

Telstra Corporation Limited

Notice of 2010 Annual General Meeting



1 October 2010

Dear Shareholder

It is my pleasure to invite you to the 2010 Annual General Meeting of Telstra Corporation Limited on **Friday 19 November 2010**.

The AGM will be held at the **Melbourne Convention Centre, Plenary Hall 2, 1 Convention Centre Place, South Wharf**. Please refer to the map on page 7 of the notice of meeting for directions on how to get to the venue.

The AGM will commence at 9.30am AEDT with shareholder registration commencing at 8.30am. Shareholders are invited to join the Telstra Board and senior executives for refreshments prior to the meeting. A light lunch will be served during the course of the meeting.

The AGM will also be webcast. Shareholders should log on to **telstra.com/agm** before the meeting to download any software needed to view the event. Shareholders can submit questions that they would like raised at the AGM using the form at the back of this notice of meeting or online at **linkmarketservices.com.au/telstra/agm**. As in past years, we will respond to the more frequently asked questions at the AGM but as you would appreciate, with Australia's largest shareholder base of over 1.4 million shareholders, we will not be able to respond individually to all questions.

I enclose your notice of meeting together with a personalised voting form. If you will not be attending the meeting, the attached personalised voting form allows you to either lodge your vote directly, or appoint a proxy to vote on your behalf. Please refer to the back of your voting form for more information on how to vote.

You can lodge your vote online at the Telstra Share Registry website **linkmarketservices.com.au/telstra**. Alternatively, you can complete and return the hard copy form in the envelope provided, or fax it to the fax number on the form.

This year Dr Nora Scheinkestel, having been appointed to the Board since the last AGM, is standing for election. **The Telstra Board (other than Dr Scheinkestel) recommends the election of Dr Scheinkestel.**

If you are unable to attend the meeting, please remember to lodge your vote either online at **linkmarketservices.com.au/telstra** or return your completed form in the envelope provided.

I look forward to welcoming you to the meeting.

Yours sincerely

Catherine B Livingstone AO
Chairman

Notice of 2010 Annual General Meeting

Items of Business

1. Chairman and CEO Presentations

2. Discussion of Financial Statements and Reports

To discuss the Company's financial statements and reports for the year ended 30 June 2010.

3. Election of Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution: 'THAT Dr Nora Scheinkestel, a Director appointed since the last AGM, being eligible, be elected as a Director.'

4. Remuneration Report

To consider and, if thought fit, pass the following resolution: 'To adopt the Remuneration Report for the year ended 30 June 2010'.

5. New Constitution

To consider and, if thought fit, pass the following resolution as a **special resolution**: 'THAT the Constitution tabled at the meeting and signed by the Chairman of the meeting for the purposes of identification, be adopted as the Constitution of the Company in place of the present Constitution, with effect from the close of the meeting.'

Additional Information

Please refer to the explanatory notes on pages 4 and 5 for more information on items 3, 4 and 5.

In the interests of representing the views of as many shareholders as possible, the Chairman of the meeting intends to call a poll in relation to items 3, 4 and 5.

Voting

If you would like to attend and vote at the AGM, please bring your voting form with you as it will assist in registering your attendance.

Investor	Right to vote and attend the meeting	Which form?	Deadline for lodgement
Shareholders	Shareholders registered as at 7.00pm AEDT on Wednesday 17 November 2010	Use the blue voting form to either vote directly (section A) or appoint a proxy (section B)	9.30am AEDT on Wednesday 17 November 2010
Telstra Employee Share Ownership Plan (ESOP) 97 and ESOP 99 participants	Telstra ESOP 97 and ESOP 99 participants registered at 5.00pm AEDT on Friday 12 November 2010	Use the green nominee form	5.00pm AEDT on Friday 12 November 2010
Telstra OwnShare and DirectShare participants	Telstra OwnShare and DirectShare participants registered at 5.00pm AEDT on Friday 12 November 2010	Votes should be lodged online at linkmarketservices.com.au/telstra	5.00pm AEDT on Friday 12 November 2010

Direct Voting

Shareholders are able to vote their intentions directly by marking **section A** of the voting form. If you mark **section A** you are voting your shares directly and do not appoint a third party such as a proxy, to act on your behalf.

Shareholders who wish to vote their shares directly should mark either the "**for**" or "**against**" boxes next to each item on the voting form. **Do not mark the "abstain" box.**

If no direction is given on all of the items, or if you complete both section A and section B, your vote may be passed to the Chairman of the meeting as your proxy. If you mark the "**abstain**" box for an item, your vote for that item will be invalid.

Appointing Proxies or Nominees

Shareholders and Telstra ESOP 97 or ESOP 99 participants, OwnShare participants or DirectShare participants (Participants) who are entitled to attend and vote at the AGM are also able to appoint a proxy (in the case of a shareholder) or appoint a nominee (in the case of a Participant) to act generally at the meeting on their behalf, and to vote in accordance with their instructions on **section B** of the **blue** voting form or the **green** nominee form.

If no directions have been given on **section B** of the **blue** voting form or on the **green** nominee form, the proxy or nominee may vote as they see fit. A proxy or nominee need not be a shareholder of the Company.

A shareholder or Participant entitled to attend and vote can appoint up to two proxies or nominees as appropriate, and should specify the proportion or number of votes each proxy or nominee is appointed to exercise. If no proportion or number is specified, each proxy or nominee may exercise half of the shareholder's or Participant's votes. If you wish to appoint two proxies or two nominees, please call **1300 88 66 77** and request an additional form.

Do you hold shares in more than one capacity?

If you hold Telstra shares in more than one capacity, you need to use the forms that are relevant to your holdings. For example, if you are an ordinary shareholder and a Telstra ESOP participant and you wish to appoint a proxy for your entire holding, you must complete **section B** of the **blue** voting form for your ordinary shares and the **green** nominee form for your Telstra ESOP holding.

Further voting information

Further information on lodging a direct vote or on proxies or nominees generally including: the appointment of proxies or nominees; the proportion of votes per proxy or nominee; or voting by proxy or voting directly and lodging your form, can be found on the back of the relevant voting or appointment of nominee form enclosed with this notice of meeting.

2010 Annual Report

The 2010 Annual Report and the 2010 Shareholder Update are available for shareholders on our investor website telstra.com/annualreport. If you would like to receive a hard copy of the 2010 Annual Report free of charge, you can contact the Telstra Share Registry on **1300 88 66 77**.

Shareholders who have specifically requested a hard copy of the 2010 Annual Report will receive it separately in the mail.

Questions

If you have any questions about this notice or the accompanying documents, please contact:

Telstra Share Registry (Australia)
Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000
Telephone: 1300 88 66 77 (within Australia)
Overseas: +61 2 8280 7756
Facsimile: +61 2 9287 0309

Telstra Share Registry (New Zealand)
Link Market Services Limited
138 Tancred Street, Ashburton 7740, New Zealand
Telephone: 0800 835 7872 (within New Zealand)
Overseas: +64 3 308 8887
Facsimile: +64 3 308 1311

By order of the Board of Directors



Carmel Mulhern
Company Secretary

1 October 2010

Explanatory Notes

Item 3 – Election of Director

Nora Scheinkestel

Age 50

Dr Nora Scheinkestel is an experienced company director having served in a wide range of industry sectors and in the public, government and private spheres. Dr Scheinkestel is also an Associate Professor at the Melbourne Business School at Melbourne University and a member of the Takeovers Panel.

Dr Scheinkestel's executive background is as a senior banking executive in international and project financing, responsible for the development and financing of major projects in Australasia and South East Asia. Her current consulting practice assists government, corporate and institutional clients in areas such as corporate governance, strategy and finance. In 2003, Dr Scheinkestel was awarded a centenary medal for services to Australian society in business leadership.

Director, AMP Limited (2003 -), Orica Limited (2006 -) and Pacific Brands Limited (2009 -).

To be successfully elected as a Director, a candidate must receive more votes cast "for" than "against".

Board Recommendation: The Board (other than Dr Scheinkestel) recommends the election of Dr Nora Scheinkestel.

The Chairman of the meeting intends to vote undirected proxies in favour of the election of Dr Nora Scheinkestel.

Item 4 – Adoption of the Remuneration Report

The Remuneration Report for the financial year ended 30 June 2010 contains information regarding:

- the remuneration philosophy and strategy of Telstra Corporation Limited;
- the principles and structure of non-executive Director, CEO and certain senior executive remuneration arrangements, together with details of the link between remuneration and company performance; and
- the remuneration of non-executive Directors, the CEO and certain senior executives for the financial year ended 30 June 2010.

The Remuneration Report can be found on pages 61 to 76 of the 2010 Annual Report.

The Annual Report is available on our investor website telstra.com/annualreport.

During this item there will be opportunity for shareholders at the meeting to comment on, and ask questions about, the Remuneration Report.

The vote on this item is advisory only and will not bind the Directors or the Company. However the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Board Recommendation: The Board recommends that shareholders vote in favour of item 4.

The Chairman of the meeting intends to vote undirected proxies in favour of the adoption of the Remuneration Report.

Item 5 - New Constitution

The Company's current Constitution was adopted by members at the 2008 Annual General Meeting. In recognition of the importance of ensuring that the Constitution is a contemporary document, the Board considers that there are now two main areas of the Constitution that require further change. These are:

- (a) the maximum Board size under the Constitution; and
- (b) the provision dealing with executive Directors.

The rest of the proposed amendments are administrative or relatively minor in nature.

A copy of the Company's existing Constitution and the proposed Constitution are available on the Company's website telstra.com/agm. You can also obtain a copy by contacting the Telstra Share Registry on 1300 88 66 77 (within Australia) or +61 2 8280 7756 (outside Australia). A copy of the proposed Constitution will also be available at the Annual General Meeting.

The proposed amendments to the Constitution are summarised below:

Board Size Under the Constitution

Under the current Constitution, the Directors may fix the maximum Board size but this number cannot be more than 13 (unless resolved otherwise by shareholders in a general meeting). It is proposed to reduce the maximum number of Directors permitted on the Board under the Constitution from 13 to 11, to better reflect what is considered to be the maximum optimum size for the Telstra Board.

Executive Officers

Currently, the Constitution provides that if a managing Director or other executive Director ceases to be a Director, their employment automatically terminates. The proposed Constitution introduces a discretion to provide the Board with the flexibility to retain the person as an employee notwithstanding their ceasing to be a Director. This amendment is considered appropriate in light of the appointment of an additional executive Director to the Telstra Board in May 2009, to avoid any unintended operation of the provision when an executive Director ceases to be a Director but remains an employee.

This resolution is a special resolution and in order to be successful, must be passed by at least 75% of the votes cast.

Board Recommendation: The Board considers that the new Constitution is appropriate and in the interests of shareholders. Accordingly, the Board recommends that shareholders vote in favour of item 5.

The Chairman of the meeting intends to vote undirected proxies in favour of the adoption of the new Constitution.

Conducting Telstra's Annual General Meeting

Telstra's Annual General Meeting is intended to give shareholders the opportunity to:

- Hear presentations by the Chairman and CEO about the operations and performance of the Company and the outlook for the year ahead.
- Consider and vote on the resolutions before the meeting including a non-binding resolution on the adoption of the Remuneration Report.
- Ask questions of the Board, management and the auditor on the management of the Company or relevant to the conduct of the audit and the auditor's report. The Chairman and CEO will generally answer questions on behalf of the Board and management.

To help achieve these objectives Telstra will:

- Webcast the meeting for the benefit of those shareholders unable to attend in person. Shareholders can view the meeting live at telstra.com/agm and the webcast will be archived after the meeting for replay.
- Allow shareholders to raise questions in writing before the meeting by either completing the attached form or via the internet at linkmarketservices.com.au/telstra/agm.
- Allow a reasonable opportunity for shareholders as a whole at the meeting to ask questions of the Board, management or the auditor about the operations, performance and management of the Company.
- Provide sign language and hearing loop facilities for shareholders with hearing difficulties.
- Answer shareholders' questions honestly and fairly. If we can't answer a question at the meeting we will seek to provide a response to the shareholder asking the question after the meeting.
- Inform shareholders as to the proxy and direct voting position with respect to the resolutions to be considered by the meeting and the manner in which the Chairman of the meeting intends to vote undirected proxies.

To help achieve these objectives we ask that shareholders:

- Are courteous and respectful to all shareholders and others attending the meeting.
- Keep their questions and comments to a reasonable length of time to allow as many shareholders as possible who wish to speak at the meeting an opportunity to do so. Generally, a maximum of three minutes each time a shareholder addresses the meeting will be appropriate.
- Confine their questions to matters before the meeting and matters relevant to shareholders as a whole. If a shareholder's question appears to be more relevant to the shareholder's own circumstances than to shareholders as a whole, we will ask that the shareholder raise the matter with management outside the meeting.
- Respect the privacy of individual shareholders attending the meeting and assist in the orderly conduct of the meeting by not photographing, video-taping or recording the proceedings of the meeting.



Telstra Store at the AGM

Our expert staff will be available to answer your customer enquiries before, during and after the AGM at the Telstra Store in the display area adjacent to the entrance to the Auditorium.

The Telstra Store at the AGM will be live and showcasing the following products and services:

- Customer Service
- T-Hub
- T-Box
- TECH Bar - our Telstra Store technical specialists
- The latest in mobile handsets & data services
- BigPond
- Sensis by Mobile
- FOXTEL by Mobile
- FOXTEL at Home

How to get to the AGM

Location Melbourne Convention Centre
Plenary Hall 2
1 Convention Centre Place
South Wharf
Melbourne

The Melbourne Convention Centre, which is adjacent to the Melbourne Exhibition Centre, is centrally located in Melbourne and accessible by all modes of transport. If you are coming via the Exhibition Centre (Clarendon Street), the Convention Centre entrance is opposite door 6 of the Exhibition Centre.

Car Various car parking options are available close to the venue and are detailed on the map below. A schedule of fees for parking at the venue is available at mcec.com.au/Attend/Visitor-Info/Parking.html.

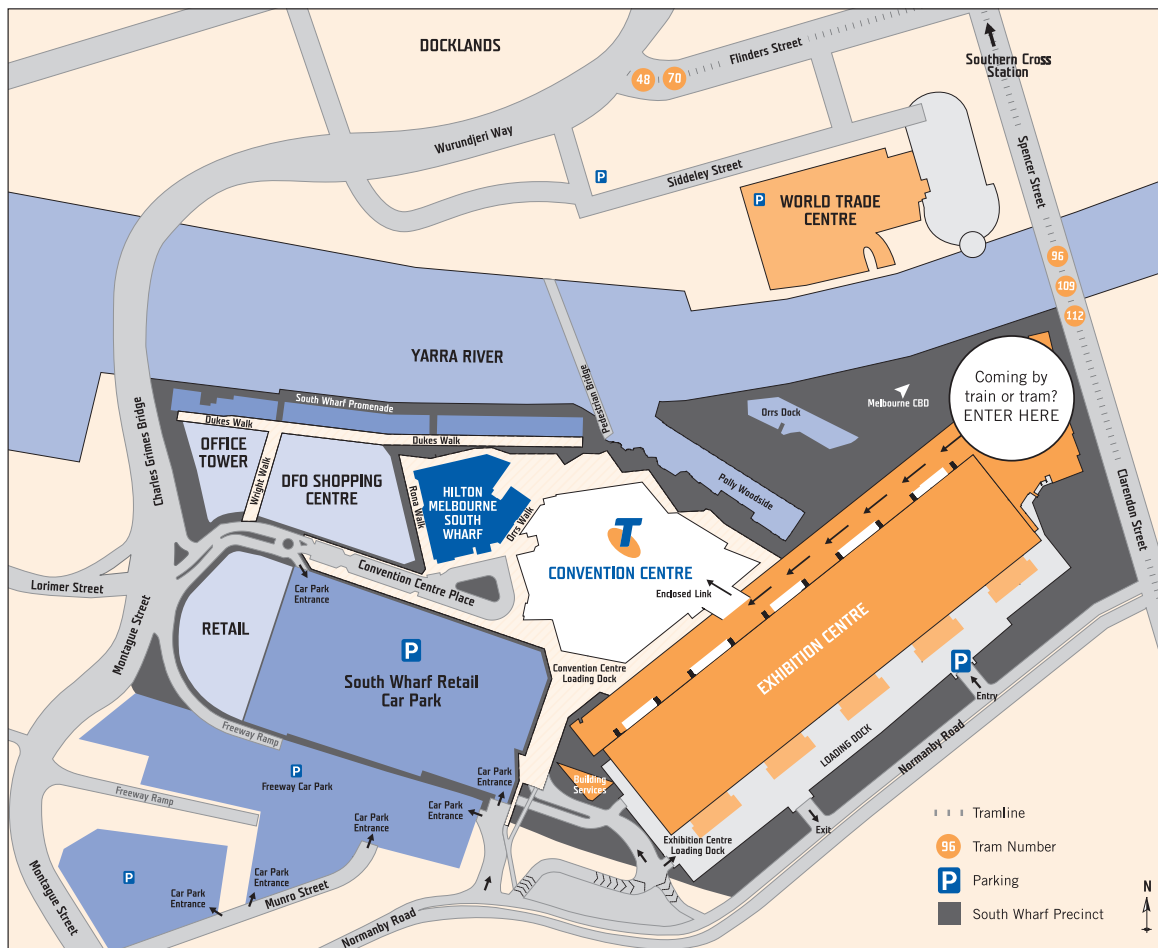
Trains It is approximately a 15 minute walk from Southern Cross station to the Exhibition Centre and a further 5-7 minute walk to the Convention Centre.

Trams Trams 96, 109 and 112 stop outside the Exhibition Centre on Clarendon Street. From the tram stop, it is a 5-7 minute walk to the Convention Centre via the Exhibition Centre.

Taxis Taxis can take you to the main doors of the Convention Centre via the Convention Centre Place entrance - please provide the above address to your driver. Alternatively, you can request that your driver take you to the Hilton Hotel, South Wharf, as the main doors to the Convention Centre are to the right of the Hilton Hotel.

Airport transfers The Skybus airport shuttle departs every 15 minutes from the airport to Southern Cross station.

Accessibility Parking is available for people with disabilities in the Melbourne Exhibition car park. Disabled parking locations are near entry doors 1, 6 and 10, which have lift access to the concourse. The Convention Centre is fully integrated with the Exhibition Centre. There is easy access to a taxi rank and the street via a ramp outside both the main Clarendon Street entrance and the Convention Centre Place entrance.



Questions from Shareholders

Your questions are important to us. Please use this form to submit any questions concerning Telstra that you would like us to respond to at the Annual General Meeting and return it in the reply paid envelope provided or fax it to **+61 2 9287 0309**. Shareholders can also lodge questions on-line at **linkmarketservices.com.au/telstra/agm**.

We will respond to as many of the more frequently asked questions as possible at the AGM. Please note that we will not be able to reply individually. You will be able to view the AGM webcast after the meeting at **telstra.com/agm**.

Shareholder's name:.....

Address:.....

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Shareholder Reference Number (SRN) or Holder Identification Number (HIN):

Question(s):

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