it acknowledges that the Underwritten Shares and any Additional Sale Shares have not been registered under the US Securities Act and it undertakes to offer and sell the Underwritten Shares and any Additional Sale Shares (i) as part of its distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offer and completion of the distribution of the Underwritten Shares and any Additional Sale Shares, in each case, only in accordance with (A) the provisions of Rule 903 or Rule 904 under the US Securities Act and (B) Rule 144A under the US Securities Act;
- (h) (no solicitation) it, its Affiliates and any person acting on its behalf, has not solicited offers for or offered to sell, and will not solicit offers for, or offer or sell, the Underwritten Shares and any Additional Sale Shares in the United States using any form of general solicitation or general advertising within the meaning of Rule 502(c) under the US Securities Act;
- (i) (confirmation or notice) it, its Affiliates and any person acting on its behalf, at or prior to confirmation of sales of the Underwritten Shares and any Additional Sale Shares will have sent to each non-US person that is a distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Underwritten Shares or any Additional Sale Shares from it until 40 days after the Settlement Date, a confirmation or notice to substantially the following effect:

"The Underwritten Shares or any Additional Sale Shares covered hereby have not been registered under the US Securities Act of 1933 (the "Securities Act") and may not be offered and sold within the United States or to, or for the account or benefit of, any US person (i) as part of their distribution at any time or (ii) otherwise until 40 days after the Settlement Date, except in either case in accordance with Regulation S or Rule 144A under the Securities Act."

Terms used above have the meaning given to them by Regulation S under the US Securities Act;

- (j) (broker-dealer requirements) all offers and sales of the Underwritten Shares and any Additional Sale Shares in the United States by it and any of its Affiliates will be effected in accordance with all applicable U.S. broker-dealer requirements;
- (k) (US offers) with respect to offers and sales of the Underwritten Shares and any Additional Sale Shares within the United States, it, its Affiliates and any person acting on its behalf, will offer and sell such Underwritten Shares or Additional Sale Shares in the United States only to a limited number of persons that it reasonably believes to be QIBs and that have executed a confirmation letter confirming, among other things, that it is a QIB and acknowledging that the Seller disclaims the existence of control over the Issuer for purposes of Rule 410 under the US Securities Act or have otherwise confirmed to the Lead Manager that it is a QIB;
- (l) (non-US offers) with respect to offers and sales outside the United States, it, its Affiliates and any person acting on its behalf has offered the Underwritten Shares or Additional Sale Shares, and will offer and sell the Underwritten Shares and any Additional Sale Shares, to persons who are not, and are not acting for the account or benefit of, U.S. persons (as that term is defined in Rule 902 under the US Securities Act) only in compliance with Regulation S. With respect to those Underwritten Shares or any Additional Sale Shares sold in reliance on Regulation S, none of the Underwriter, its Affiliates nor any person acting on any of their behalfs has engaged

or will engage in any "directed selling efforts" (as that term is defined in Rule 902(c) under the US Securities Act);

- (m) (confirmation letter) with respect to offers and sales of Underwritten Shares and any Additional Sale Shares:

- (i) within Australia, it, its Affiliates and any person acting on its behalf, has offered and will offer and sell such Underwritten Shares and any Additional Sale Shares only to persons that have executed a confirmation letter or have otherwise confirmed, among other things, that the person does not need disclosure under Part 6D.2 of the Corporations Act; and
- (ii) outside Australia and subject to clause 6.2(k), it, its Affiliates and any person acting on its behalf, has offered and will offer and sell such Underwritten Shares and any Additional Sale Shares only to persons that have executed a confirmation letter or have otherwise confirmed, among other things, that offers for sale of securities may lawfully be made to the person without the need for any prospectus or other disclosure document or other lodgement, registration, filing with or approval by a government agency (other than one with which the Board is willing to comply); and

- (n) (breach of law) it will perform its obligations under this Agreement so as to comply with all applicable laws in any jurisdiction.

6.3 Reliance. Each party giving a representation and warranty acknowledges that the other party has relied on the above representations and warranties in entering into this Agreement and will continue to rely on these representations and warranties in performing its obligations under this Agreement. The above representations and warranties continue in full force and effect notwithstanding completion of this Agreement.

6.4 Notification. Each party agrees that it will tell the other party immediately upon becoming aware of:

- (a) any material change affecting any of the foregoing representations and warranties; or
- (b) any of the foregoing representations or warranties becoming materially untrue or materially incorrect.

7. Indemnity

7.1 The Board agrees with the Lead Manager that it will keep the Lead Manager and its Related Bodies Corporate (as that term is defined in the Corporations Act), and their respective directors, officers and employees ("Indemnified Parties") indemnified against any losses, damages, liabilities, costs, claims, actions and demands (including any expenses arising in connection therewith) ("Losses") to the extent that such Losses are incurred or made as a result of a breach of this Agreement by the Board, including any breach of any of the above representations or warranties given by the Board, and will reimburse the Lead Manager for all reasonable out of pocket costs, charges and expenses which it may pay or incur in connection with investigating, disputing or defending any such action, demand or claim for which it is indemnified under this Agreement.

7.2 The indemnity in clause 7.1 does not extend to and is not to be taken as an indemnity against any Losses of an Indemnified Party which are indirect, special, punitive or consequential Losses (whether or not in the contemplation of the parties as at the date of this Agreement), or to the extent any Losses result from:

- (a) any fraud, recklessness, wilful misconduct, dishonesty or negligence of that Indemnified Party;

- (b) any penalty or fine which the Indemnified Party is required to pay for any contravention of any law;
- (c) any amount in respect of which the indemnity would be illegal, void or unenforceable under any applicable law;
- (d) any announcements, advertisements or publicity made or distributed in relation to the sale of the Underwritten Shares and any Additional Sale Shares without the Board's approval, unless that announcement, advertisement or publicity was made under legal compulsion and time did not permit the Lead Manager to obtain the Board's approval; or
- (e) a breach by the Indemnified Party of this Agreement.

- 7.3 An Indemnified Party must not take any legal action with respect to any action, demand or claim to which the indemnity in clause 7.1 relates, or appear in or defend any suit, without first obtaining the prior written consent of the Board although it may appear or defend itself in any legal action in which it is a party subject to any applicable requirements of the Legal Services Directions 2005. An Indemnified Party must not settle any action, demand or claim to which the indemnity in clause 7.1 relates without the prior written consent of Board, such consent not to be unreasonably withheld.
- 7.4 The indemnity in clause 7.1 is a continuing obligation, separate and independent from the other obligations of the parties under this Agreement and survives termination or completion of this Agreement. It is not necessary for the Lead Manager to incur expense or make payment before enforcing that indemnity.
- 7.5 The indemnity in clause 7.1 is granted to the Lead Manager both for itself and on trust for each of the Indemnified Parties.
- 7.6 Subject to clause 7.7, the parties agree that if for any reason the indemnity in clause 7.1 is unavailable or insufficient to hold harmless any Indemnified Party against any Losses against which the Indemnified Party is stated to be indemnified (other than expressly excluded), the respective proportional contributions of the Board and the Indemnified Party or the Indemnified Parties in relation to the relevant Losses will be as agreed, or failing agreement as determined by a court of competent jurisdiction, having regard to the participation in, instigation of or other involvement of the Board and the Indemnified Party or the Indemnified Parties in the act complained of, having particular regard to relative intent, knowledge, access to information and opportunity to correct any untrue statement or omission.
- 7.7 The Board agrees with each of the Indemnified Parties that in no event will the Lead Manager and its associated indemnified Parties be required to contribute under clause 7.6 to any Losses in an aggregate amount that exceeds the aggregate of the fees paid to the Lead Manager under this Agreement.
- 7.8 If an Indemnified Party pays an amount in relation to Losses where it is entitled to contribution from the Board under clause 7.6 the Board agrees promptly to reimburse the Indemnified Party for that amount.
- 7.9 If the Board pays an amount to the Indemnified Parties in relation to Losses where it is entitled to contribution from the Indemnified Parties under clause 7.6 the Indemnified Parties must promptly reimburse the Board for that amount.

8. Announcements

- 8.1 The Board and the Lead Manager will consult each other in respect of any material public releases by any of them concerning the sale of the Underwritten Shares. The prior written consent of the Board must be obtained prior to the Lead Manager making any release or announcement or engaging in publicity in relation to the Sale of the Underwritten Shares and

any Additional Sale Shares and such release, announcement or engagement must be in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction. With the exception of the Bloomberg email approved by the Board to be sent to institutional clients, no announcements will be made prior to the Bookbuild having closed.

8.2

The Lead Manager may, after completion of its other obligations under this Agreement, seek the Board's consent to place advertisements in financial and other newspapers and journals at its own expense describing its service to the Board provided such advertisements are in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction. The Lead Manager will submit a copy of any such advertisement to the Board for approval, which may be granted or withheld at the Board's absolute discretion, the Lead Manager recognising that the Board does not normally authorise advertising of this type.

9. Confidentiality

Each party agrees to keep the terms and subject matter of this Agreement confidential, except:

- (a) where disclosure is required by applicable law, a legal or regulatory authority or the ASX Listing Rules;
- (b) disclosure is made to an adviser or to a person who must know for the purposes of this Agreement, on the basis that the adviser or person keeps the information confidential;
- (c) to a person to the extent reasonably necessary in connection with any actual or potential claim or judicial or administrative process involving that party in relation to the Sale;
- (d) the Board may disclose the terms and subject matter of this Agreement and information relating to the subject matter of this Agreement to:
 - (i) the Future Fund Management Agency and any custodian of the Board;
 - (ii) any government or governmental body, department, authority or agency involved with or acting in connection with the Board, Future Fund or such other fund comprising property of the Commonwealth; and
 - (iii) Parliament, a Minister, or a parliamentary committee or otherwise to meet public accountability requirements; and
- (e) the Board may publicly disclose the terms of the moratorium under clause 5.3.

10. Events of Termination

10.1

Right of termination. If any of the following events occurs at any time during the Risk Period (as defined in clause 2.3), then the Lead Manager may terminate its obligations under this Agreement without cost or liability to itself at any time before the expiry of the Risk Period by giving written notice to the Board.

- (a) **ASX actions.** ASX does any of the following:
 - (i) announces or makes a statement to any person that the issuer will be removed from the official list of ASX or ordinary shares in the issuer will be suspended from quotation;
 - (ii) removes the issuer from the official list; or
 - (iii) suspends the trading of ordinary shares in the issuer for any period of time.

- (b) **ASIC inquiry.** ASIC issues or threatens to issue proceedings in relation to the Sale or commences, or threatens to commence any inquiry or investigation in relation to the Sale.
 - (c) **Other termination events.** Subject to clause 10.2, any of the following occurs:
 - (A) **Banking moratorium.** A general moratorium on commercial banking activities in Australia, United States or United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.
 - (B) **Breach of Agreement.** The Board is in default of any of the terms and conditions of this Agreement or breaches any representation or warranty given or made by it under this Agreement.
- 10.2 Materiality.** No event listed in clause 10.1(c) entitles the Lead Manager to exercise its termination rights unless, in the bona fide opinion of the Lead Manager, it:
- (a) has, or could reasonably be expected to have, a material adverse effect on:
 - (i) the willingness of persons to purchase the Underwritten Shares; or
 - (ii) the price at which ordinary shares in the Issuer are sold on the ASX; or
 - (b) could be expected to give rise to a liability of the Lead Manager under the Corporations Act or any other applicable law.
- 10.3 Effect of termination.** Where, in accordance with this clause 10, the Lead Manager terminates its obligations under this Agreement:
- (a) the obligations of the Lead Manager under this Agreement immediately end; and
 - (b) any entitlements of the Lead Manager accrued under this Agreement, including the right to be indemnified, up to the date of termination survive.

11. Relationship of the Lead Manager and the Board

- 11.4 No fiduciary.** The Board acknowledges and agrees that the Lead Manager has been engaged solely as an independent contractor to provide the services set out in this Agreement. In rendering such services the Lead Manager will be acting solely pursuant to a contractual relationship with the Board on an arm's length basis with respect to the Sale (including in connection with determining the terms of the Sale) and will not act as a financial advisor or a fiduciary to the Board or any other person. Additionally, the Board acknowledges that the Lead Manager is not advising the Board or any other person as to any legal, tax, accounting or regulatory matters in any jurisdiction. The Board shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Lead Manager shall have no responsibility or liability to the Board with respect thereto. The Board further acknowledges and agrees that any review by the Lead Manager of the Board, the Sale, the terms of the Underwritten Shares and any Additional Sale Shares and other related matters will be performed solely for the benefit of the Lead Manager and shall not be on behalf of the Board or any other person.

12. Miscellaneous

- 12.1 Custodians.** The Lead Manager acknowledges that (subject to applicable laws and ministerial directives) the Board may nominate one or more custodians to hold some or all of the Underwritten Shares and any Additional Sale Shares. A reference in this Agreement to the Board holding, being able to transfer, agreeing to transfer, or transferring, Underwritten

Shares and any Additional Sale Shares, includes, where applicable, a reference to a custodian holding or being able to transfer, and the Board agreeing to cause, and causing, a transfer of Underwritten Shares and any Additional Sale Shares as the case may be. Where the Board exercises its discretion under this clause 12.1 to appoint one or more custodians, the Board must procure the custodian(s) to take all steps reasonably necessary to ensure that the Board continues to satisfy its obligations under this Agreement.

- 12.2 **Entire agreement.** This Agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that matter.
- 12.3 **Governing law.** This Agreement is governed by the laws of Victoria, Australia. Each party submits to the jurisdiction of courts exercising jurisdiction there, and waives any right to claim that those courts are an inconvenient forum.
- 12.4 **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.
- 12.5 **Waiver and variation.** A provision of or right vested under this Agreement may not be:
- (a) waived except in writing signed by the party granting the waiver; or
 - (b) varied except in writing signed by the parties.
- 12.6 **No merger.** The rights and obligations of the parties will not merge on the termination or expiration of this Agreement. Any provision of this Agreement remaining to be performed or observed by a party, or having effect after the termination of this Agreement for whatever reason remains in full force and effect and is binding on that party.
- 12.7 **No assignment.** No party may assign its rights or obligations under this Agreement without the prior written consent of the other party.
- 12.8 **Notices.** Any notice, approval, consent, agreement, waiver or other communication in connection with this Agreement must be in writing.
- 12.9 **Interpretation.** In this Agreement:
- (a) headings and sub-headings are for convenience only and do not affect interpretation;
 - (b) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
 - (c) a reference to "dollars" and "\$" is to Australian currency;
 - (d) a reference to a right or obligation of any 2 or more persons confers that right, or imposes that obligation, jointly and severally; and
 - (e) all references to time are to Melbourne, Victoria, Australia time.
- 12.10 **Counterparts.** This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one agreement.

Yours sincerely,

The Seal of the Future Fund Board of Guardians, affixed in accordance with the Future Fund Act 2006 (Cth) in the presence of:





Signature
JOHN PATERSON

Print Name



Signature
BRIAN WASON

Print Name

Accepted and agreed to as of the date of this Agreement:

Signed for UBS AG, Australia Branch by its Authorised Signatories:

Signature of Authorised Signatory

Name (please print)

Signature Authorised Signatory

Name (please print)

Yours sincerely,

The Seal of the Future Fund Board of Guardians, affixed in accordance with the Future Fund Act 2006 (Cth) in the presence of:

Signature

Print Name

Signature

Print Name

Accepted and agreed to as of the date of this Agreement:

Signed for UBS AG, Australia Branch by its Authorised Signatories:


Signature of Authorised Signatory

ANDREW STEVENS
Name (please print)


Signature Authorised Signatory

GUY FOWLER
Name (please print)

**Schedule 1
Timetable**

Event	Time
• Agree terms and finalise account opening • Final confirmation of selling messages and timing provided to investors • Books open	4.15pm, L
• First update call • Review of demand	5.00pm, L
• Second update call • Overview of bids • Agreement on potential to sell Additional Sale Shares, target closing time and indicative time for final volume setting	6.30pm, L
• Books close⁽¹⁾ • Third update call • Final discussion on volume • Final allocations discussion	8.00pm, L
• Final decision on volume • Final allocations decision	9.00pm, L
• Board press release	8.00am, L+1
• Trades crossed (special crossing) on ASX at opening ("Trade Date")	10.00am, L+1
• Settlement ("Settlement Date")	10.00am, L+5

Notes:

(1) Timetable is subject to amendment by agreement between the Lead Manager and the Board at any time. Books may be closed early in accordance with the provisions of Schedule 2.

(2) Refers to business days.

Schedule 2 Marketing Rules

- 1 **Timing.** The Lead Manager must conduct the marketing of the sale to potential purchasers in the period between 4.15 pm on 20 August 2009 and 8.00 pm on 20 August 2009, to determine demand for the Underwritten Shares from institutional investors (in accordance with clauses 2.6 and 2.7). The Lead Manager, in consultation with the Board, may decide to close the marketing early. The Lead Manager must immediately notify the Board and its financial advisers if, at any time, it believes that it would be in the best interests of the Board to close the marketing early.
- 2 **Objective.** The Lead Manager must seek to achieve a wide distribution of the Underwritten Shares and any Additional Sale Shares.
- 3 **Conduct and methodology.** The Sale is to be conducted by the Lead Manager, in consultation with the Board's financial advisers, as follows:
 - (a) the Sale will be conducted in a transparent and professional manner in accordance with market practice in Australia;
 - (b) the Board and its financial advisers are to be given full access to feedback from prospective and targeted participants;
 - (c) the Lead Manager must give continuous information to the Board and its financial advisers about the progress of the Sale, including information as to the Lead Manager's current views on demand and allocation, through meetings or teleconferences;
 - (d) the Sale must be conducted in accordance with all applicable laws and regulations (including all Australian, US or other foreign securities laws and regulations applicable to the sale of the Underwritten Shares); and
 - (e) allocations of Underwritten Shares and Additional Sale Shares (if any) to purchasers must be made by the Lead Manager in consultation with the Board. The timing of allocations shall be determined by the Lead Manager provided it has first complied with its obligations under clause 2.3.

Annexure C

This is Annexure "C" of 4 pages referred to in Form 604 - Notice of change of interests of a substantial holder signed by me and dated 31 August 2009.


.....
Robyn Marie Pry
Secretary



Australian Government
Future Fund

21 August 2009

COMMERCIAL -IN-CONFIDENCE

Guy Fowler and Andrew Stevens
UBS AG, Australia Branch
Level 16 Chifley Tower
2 Chifley Square
SYDNEY 2000

Dear Guy and Andrew

Agreement for Sale of Shares in Telstra Corporation Limited dated 20 August 2009

We refer to the abovementioned agreement between us relating to a sale of shares in Telstra Corporation Limited ("Agreement") and the confirmation in relation to the matters set out below issued by email by the Board's authorised representative, Dr Raphael Arndt, both dated 20 August 2009. Terms used in this confirmation letter have the same meaning as in the Agreement.

In accordance with Clause 2.3 of the Agreement, on 20 August 2009 a duly authorised representative acting on behalf of the Board confirmed, by written notice given to the Lead Manager pursuant to Clause 2.3 of the Agreement, that the Board wished to sell 186,669,089 Additional Sale Shares at the Sale Price.

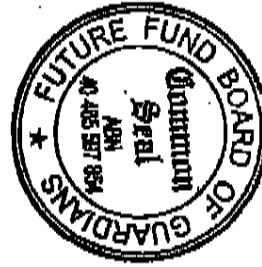
Effective from 20 August 2009, the Board and the Lead Manager agree that in clause 5.3 of the Agreement, the reference to "90 days" shall be amended by this letter to be "180 days".

For the avoidance of doubt, effective from 20 August 2009, the Lead Manager may communicate the details of the Additional Sale Shares to institutional clients.

Apart from the amendments above, there is no other agreed change to the Agreement.

Yours sincerely

The Seal of the Future Fund Board of Guardians, affixed in accordance with the *Future Fund Act 2006* (Cth) in the presence of:



Signature

Print Name

Signature

Print Name

Accepted and agreed:

Signed for UBS AG, Australia Branch by its Authorised Signatories:

Signature of Authorised Signatory

Name (please print)

Signature of Authorised Signatory

Name (please print)

Apart from the amendments above, there is no other agreed change to the Agreement.

Yours sincerely

The Seal of the Future Fund Board of Guardians, affixed in accordance with the *Future Fund Act 2006* (Cth) in the presence of:

Signature

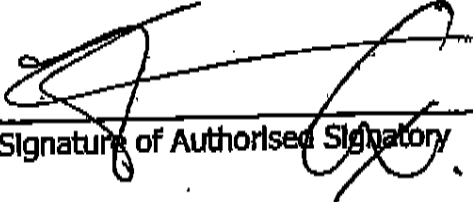
Print Name

Signature

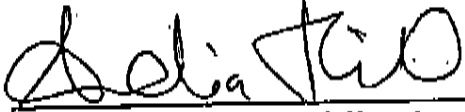
Print Name

Accepted and agreed:

Signed for UBS AG, Australia Branch by its Authorised Signatories:


Signature of Authorised Signatory

SIMON COX
Name (please print)


Signature of Authorised Signatory

AMELIA HUME
Name (please print)