

asx release

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Transurban's Euro Medium Term Note Programme Update

Transurban has updated its Euro Medium Term Note programme today by lodging the following Supplemental Offering Circular with the Singapore Exchange.



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Classification

Public

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FIRST SUPPLEMENTAL OFFERING CIRCULAR DATED 27 FEBRUARY 2012 TO OFFERING CIRCULAR DATED 27 OCTOBER 2011



TRANSURBAN FINANCE COMPANY PTY LTD

(ABN 65 098 539 452)

(incorporated with limited liability in Victoria, Australia)

U.S.\$2,000,000,000

Secured Euro Medium Term Note Programme

This Supplemental Offering Circular (the “**Supplemental**”) relates to the recent developments in respect of Transurban Finance Company Pty Ltd (ABN 65 098 539 452) (the “**Issuer**”) and the Offering Circular dated 27 October 2011 (the “**Offering Circular**”). This supplemental is a supplement to, and is to be read together and construed in connection with, the Offering Circular relating to the US\$2,000,000,000 Secured Euro Medium Term Note Programme (the “**Programme**”). Without limiting the foregoing, reference should be made to the statements on pages (i) to (iv) inclusive of the Offering Circular, which apply to this Supplemental as if set out herein in full.

To the extent that there is any inconsistency between (a) any statement in this Supplemental and (b) any other statement in the Offering Circular, the statements in this Supplemental will prevail.

Under the Programme, the Issuer may from time to time issue notes (the **Notes**) in bearer or registered form (respectively, **Bearer Notes** and **Registered Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below) and will be constituted by a trust deed dated 27 October 2011 between the Issuer and The Bank of New York Mellon (the **Trustee**) (the **Trust Deed**).

The obligations of the Issuer in respect of the Notes are secured by certain charges granted by the Issuer and certain related entities and guaranteed by certain related entities which have also granted charges and mortgages to secure their guarantees (the **Securities**). The Securities are held by BTA Institutional Services Australia Limited (the **Security Trustee**) the trustee of the security trust (**Security Trust**) established by a security trust deed originally dated 28 June 2002 (as amended from time to time, the **Security Trust Deed**). The holders of the Notes will be Senior Secured Creditors (as defined in the Security Trust Deed) under the Security Trust, ranking equally with the other Senior Secured Creditors, including the financiers under the Issuer’s bank debt facilities, holders of the Issuer’s Australian credit-wrapped and unwrapped medium term notes (and the relevant financial guarantor thereof), and holders of the Issuer’s US private placement notes. The Senior Secured Creditors rank for payment out of the assets the subject of the Securities ahead of the Subordinated Secured Creditors (as defined in the Security Trust Deed) and unsecured creditors, except creditors mandatorily preferred by law. For a discussion of these arrangements see the section in the Offering Circular (as updated by this Supplemental) entitled “*Description of the Security Arrangements*”.

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Supplemental and/or the Offering Circular to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see the section in the Offering Circular (as updated by this Supplemental) entitled “Risk Factors”.

Application has been made to the Singapore Exchange Securities Trading Limited (the **SGX-ST**) for permission to deal in and quotation of any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. There is no assurance that the application to the SGX-ST for the listing of the Notes will be approved. Any admission of any Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or the Notes. There is no assurance that the application to the Official List of the SGX-ST for the listing of Notes of any Series will be approved.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under the section of the Offering Circular (as updated by this Supplemental) entitled “*Terms and Conditions of the Notes*”) of Notes will be set out in a final terms document (the **Final Terms**) which, with respect to Notes to be listed on the SGX-ST, will be delivered to the SGX-ST before the listing of Notes of such Tranche.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. The relevant Final Terms in respect of any Series (as defined under the section of the Offering Circular (as updated by this Supplemental) entitled “*Terms and Conditions of the Notes*”) will specify whether or not such Notes will be listed and, if so, on which exchange(s) the Notes are to be listed. The Issuer may agree with any Dealer and the Trustee that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes in the Offering Circular (as updated by this Supplemental), in which event a supplemental Offering Circular or other document, if necessary, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Programme is rated “A-” by Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc. (**Standard & Poor’s**) and “Baa1” by Moody’s Investors Service, Inc. (**Moody’s**). Standard & Poor’s, Moody’s and Fitch Ratings Ltd. (**Fitch**) will, if applicable, rate Notes to be issued under the Programme on a Series-by-Series basis. A credit rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Arranger
THE ROYAL BANK OF SCOTLAND PLC

DESCRIPTION OF THE SECURITY ARRANGEMENTS

The section of the Offering Circular entitled “**DESCRIPTION OF THE SECURITY ARRANGEMENTS**” appearing on page 101 to 108 of the Offering Circular is amended by replacing that section in full with the following:

DESCRIPTION OF THE SECURITY ARRANGEMENTS

This section contains a summary of the Securities and the Security Trust Deed. It does not describe every aspect of them. This summary is qualified in its entirety by reference to the provisions of the Notes, the Securities, the Security Trust Deed and the other underlying documents described below. Copies of these documents are available upon request from the Issuer.

Capitalised terms used in this section have the meaning given to them in the Security Trust Deed, unless otherwise defined. The Security Trust Deed was last amended on 24 October 2011 to provide for Noteholders and the Trustee to be Senior Secured Creditors as described below.

Overview

The obligations of the Issuer under the Notes will be secured by all the present and future assets and undertaking of the Issuer and the Finance Trust.

In addition, the obligations of the Issuer under the Notes will be guaranteed by THL, THT, TIL and TL (each a **Guarantor**). Each Guarantor has granted the security interests described below to secure its obligations under its guarantee.

The security structure operates to secure rateably certain outstanding indebtedness owed by the Issuer (and each Guarantor under its guarantee) to the defined Secured Creditors of the Issuer. Under this security structure, the Noteholders will be beneficiaries of the Security Trust as Senior Secured Creditors. The Security Trust Deed contains definitions of “Secured Creditors”, “Senior Secured Creditors” and “Subordinated Secured Creditors” and these are described further below in the section entitled “Other Secured Creditors”.

Securities

Each of the Issuer and Finance Trust have granted a fixed and floating charge over their present and future assets and undertaking. These fixed and floating charges secure amounts owing by the Issuer to its Secured Creditors.

Each Guarantor has granted security interests as follows, to secure amounts owing under its guarantee:

- (a) THL has granted a fixed and floating charge over its present and future assets and undertaking, other than shares and units held by it in certain subsidiaries. THL has additionally granted mortgages over shares held by it in TL, Transurban (USA) Holdings No. 1 Pty Ltd, Transurban (USA) Holdings No. 2 Pty Ltd and Sydney Roads Limited. There are contractual restrictions on it granting security interests over shares and units in its other subsidiaries;
- (b) THT has granted a fixed and floating charge over its present and future assets and undertaking, other than shares and units held by it in certain subsidiaries (THT has separately granted a fixed charge over equity distributions from the CityLink project (which secures amounts owing by the Issuer to its Secured Creditors)). THT has additionally granted a mortgage over units held by it in Sydney Roads Trust. There are contractual restrictions on it granting security interests over shares and units in its other subsidiaries;
- (c) TIL has granted a fixed and floating charge over its present and future assets and undertaking, other than shares and units held by it in certain subsidiaries (following its re-domiciling as described in the section entitled “**Redomiciling of TIL and TIHL**” below, TIL additionally granted a security interest over its assets, rights and undertaking). TIL has additionally granted a mortgage over shares held by it in Transurban International Holdings Pty Ltd (formerly Transurban International Holdings Ltd) (**TIHL**) (following its re-domiciling as described in the section entitled “**Redomiciling of TIL and TIHL**” below, TIL additionally granted a security interest over shares held by it in TIHL). There are

contractual restrictions on it granting security interests over shares and units in its other subsidiaries; and

- (d) TL has granted a fixed and floating charge over its present and future assets and undertaking, other than shares and units held by it in certain subsidiaries. There are contractual restrictions on it granting security interests over shares and units in its subsidiaries.

Each of the security interests described above has been granted in favour of the Security Trustee. Pursuant to the Security Trust Deed, the Security Trustee holds the benefit of these security interests for the Secured Creditors, which includes the Noteholders.

Each of the security interests described above is governed by the laws of the State of Victoria, Australia (other than the share mortgage granted by TIL, which is governed by the laws of Bermuda). These are subject to the *Personal Property Securities Act 2009* of Australia (**PPSA**).

Each of the share and unit mortgages described above (and the guarantee granted by TIL only) contains a provision stating that the principal amount recoverable under it in relation to the relevant secured property located wholly within Australia is a definite and limited amount of A\$7,500,000,000, unless the Security Trustee increases such amount by written notice (such increased amount not to exceed the moneys secured or guaranteed (as applicable) at such time). As considered in the section entitled “Description of the Transurban Group - Financing”, the financial indebtedness incurred by the Issuer as at the date of this Offering Circular is within this limit.

Other Secured Creditors

There are two classes of Secured Creditors which have the benefit of the Securities granted to the Security Trustee under the Security Trust Deed. These are the Senior Secured Creditors and the Subordinated Secured Creditors. The Noteholders will be Senior Secured Creditors.

Other Senior Secured Creditors include the financiers under the Issuer’s senior bank debt facilities, holders of the Issuer’s Australian credit-wrapped and unwrapped medium term notes, MBIA Insurance Corporation as financial guarantor in respect of the Issuer’s Australian credit-wrapped medium term notes, holders of the Issuer’s US private placement notes and hedge counterparties in respect of certain hedging arrangements.

The Security Trust Deed does not place restrictions on the incurrence of financial indebtedness by the Issuer, Finance Trust or the Guarantors.

Majority Secured Creditors determined by Exposures

Under the Security Trust Deed, the Security Trustee is entitled to exercise all powers under the Securities. Except in respect of amounts due to it in its personal capacity, in exercising its powers it must act in accordance with the instructions (if any) of the Majority Secured Creditors (subject to the matters set out in the section entitled “Unanimous requirements” below). In the absence of such instructions, it may (but is not obliged to) act as it thinks fit in the best interests of the Secured Creditors. The Majority Secured Creditors are determined with reference to Exposures, which are generally as follows for Senior Secured Creditors:

- (a) for a Noteholder, the amount payable to such Noteholder if the Notes were redeemed, or if they have been redeemed, any amount due but unpaid;
- (b) for a senior bank debt financier, its undrawn commitment (unless it is cancelled or no longer permitted to be drawn) plus all amounts which would be payable if all amounts outstanding were immediately repayable and amounts contingently owing under bank guarantees and other similar instruments;
- (c) for an Australian unwrapped noteholder, the amount payable to such noteholder if the notes were redeemed, or if they have been redeemed, any amount due to such noteholder but unpaid;
- (d) for an Australian credit-wrapped noteholder:
 - (i) if MBIA Insurance Corporation as financial guarantor is not in default of its obligations in respect of the Australian credit-wrapped notes, nil; or

- (ii) if MBIA Insurance Corporation as financial guarantor is in default of its obligations in respect of the Australian credit-wrapped notes, the amount payable if the notes were redeemed, or if they have been redeemed, any amount due but unpaid;
- (e) for MBIA Insurance Corporation as financial guarantor of the Australian credit wrapped notes:
 - (i) amounts paid by it in respect of the Australian credit wrapped notes to the guarantee trustee (which receives such amounts on behalf of, and distributes such amounts to, the Australian credit wrapped noteholders) and not reimbursed by the Issuer; and
 - (ii) if it is not in default of its obligations in respect of the Australian credit-wrapped notes, the principal amount payable to the guarantee trustee if the notes were redeemed together with accrued but unpaid interest on the notes; or
 - (iii) if it is in default of its obligations in respect of the credit-wrapped notes, nil;
- (f) for a US private placement noteholder, the amount payable to such noteholders if the notes were redeemed, or if they have been redeemed, any amount due to such noteholders but unpaid;
- (g) for a hedge counterparty, the Realised Swap Loss and Potential Close Out Amount (each as defined in the Security Trust Deed); and
- (h) for a Debt Instrument Holder (as defined in the Security Trust Deed) (other than those specifically described above), the amount payable to such Debt Instrument Holder if the notes were redeemed, or if they have been redeemed, any amount due to such Debt Instrument Holder but unpaid.

As described below under the section entitled “*Majority Secured Creditors*”, the Exposures of Subordinated Secured Creditors are not counted for the purposes of determining the “Majority Secured Creditors” unless all amounts owing under the senior finance documents (which would include any amounts owing to Noteholders) have been finally paid in full.

Unanimous requirements

There are certain circumstances in which the Security Trustee must act on the instructions of all Secured Creditors. These include:

- (a) the release of Security (as described in the section entitled “*Release of Security*” below);
- (b) amendments to the agreed distribution of proceeds and certain calculations of moneys available for distribution (as described in the section entitled “*Distribution of proceeds*” below);
- (c) certain amendments to the Security Trust Deed and the Securities (as described in the section entitled “*Waivers and amendments*” below); and
- (d) the assignment or transfer of rights under documents in relation to the CityLink project by the Issuer, the Finance Trust or the CityLink Entities (as defined below). The CityLink project is described below under the section entitled “CityLink project”.

Procedures for seeking instructions

When seeking instructions from the Secured Creditors, the Security Trustee may specify a “reasonable period” (of at least 10 business days from the date of the request for instructions) in which instructions are to be provided. If a Secured Creditor does not provide instructions in response to a request within the specified period, any instructions received thereafter will be disregarded.

In determining what constitutes a “reasonable period”, the Security Trustee must take into account the time required by a debt instrument trustee (including the Trustee and the note trustee under the Australian credit-wrapped and unwrapped notes) to seek directions, unless the relevant determination is required urgently.

Majority Secured Creditors

Under the Security Trust Deed, the “Majority Secured Creditors” means:

- (a) **(no event of default — 51 per cent.)** if no Event of Default subsists, the Senior Secured Creditors (including Noteholders) (other than hedge counterparties, the Security Trustee, debt instrument trustees and other representatives of certain Senior Secured Creditors) whose aggregate Exposures are more than 51 per cent. of the total aggregate Exposures of all such Senior Secured Creditors; or
- (b) **(event of default — 51 per cent.)** subject to paragraph (c), if an Event of Default subsists, the Senior Secured Creditors (including Noteholders) (other than the Security Trustee, debt instrument trustees and other representatives of certain Senior Secured Creditors) whose aggregate Exposures are more than 51 per cent. of the total aggregate Exposures of all such Senior Secured Creditors; or
- (c) **(Insolvency Events and payment defaults — one third)** for the purposes of determining whether certain enforcement action is to be taken only, if an Insolvency Event occurs or a Security Provider fails to pay an amount owing under a senior finance document totalling at least A\$5,000,000 or its equivalent within 30 days of the date on which it is due and payable, the Senior Secured Creditors (including Noteholders) (other than the Security Trustee, debt instrument trustees and other representatives of certain Senior Secured Creditors) whose aggregate Exposures are more than one third of the total aggregate Exposures of all such Senior Secured Creditors.

For the purposes of paragraphs (a) and (b), “Event of Default” means, while amounts remain owing under a senior finance document, an event of default (howsoever defined) under a senior finance document (which will include events of default in relation to the Notes).

For the purposes of paragraph (c), “Insolvency Event” means, among other things, that a Security Provider under the Security Trust Deed (i) is insolvent (or is presumed or taken to be insolvent under legislation); (ii) stops or suspends payment of all or a class of its debts; (iii) has an administrator appointed to it; (iv) has steps taken for its winding up, dissolution or administration; (v) has steps taken for entering into an arrangement, compromise or composition with or assignment for the benefit of its creditors; or (vi) ceases, suspends or threatens to cease or suspend the conduct of all or a substantial part of its business or disposes of or threatens to dispose of a substantial part of its assets.

The Exposures of Subordinated Secured Creditors are not counted for the purposes of determining the Majority Secured Creditors unless all amounts owing under the senior finance documents have been finally paid in full.

Enforcement action

The key principles of the enforcement mechanism under the Security Trust Deed are as follows:

- (a) each Senior Secured Creditor other than a Noteholder or other Debt Instrument Holder must (except where such notice has already been provided by another Secured Creditor) give the Security Trustee notice of any default by the Issuer in the performance of its payment obligations and a copy of any notice provided to the Issuer which states that an event of default has occurred and is subsisting;
- (b) if the Security Trustee receives a default notice from a Secured Creditor (or Security Provider) or is actually aware that an event of default has occurred, the Security Trustee must promptly notify all Secured Creditors of such occurrence;
- (c) the Security Trustee must seek the directions of the Senior Secured Creditors before exercising or enforcing any right, power or remedy against a Security Provider or the property mortgaged or charged by a Security;
- (d) if the Majority Secured Creditors direct, the Security Trustee must:
 - (i) appoint a controller under a Security and otherwise enforce the Security; or

- (ii) appoint a firm of independent accountants or other experts to review and report to the Security Trustee and the Secured Creditors on the affairs, financial condition and business of the Security Providers; and
- (e) at any time after a controller has been appointed or the Security has otherwise been enforced, the Security Trustee must do such other things as it considers appropriate or as directed by the Majority Secured Creditors.

A controller is defined to mean a receiver, receiver and manager or anyone else (whether or not as agent for the person for whom the controller is appointed) who is in possession, or has control of property of the person for the purposes of enforcing a Security.

A Senior Secured Creditor (including a Noteholder and the Trustee) is not entitled to exercise or enforce any security interest without the prior consent of the Security Trustee acting on the instructions of the Majority Secured Creditors. However, although the enforcement of the Securities is a collective process conducted by the Security Trustee (on behalf of the Secured Creditors) as set out in the Security Trust Deed and as described above, each Senior Secured Creditor is entitled at all times to give demand for payment and provide other notices such as an acceleration notice under the relevant senior finance documents. In the case of the Notes, any such notice would be given by the Trustee in accordance with the Trust Deed, as described in Condition 11 (*Events of Default*) of the Notes and as further detailed in Clauses 7 (*Enforcement*) and 8 (*Proceedings, Action and Indemnification*) of the Trust Deed.

Distribution of proceeds

Proceeds recovered as a result of enforcement action are distributed by the Security Trustee generally as follows:

- (a) first, towards payment of any money due to the Security Trustee in its capacity as security trustee under the transaction documents;
- (b) second, rateably towards payment or repayment to each Senior Secured Creditor in respect of its secured moneys; and
- (c) third, rateably towards payment or repayment to each Subordinated Secured Creditor in respect of its secured moneys,

unless all of the Secured Creditors and the Security Trustee otherwise agree in writing.

Notwithstanding the above, proceeds distributed in accordance with the Security Trust Deed to the extent payable in respect of Notes will be paid to the Trustee as required by Clause 9.7 of the Trust Deed and distributed by it in the order described in Clause 11 (*Application of Moneys*) of the Trust Deed.

New security

Each of THL, THT and TIL (i.e. the entities comprising the stapled security listed on the Australian Securities Exchange) (each a **Headstock Entity**) have an obligation under the Security Trust Deed to grant a mortgage (or procure the grant of a mortgage) over shares or units in Transurban Project Finance Vehicles. “Transurban Project Finance Vehicles” means any entity at least 50% owned (directly or indirectly, legally or beneficially) or controlled by a Headstock Entity. Each of the share and unit mortgages described under the section entitled “Securities” has been granted pursuant to this obligation. However, in circumstances where the grant (or the procurement) of such a mortgage by the Headstock Entity would be in breach of a law or a contractual obligation (for example, an obligation under particular project financing arrangements), such mortgage is not required to be granted (or procured) under the terms of the Security Trust Deed.

If a related corporation of an existing Security Provider grants a security interest to the Security Trustee, the existing Security Providers must procure that such related corporation accedes to the Security Trust Deed as a “Security Provider”.

Under the Corporations Act, where a body corporate is (a) a holding company of another body corporate; (b) a subsidiary of another body corporate; or (c) is a subsidiary of a holding company of another body corporate, the first mentioned body and the other body are related to each other. Under the Corporations Act, a body corporate

is a “subsidiary” of another body corporate if: (i) the other body controls the composition of the first body’s board, if the other body is in a position to cast or control the casting of more than one-half of the maximum number of votes that might be cast at a general meeting of the first body, or if the other body holds more than one-half of the issued share capital of the first body (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); or (ii) the first body is a subsidiary of a subsidiary of the other body. A “holding company” in relation to a body corporate is a body corporate of which the first body corporate is a subsidiary.

Waivers and amendments

The Security Trustee must not waive a breach or an event of default under a Security without the consent of the Majority Secured Creditors.

The Security Trustee must not amend or vary a Security or the Security Trust Deed unless instructed to do so by all of the Secured Creditors. The only exceptions to this requirement are that the Security Trustee may amend the Security Trust Deed:

- (a) without any instructions where the amendment is to correct a manifest error or ambiguity or is of a formal, technical or administrative nature only;
- (b) without any instructions where the amendment is, in the opinion of the Security Trustee:
 - (i) necessary to comply with any statute or regulation or with the requirements of any government agency; or
 - (ii) appropriate or expedient as a consequence of an amendment to any statute or regulation or altered requirements of any government agency and is not prejudicial to the interests of any Secured Creditor;
- (c) where the amendment is, in the opinion of the Security Trustee (acting on the instructions of the Majority Secured Creditors), not prejudicial to the rights of any Secured Creditor; or
- (d) without any instructions where the amendment is necessary and/or incidental to effecting an amendment of a transaction document or an inter-entity loan agreement where such amendment is not prohibited by the terms of any transaction document.

Release of Security

The Security Trustee must not release a Security or any assets from a Security unless instructed by all Secured Creditors or required by law. This is subject to the express provisions of each Security. In this regard, each Security provides that the Security Trustee must discharge such Security if the relevant secured moneys and/or guaranteed moneys have been paid in full and the relevant Security Provider has fully observed and performed its obligations.

Indemnity to Security Trustee

Under the Security Trust Deed, the Security Trustee has the benefit of an indemnity from the Secured Creditors (rateably) in respect of all liabilities and expenses incurred in the exercise or purported exercise of powers under the Security Trust Deed or the securities. A debt instrument trustee (such as the Trustee) is only obliged to indemnify the Security Trustee if and to the extent that it has retained amounts for or on behalf of the relevant debt instrument holders (such as the Noteholders) or can recover amounts from the relevant debt instrument holders (such as the Noteholders).

Limitation of Liability of Security Trustee

Under the Security Trust Deed, the Security Trustee and its related entities, officers and employees (among others) are not liable for a broad range of matters, including (among other things), any loss or damage occurring as a result of the Security Trustee failing to exercise or purporting to exercise any power under the Security Trust Deed or in relation to a Security or any act of the Security Trustee, except in the case of fraud, wilful misconduct or negligence.

CityLink project

The CityLink project is undertaken by CityLink Melbourne Ltd (ABN 65 070 810 678), CityLink Extension Pty Limited (ABN 40 082 058 615) and Transurban Infrastructure Management Limited as responsible entity of the Transurban City Link Unit Trust (the **CityLink Entities**). In this regard:

- (a) the shares in CityLink Melbourne Ltd are held directly by THL;
- (b) the shares in CityLink Extension Pty Limited are held directly by CityLink Melbourne Ltd (and therefore indirectly by THL); and
- (c) the units in the Transurban City Link Unit Trust are held directly by THT.

The original external lenders who provided project financing to the CityLink Entities have been replaced by the Finance Trust through an internal loan arrangement. However, the project financing structure and, in particular, the separate security trust in relation to the CityLink project, remain in place. As such, Finance Trust is now a beneficiary of the security trust established by the Security Trust Deed dated 26 February 1996 (as amended from time to time) (the **CityLink Security Trust**). ANZ Capel Court Limited (**CityLink Security Trustee**) is the trustee of the CityLink Security Trust. The CityLink Entities have granted security interests to the CityLink Security Trustee. On the basis of the (corporate) Security Trustee's fixed and floating charge over Finance Trust (which includes its rights as a beneficiary of the CityLink Security Trust), the (corporate) Security Trustee (and the Secured Creditors) indirectly obtain the benefit of the security interests granted by the CityLink Entities.

The CityLink Entities have also granted security interests to the State of Victoria to secure the performance of their obligations under the project documents in relation to the CityLink Project. The priority between the security interests of the State of Victoria and the security interests of the CityLink Security Trustee is governed by the Master Security Deed dated 20 February 1996 (as amended from time to time) ("**CityLink Master Security Deed**"). The priority is as follows:

- (a) first, the security interests of the State for the State's Priority Amount (as defined in the CityLink Master Security Deed and as described below);
- (b) second, the security interests of the CityLink Security Trustee for amounts owing under the lending documents to the lenders (now the Finance Trust) (up to a maximum of A\$1,800,000,000);
- (c) third, the security interests of the State for other amounts owing to it; and
- (d) fourth, the security interests of the CityLink Security Trustee for other amounts.

The State's Priority Amount

The State's Priority Amount is the aggregate amount due to the State in respect of certain obligations which the CityLink Entities owe to the State. These obligations include (among other things):

- (a) to pay the costs and expenses incurred by the State in operating, repairing or maintaining a section of the CityLink road (including the extensions of the road). The State may take these measures where there has been an operating default (i.e. a failure by the CityLink Entities to operate the CityLink road in accordance with the requirements in the Concession Deed dated 20 October 1995 (as amended from time to time) (**Concession Deed**), including requirements in the relevant technical specifications and operating and maintenance manuals) and there is a risk to the health and safety of road users or the public, or where there is a risk of material damage to a section of the CityLink road;
- (b) to pay the costs and expenses incurred by the State in "stepping-in" to remedy certain defaults under the Concession Deed or to operate and maintain the CityLink road (including the extensions of the road). The State may take these measures where it has notified the CityLink Security Trustee of its intention to terminate the Concession Deed and the Security Trustee has in turn notified the State that it intends to dispose of the assets of the CityLink Entities. In such circumstances, the State is restricted from exercising its rights to terminate the Concession Deed for a certain period and may wish to "step-in" to operate and maintain the CityLink road during the period in which the CityLink Security Trustee

disposes of the assets of the CityLink Entities (for example, by appointing a receiver to sell the assets); and

- (c) to pay interest on other amounts which comprise part of the State's Priority Amount.

There is no monetary limit on the State's Priority Amount. A description of the nature of the concession arrangements with respect to the CityLink project and other roads operated by the Transurban Group is set out in the section entitled "*Risk Factors*" above.

Redomiciling of TIL and TIHL

On 5 January 2012, each of TIL and TIHL was registered as an Australian company under the Corporations Act (prior to this, each of TIL and TIHL was a company incorporated under the laws of Bermuda). The effect of this is that each of TIL and TIHL has transferred its place of incorporation to Australia. The Corporations Act provides that such registration does not:

- (a) create a new legal entity; or
- (b) affect the company's existing property, rights or obligations (except as against the members of the company in their capacity as members); or
- (c) render defective any legal proceedings by or against the company or its members.

For the purposes of Australian law, provided there is no cessation of the entity under the law of its place of original incorporation, a foreign incorporated company effectively continues to be the same entity except that its place of incorporation is transferred to Australia and it becomes a company registered under the Corporations Act.

RISK FACTORS

The sub-sections of the Offering Circular entitled “**Risks related to the security arrangements**”, “**Priority of security interests under Australian law**”, “**Administration Risk**”, “**Share Mortgages**” and “**PPSA**” (each under the section entitled “**RISK FACTORS**”) appearing on page 23 to 24 of the Offering Circular are amended by replacing those sub-sections in full with the following:

Risks related to the security arrangements

As described in the section entitled “*Description of Security Arrangements*”, the charges, mortgages and security interests granted by the Issuer, Finance Trust, THL, TIL, THT and TL have been granted in favour of the Security Trustee. Pursuant to the Security Trust Deed, the Security Trustee holds the benefit of these charges, mortgages and security interests for the Secured Creditors (as defined in the Security Trust Deed), which includes the Noteholders. The rights of the Security Trustee to take enforcement action under the charges, mortgages and security interests are subject to each of the risk factors described in this section.

PPSA - security interests and transitional security interests

The *Personal Property Securities Act 2009* of Australia (**PPSA**), which commenced operation on 30 January 2012, established a national system for the registration of security interests in personal property. The new law expands the concept of security interest to include many arrangements that are not traditionally thought of as security interests, and implements new rules for the creation, priority and enforcement of security interests in personal property. It replaced the previous national and state based regimes, including the previous regime under the Corporations Act for registration of charges. The system is modelled on the personal property security regimes in New Zealand, Canada and the United States.

Each of the charges, mortgages and security interests granted by the Issuer, Finance Trust, THL, TIL, THT and TL is a “security interest” under the PPSA. Further, each of the charges, mortgages and security interests granted by the Issuer, Finance Trust, THL, TIL, THT and TL is a “transitional security interest”. Each was provided for by a “transitional security agreement”, being a security agreement in force before the commencement of the PPSA on 30 January 2012.

Perfection of transitional security interests under PPSA

A transitional security interest can be “perfected” under the PPSA by registration on the register established under the PPSA (**PPSR**). The PPSA provided for the migration of certain transitional security interests from previous registers, such as the Australian Securities and Investments Commission (**ASIC**) register, to the PPSR at the time of the commencement of the PPSA.

Each of the charges, mortgages and security interests granted by the Issuer, Finance Trust, THL, TIL, THT and TL has been registered on the PPSR by way of a migration process as described above or, in the case of the security interests granted by TIL following its re-domiciling (as described under the section entitled “**DESCRIPTION OF SECURITY ARRANGEMENTS – Securities**”), by way of a separate registration on the PPSR.

In addition, the PPSA provides for a temporary perfection period of 24 months (from the date of the commencement of the PPSA) for certain transitional security interests.

The following complexities apply (among others):

- (a) if a security interest was previously registrable on more than one transitional register in respect of the same collateral but was not registered on each such transitional register, there is a risk that it will not have the benefit of the temporary perfection period of 24 months described above; and
- (b) a charge previously registered with ASIC will only migrate to the PPSR to the extent that the registration with ASIC was effective under the Corporations Act. If the charges, mortgages and security interests granted by the Issuer, Finance Trust, THL, TIL, THT and TL extend to property in respect of which registration with ASIC was not strictly required under the Corporations Act, there will not have been an effective registration with ASIC with respect to that property (and there will not have been a migration to, or registration on, the PPSR with respect to that property). A proper re-registration of

these securities on the PPSR within the temporary perfection period of 24 months described above will correct this.

Failure to properly perfect a security interest may mean that:

- (x) the security interests vests in the grantor on its insolvency, and so is unenforceable on insolvency;
- (y) other security interests may take priority; and
- (z) third parties may acquire interests in collateral free of the security interest.

Priority of transitional security interests under the PPSA

Under the general priority rules of the PPSA, the priority of a perfected transitional security interest is as follows:

- (a) it has priority over a perfected security interest that it not a transitional security interest;
- (b) as between it and another perfected transitional security interest, they have the priority between themselves that they would have had under the law that applied to such priority immediately before the registration commencement time (30 January 2012), and as if the PPSA had not been enacted.

To the extent that pre-PPSA priority law accordingly remains relevant, each of the charges, mortgages and security interests granted by the Issuer, Finance Trust, THL, TIL, THT and TL was an “equitable” security interest under Victorian law and was subject to the claims which had priority with respect to such security interests in accordance with applicable laws. For example, the priority of an equitable security interest was subject to (among other things): (i) prior legal and equitable interests; (ii) a subsequent legal interest where the holder of that interest acquired it for value without actual or constructive notice of the equitable security interest; and (iii) claims which had or obtained priority over the security interest by virtue of applicable law (such as certain prior registered security interests with ASIC).

However, the PPSA also contains special rules which give priority to certain types of security interest over certain types of collateral. Security interests which have the benefit of these rules may rank in priority to the charges, mortgages and security interests granted by the Issuer, Finance Trust, THL, TIL, THT and TL, even if those security interests are granted or perfected later in time. These include, among others: (i) a security interest perfected by possession or control (even if it is not registered); (ii) a security interest which is a purchase money security interest (which can include asset financing security, retention of title arrangements and leasing arrangements); and (iii) the security interest of a bank in a bank account held with that bank .

Security interests over circulating assets

The old rules on floating charge priority have generally been replaced by new rules relating to “circulating assets”. However, for transitional security interests, many of the old rules will continue to apply. Accordingly, payments of certain debts or amounts may rank in priority to claims of a secured party in relation to a security interest, to the extent it is expressed to be a floating charge. These include, among others, debts or amounts owing to: (a) the holders of subsequent fixed charges over the assets the subject of the floating charge (other than those acquired in breach of the restrictions in the floating charge) if those subsequent charges are also transitional security interests; (b) the holders of any other security interests which have priority under the PPSA priority rules, (c) execution creditors; (d) the Australian Tax Office claiming receivables in payment of tax; (e) auditors in respect of unpaid fees; (f) employees in respect of certain claims (for example, claims in relation to unpaid wages, unpaid accrued holiday pay, long service leave or compensation for injuries); or (g) an administrator of the security provider in respect of its right of indemnity.

Taking free

Under the PPSA third parties may purchase or lease items of collateral free of the security interest in various ways, including by any sale or lease carried on in the grantor’s ordinary course of business. However, if this happens, the secured party retains a security interest in the proceeds of that sale or lease. Prohibitions on disposal contained in the security documents are not effective against third party buyers.

Administration risk

An exception to the ability of a secured creditor to enforce against the applicable collateral is where the debtor seeks protection from its creditors by appointing an administrator. A debtor may be put into administration by resolution of its board of directors (among other ways). During the period of the administration, all actions against the debtor and its directors and all enforcements of security interests are stopped without the leave of the court.

The period of administration will commence upon the date of the appointment of the administrator and will conclude after the “second meeting” of creditors. Such second meeting of creditors must be convened by the administrator within 21 business days of its appointment (26 business days if Christmas or Easter intervene), unless this is extended by a court (for such longer time as the court determines). The meeting is held five days after the convening period. At the second meeting of creditors, the creditors may resolve to end the administration, wind up the company or execute a deed of company arrangement. A deed of company arrangement cannot prevent a secured creditor from realising or otherwise dealing with its security interest, except so far as the relevant secured creditor voted in favour of the deed (or a court otherwise orders).

An administrator has to give immediate notice of his or her appointment to all secured creditors and a creditor who has a perfected security interest over “the whole or substantially the whole” of the company’s assets has a period of 13 business days to decide whether it will displace the administrator by appointing a receiver. If it does so, the receivership proceeds in the normal way. On the basis that the charges, mortgages and security interests granted by THL, TIL, THT and TL do not extend to all of the assets and undertaking of each entity, it is possible that the Security Trustee does not have a perfected security interest over “the whole or substantially the whole” of each entity’s assets. This also applies to Transurban Collateral Security Pty Ltd (the trustee of Finance Trust), whose fixed and floating charge only extends to all of the assets and undertaking of Finance Trust and not the other assets of Transurban Collateral Security Pty Ltd. In addition, to the extent that any security interest is not fully perfected for particular collateral (see paragraphs (a) and (b) in the section entitled “*Perfection of transitional security interests under the PPSA*” above), then the assets covered by the security would be further reduced. As such, there is a risk that the Security Trustee would not be able to displace an administrator appointed to any of these entities. This would prevent the Security Trustee from enforcing the securities during the period of administration without the leave of the court.

Share mortgages

A transfer of shares, the subject of a share mortgage or security interest described in the section entitled “Description of the Security Arrangements” below, will be void as against the company whose issued share capital is being transferred: (a) after the commencement of a winding up by the court of that company, unless the court otherwise orders; (b) after the passing of a resolution for voluntary winding up of that company, unless made with the sanction of the liquidator; and (c) during the administration of that company, except so far as the court otherwise orders.

TAXATION

The sub-section of the Offering Circular entitled “**Australian Taxation**” (under the section entitled “**TAXATION**”) appearing on page 109 to 112 of the Offering Circular is amended by replacing that sub-section in full with the following:

Australian Taxation

The following is a summary of the Australian taxation treatment at the date of this Offering Circular of payments of interest (as defined in the Income Tax Assessment Act 1936 of Australia (together with the Income Tax Assessment Act 1997 of Australia, the **Australian Tax Act**)) on the Notes and certain other matters. It is not exhaustive, and in particular, does not deal with the position of certain classes of Noteholders (such as dealers in securities). Prospective Noteholders should be aware that particular terms of issue of any Series of Notes may affect the tax treatment of that and other Series of Notes.

The tax consequences of holding and otherwise dealing with the Notes can vary depending upon the individual circumstances of a Noteholder. This general summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular Noteholder or relied upon as such. Each Noteholder, and particularly those Noteholders not covered by this summary as noted above, should obtain independent professional taxation advice relating to their holding of the Notes in their particular circumstances.

Introduction

The “debt/equity” rules in the Australian Tax Act define the tax treatment of an investment in the Notes as described below. The application of the debt/equity rules are unlikely to cause the Notes to be treated as equity for tax purposes unless such Notes have unusual or special conditions. In the case of “debt interests” such as the Notes, interest withholding tax (**IWT**) is payable at a rate of 10 per cent. of the gross amount of interest paid on the Notes to a non-Australian resident (other than a non-Australian resident who derives the interest income in carrying on business at or through a permanent establishment in Australia) or an Australian resident who derives the interest income in carrying on business at or through a permanent establishment outside Australia, unless an exemption is available.

An exemption from IWT is available in respect of interest paid on the Notes if (i) the requirements of section 128F of the Australian Tax Act are satisfied, or (ii) the requirements of an applicable double tax convention are satisfied. The Issuer intends to issue the Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

Exemption under section 128F of the Australian Tax Act

An exemption from Australian interest withholding tax is available under section 128F of the Australian Tax Act in respect of the payment of interest on the Notes if the following conditions are met:

- (a) the Issuer is a resident of Australia when it issues the Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid;
- (b) the Notes are issued as a result of an offer made in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in overseas capital markets are aware that the Issuer is offering Notes for issue. Only one of the methods needs to be satisfied. In summary, the five principal methods are:
 - (i) offers to 10 or more unrelated financiers of securities dealers;
 - (ii) offers to 100 or more investors;
 - (iii) offers of listed Notes;
 - (iv) offers via publicly available information sources; and

- (v) offers to the Dealers who offer to sell the Notes within 30 days by one of the preceding methods.

In addition, the issue of a Note in global form and the offering of interests in a Note by one of these methods should satisfy the public offer test;

- (c) the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that the Notes (or interests in them) were being, or would later be, acquired, directly or indirectly, by an offshore associate of the Issuer (other than in the capacity of a dealer, manager or underwriter in relation to the placement of the relevant Notes or a clearing house, custodian, funds manager or responsible entity of a registered managed investment scheme); and
- (d) at the time of the payment of interest, the Issuer does not know, or have reasonable grounds to suspect, that the payee is an offshore associate of the Issuer (other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered managed investment scheme).

An “associate” of the Issuer for the purposes of section 128F of the Australian Tax Act includes (i) a person or entity which holds more than 50 per cent. of the voting shares in, or otherwise controls, the Issuer, (ii) any entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, the Issuer, (iii) a trustee of a trust where the Issuer is capable of benefiting (whether directly or indirectly) under that trust, and (iv) a person or entity who is an “associate” of another person or company which is an “associate” of the Issuer under any of the foregoing.

An “offshore associate” of the Issuer is an associate of the Issuer that is either (x) a non-Australian resident that does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia, or (y) an Australian resident that acquires the Notes in carrying on a business at or through a permanent establishment outside Australia.

Unless otherwise specified in the relevant Final Terms or other supplement to this Offering Circular, the Issuer proposes to issue Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

Exemptions under double tax conventions

The Australian government has signed new or amended double tax conventions (**New Treaties**) with a number of countries (each a **Specified Country**).

In broad terms, once they have entered into force, the New Treaties effectively prevent IWT being imposed on interest derived by:

- the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; or
- a “financial institution” which is a resident of a “Specified Country” and which is unrelated to and dealing wholly independently with the Issuer. The term “financial institution” refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. (However, interest under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.)

The Australian Federal Treasury maintains a listing of Australia’s double tax conventions which provides details of country, status, withholding tax rate limits and Australian domestic implementation. This listing is available to the public at the Federal Treasury Department’s website at: <http://www.treasury.gov.au/content/tax-treaties.asp>.

Notes in bearer form

Section 126 of the Australian Tax Act imposes a type of withholding tax at the rate of (currently) 45 per cent. on the payment of interest on the Notes (which are in bearer form) if the Issuer fails to disclose the names and addresses of the holders to the Australian Taxation Office (**ATO**). Section 126 does not apply to the payment of interest on the Notes held by non-Australia resident Noteholders where the issue of those Notes has satisfied the

requirements of section 128F of the Australian Tax Act or IWT is payable. In addition, the ATO has confirmed that for the purpose of section 126 of the Australian Tax Act, the holder of debentures (such as the Notes) means the person in possession of the debentures. Section 126 is therefore limited in its application to persons in possession of Notes who are residents of Australia or non-Australian residents who are engaged in carrying on business in Australia at or through a permanent establishment in Australia.

Payment of additional amounts

As set out in more detail in the Terms and Conditions of the Notes, and unless expressly provided to the contrary in the relevant Final Terms or other supplement to this Offering Circular, if the Issuer should at any time be compelled or authorised by law to deduct or withhold an amount in respect of any withholding taxes imposed or levied by the Commonwealth of Australia in respect of the Notes the Issuer shall, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that the net amounts received by the Noteholders after such deduction or withholding shall equal the respective amounts which would have been receivable had no such deduction or withholding been required. In the event that the Issuer is compelled by law in relation to any Notes to deduct or withhold an amount in respect of any withholding taxes, the Issuer will have the option to redeem such Notes in accordance with the Terms and Conditions.

Payments under the Guarantees

In the event of default by the Issuer, the Guarantors may be required to make certain payments under the Guarantees.

It is unclear whether payments by an Australian resident Guarantor under a Guarantee constitute payments of interest so defined, but the better view is that such payments are not payments of interest or amounts in the nature of interest and, as such, no interest withholding tax should be payable in respect of such payments. However, if any payment by THT, THL, TIL or TL made on behalf of the Issuer is properly characterised as being in the nature of interest, the exemption from Australian withholding tax under section 128F of the Australian Tax Act should apply to those payments.

To the extent that the Guarantees provide for the payment of interest on amounts payable under the Guarantees themselves but which are not paid when due, payment by an Australian resident Guarantor of such amounts of overdue interest will be liable to interest withholding tax under section 128B (except where the payment is through a permanent establishment of the Australian Guarantor outside Australia or some other exemption applies).

Other Australian tax matters

The Issuer notes that under Australian laws as presently in effect:

- (a) assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, payment of principal and interest in respect of the Notes to a Noteholder, who is a non-resident of Australia and who, during the taxable year, has not used the Notes in carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes;
- (b) a Noteholder, who is a non-resident of Australia and who during the taxable year has not used the Notes in carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on sale or redemption of the Notes, provided such gains do not have an Australian source. A gain arising on the sale of the Notes by a non-Australian resident Noteholder to another non-Australian resident where the Note is sold outside Australia and all negotiations are conducted and documentation executed outside Australia would not generally be regarded as having an Australian source;
- (c) no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- (d) subject to paragraph (e) below, no ad valorem stamp, issue registration or similar taxes are payable in Australia on the issue or the transfer of any Notes provided that the procedures established for the issue and transfer of Notes by the Trust Deed and the Programme Agreement (as defined in “Subscription and Sale”) are followed;

- (e) no duty is payable on the securities described in the section entitled “Overview of the Programme - Security” above, provided that the total advances secured by such securities (including advances in relation to the Notes) does not exceed A\$7,500,000,000;
- (f) neither the issue nor receipt of the Notes will give rise to a liability for Goods and Services Tax (**GST**) in Australia on the basis that the supply of the Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal or redemption of the Notes, would give rise to any GST liability in Australia;
- (g) section 12-140 of Schedule 1 of the Taxation Administration Act 1953 of Australia (**TAA**) imposes a type of withholding tax at the rate of (currently) 46.5 per cent. on the payment of interest on certain securities unless the relevant investor has quoted an Australian tax file number (**TFN**), in certain circumstances as Australia Business Number (**ABN**) or proof of some other exception (as appropriate).

Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, these rules should not apply to payments to a Noteholder who is not a resident of Australia for tax purposes and not holding the Notes in the course of carrying on business at or through a permanent establishment in Australia. Payments to other classes of Noteholders may be subject to withholding where the Noteholder does not quote a TFN, ABN or provide proof of an appropriate exemption (as appropriate);

- (h) payments in respect of the Notes can be made free and clear of the “supply withholding tax” imposed under section 12-190 of Schedule 1 to the TAA; and
- (i) Division 230 of the Australian Tax Act contains tax-timing and characterisation rules for certain taxpayers to bring to account gains and losses from “financial arrangements”. The Notes would be regarded as a “financial arrangement” for the purposes of Division 230.

However, Division 230 does not apply to certain taxpayers. It should not, for example, generally apply to Noteholders who are individuals and certain other entities (e.g. certain superannuation entities and managed investment schemes) which meet various turnover or asset thresholds, unless they make an election that Division 230 apply to all of their financial arrangements.

The consequences of Division 230 applying to a Noteholder will depend upon, for example, whether the Noteholder chooses to apply any of the elective methods of recognising gains and losses from financial arrangements.

If Division 230 does generally apply to a Noteholder it should not affect the provisions relating to the imposition of IWT. In particular, Division 230 does not apply in a manner which overrides the exemption available under section 128F of the Australian Tax Act.

OTHER CHANGES TO THE OFFERING CIRCULAR

On page 1 of the Offering Circular, in the section entitled “DOCUMENTS INCORPORATED BY REFERENCE”, replace “Transurban International Limited (ARBN 121 746 825) (**TIL**)” with “Transurban International Limited (ACN 121 746 825) (**TIL**)”.

On page 77 of the Offering Circular, in the section entitled “DESCRIPTION OF THE TRANSURBAN GROUP”, replace “one ordinary share in Transurban International Limited (ARBN 121 746 825) (a company incorporated and currently domiciled in Bermuda)” with “one ordinary share in Transurban International Limited (ACN 121 746 825) (a company incorporated and domiciled in Australia)”.

RECENT DEVELOPMENTS

Directors and Management

On 30 January 2012 Mr Chris Lynch announced his intention to resign as Chief Executive Officer of the Transurban Group and as a director of the Boards of each of Transurban Holdings Limited, Transurban Infrastructure Management Limited (as the responsible entity of Transurban Holding Trust) and Transurban International Limited, with effect from July 2012.

Mr Jeremy G A Davis has retired as a director from the Boards of each of Transurban Holdings Limited and Transurban Infrastructure Management Limited (as the responsible entity of Transurban Holding Trust). Mr Davis' resignation was effective from 6 December 2011.

Mr Geoffrey O Cosgriff has retired as a director from the Boards each of Transurban Holdings Limited and Transurban Infrastructure Management Limited (as the responsible entity of Transurban Holding Trust). Mr Cosgriff's resignation was effective from 6 December 2011.

Ms Jennifer S Eve has retired as a director of the Board of Transurban International Limited. Ms Eve's resignation was effective from 5 January 2012.

Mr James M Keyes has retired as a director of the Board of Transurban International Limited. Mr Keyes' resignation was effective from 5 January 2012.

On 5 January 2012, each of Mr Robert R Officer, Mr Neil G Chatfield, Mr Robert J Edgar, Ms Samantha J Mostyn and Mr Rodney E Slater joined the Board of Transurban International Limited as non-executive directors. Each of Mr Robert R Officer, Mr Neil G Chatfield, Mr Robert J Edgar, Ms Samantha J Mostyn and Mr Rodney E Slater are directors of Transurban Holdings Limited and Transurban Infrastructure Management Limited (as the responsible entity of Transurban Holding Trust).

Mr Ian K Smith has joined the Boards of each of Transurban Holdings Limited, Transurban Infrastructure Management Limited (as the responsible entity of Transurban Holding Trust) and Transurban International Limited as a non-executive director. Mr Smith's appointment to the Boards of each of Transurban Holdings Limited and Transurban Infrastructure Management Limited (as responsible entity of Transurban Holding Trust) was effective from 1 January 2012 and Mr Smith's appointment to the Transurban International Limited Board was effective from 5 January 2012. A brief biography of Mr Ian K Smith is set out below:

Mr Ian K Smith

Independent non-executive director

Mr Smith has extensive experience in the global mining industry in operational and project management roles. Mr Smith is the Chief Executive Officer of Orica Limited (effective 27 February 2012). Prior to this Mr Smith held the position of Chief Executive Officer of Newcrest Mining Limited for five years and prior to that he was Global Head of Operational and Technical Excellence of Rio Tinto plc based in London.

Mr Smith is the current President of the Australian Minerals and Metals Association.

M5 Motorway (Sydney)

In December 2011, the M5 Concessionaire and the New South Wales Government signed an in-principle agreement to widen the M5 Motorway by one lane in each direction. In accordance with this in-principle agreement, the M5 Concessionaire and the New South Wales Government will now seek to finalise detailed project documentation.

Interstate 95/395 (Virginia, United States)

In December 2011, on behalf of DRIVE, the Transurban Group, with its joint venture partner, reached an in-principle, non-binding agreement with the Virginia Department of Transportation on a proposal to construct HOT lanes on a section of the Interstate 95/395 in Virginia, USA. In accordance with this in-principle, non-binding agreement, all parties will now seek to finalise detailed project documentation.