



02 September 2009

The Manager

Company Announcements Office
Australian Stock Exchange
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

Office of the Company Secretary

Level 41
242 Exhibition Street
MELBOURNE VIC 3000
AUSTRALIA

General Enquiries 08 8308 1721
Facsimile 03 9632 3215

ELECTRONIC LODGEMENT

Dear Sir or Madam

Changes to Telstra Board

In accordance with the listing rules, I enclose a copy of a media announcement for release to the market.

Yours sincerely

A handwritten signature in black ink, appearing to read "Carmel Mulhern".

Carmel Mulhern
Company Secretary

For personal use only

Changes to Telstra Board

2 September 2009 – The Telstra Board today announced the appointment of Russell Higgins AO and Steve Vamos as non-executive directors, effective 15 September 2009. It was also announced that Charles Macek had informed the Board he would not stand for re-election at the company's Annual General Meeting in November.

Telstra Chairman, Catherine Livingstone AO, said the new directors had decades of high-level experience in areas that would be central to Telstra's ongoing success.

Ms Livingstone said that Russell Higgins' distinguished career included a national role in the gas and electricity industries, two regulated sectors that had undergone immense change in recent years.

"Russell has worked at very senior levels of both the government and private sectors," Ms Livingstone said. "He has a wealth of experience in the energy sector, an area of the economy confronting challenges similar to those facing the regulated telecommunications industry."

Mr Higgins, 59, is Chairman of the Global Carbon Capture and Storage Institute, a global initiative of the Australian Government launched in April 2009 to accelerate the worldwide development of carbon capture and storage technologies. Mr Higgins is also a non-executive director of APA Group, Australia's leading gas infrastructure company, and of Sunrice, Australia's global rice food company. From 2003 to 2004, he was Chairman of the then Prime Minister's Energy Task Force, and an Associate Secretary of the Department of Prime Minister and Cabinet. Prior to that, he was Secretary of the Department of Industry, Science and Resources for five years. Mr Higgins was previously Executive Director of the Resources and Energy Group.

Ms Livingstone said Steve Vamos was a 30-year veteran of the information technology industry with enormous experience in the Internet and online media.

"Steve has an exceptional knowledge of the challenges and opportunities of the Australian market, enhanced by his experience as a global executive at Microsoft," she said. "Telstra has built an impressive and growing stable of online media assets and I believe Steve's Internet and technology expertise will be of great benefit to the Board and the company."

Mr Vamos, 51, led Microsoft Australia and New Zealand from 2003 to January 2007, before moving to the United States to become the company's online business head of Worldwide Sales and International Operations. Previously, he was Chief Executive Officer of ninemsn. Mr Vamos also worked for Apple Computer in the 1990s, after spending 14 years in senior management roles at IBM Australia. He is the founding President of the Society for Knowledge Economics, a not-for-profit think tank that encourages new and better practices in leadership and management.

Ms Livingstone also thanked Charles Macek for his tremendous contributions to the Telstra Board since 2001.

"With hard work and great insight, Charles has helped guide the Board through eight years of enormous change at Telstra. His acknowledged authority in corporate governance has served the Board well on many important occasions," Ms Livingstone said. As Chairman of the Remuneration Committee, he has been a staunch and successful advocate of linking executive pay to the financial performance of the company. Charles has also made an important contribution as a member of the Audit Committee, bringing to the role his credentials as Chairman of the Federal Government's Financial Reporting Council for several years. The entire Board thanks Charles sincerely for his years of service to the company."

The appointment of Mr Higgins and Mr Vamos will require endorsement at the Telstra Annual General Meeting on 4 November 2009. Mr Macek's retirement from the Board will take effect at the same meeting.