



Australian Rail Track Corporation Limited
A\$ Fixed Rate Medium Term Notes due 12 June 2031

Term Sheet dated 4 June 2024

This term sheet is not a complete description of the Notes to be issued. Investors should consider the terms of the Information Memorandum dated 15 May 2024 (**Information Memorandum**) describing and containing the terms and conditions of the Notes (**Conditions**) as supplemented by the applicable Pricing Supplement, including all selling and transfer restrictions, before making any investment decision. Unless otherwise defined herein, capitalised terms referred to in this term sheet are defined in the Conditions.

Issuer:	Australian Rail Track Corporation Limited (ABN 75 081 455 754)
Joint Lead Managers:	Mizuho Securities Asia Limited (ABN 14 603 425 912) National Australia Bank Limited (ABN 12 004 044 937) Westpac Banking Corporation (ABN 33 007 457 141)
Issuer Rating:	Moody's: A1 (Stable)
Expected Issue Rating:	Moody's: A1
Programme:	Australian Rail Track Corporation Limited's A\$2,000,000,000 Domestic Note Issuance Programme (Programme) as described in the Information Memorandum dated 15 May 2024
Type:	A\$ Fixed Rate Notes (Notes)
Status & Ranking:	The Notes constitute direct, unconditional, unsubordinated and (subject to the negative pledge from the Issuer as more fully described in Condition 4) unsecured obligations of the Issuer and will rank at least <i>pari passu</i> among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer except obligations mandatorily preferred by law
Pricing Date:	4 June 2024
Settlement Date:	12 June 2024 (T+5)
Issue Amount:	A\$450 million
Tenor:	7-year
Maturity Date:	12 June 2031
Coupon:	5.598% per annum, payable semi-annually in arrears on each Interest Payment Date
Benchmark:	Semi-quarterly coupon matched asset swap



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Issue Margin to Benchmark:	+135 bps
Re-offer Yield:	5.598%
Re-offer Price:	100%
Coupon Payment Dates:	12 June and 12 December in each year up to and including the Maturity Date, subject to adjustment for payment purposes only in accordance with the applicable Business Day Convention, commencing 12 December 2024
ISIN:	AU3CB0310332
Common Code:	283804461
Business Day Convention:	Following Business Day Convention
Day Count Fraction:	RBA Bond Basis
Business Days:	Sydney, Melbourne and Adelaide
Redemption Price	Redemption at par
Aggregate minimum amount:	The aggregate consideration payable for the issue and transfer of Notes in, or into, Australia will be at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates) or must otherwise be an offer or invitation that does not require disclosure under Part 6D.2 or 7.9 of the <i>Corporations Act 2001</i> (Cth)
Minimum Denomination:	A\$10,000
Early Redemption (Call) at the option of the Issuer:	Applicable, refer to Condition 9.6 (Early redemption at the option of the Issuer (Issuer call)) and schedule 1 to this term sheet
Early Redemption (Put) on a Change of Control:	Applicable - see schedule 2 to this term sheet
Early Redemption (Call) for Taxation Reasons:	Applicable – refer to Condition 9.4 (Early redemption for taxation reasons).
Clean-Up Call:	Applicable – refer to Condition 9.7 (Clean-Up Call)
Registrar:	Austraclear Services Limited (ABN 28 003 284 419)
Clearing System:	Austraclear System. Interests in the Notes traded in Austraclear System may be held in Euroclear and/or Clearstream.
Listing:	None
Taxation:	It is the Issuer's intention that this issue of Notes will be issued in a manner which will seek to satisfy the "public offer test" under section 128F of the <i>Income Tax Assessment Act 1936</i> .

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Selling Restrictions:	As set out in the Selling Restrictions section of the Information Memorandum dated 15 May 2024, relating to the Programme.
No EU/UK PRIIPs KID:	No PRIIPs KID / No UK PRIIPs KID – No PRIIPs or UK PRIIPs key information document (KID) have been prepared as the Notes are not available to retail investors in the European Economic Area or the United Kingdom.
Singapore Securities and Futures Act Classification:	Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore (the SFA), the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A of the SFA) that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and "Excluded investment Products" (as defined in Monetary Authority of Singapore (MAS) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).
Governing Law:	New South Wales

A credit rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating.

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Schedule 1 – Early redemption at the option of the Issuer (Issuer call):

- (a) The Issuer may redeem all or some of the Notes under Condition 9.6 (“Early redemption at the option of the Issuer (Issuer call)”) at any time during the period from (and including) the date which is [3 months] before the Maturity Date to (but excluding) the Maturity Date. If this paragraph (a) applies, for the purposes of Condition 9.6 (“Early redemption at the option of the Issuer (Issuer call)”):
- (i) the Redemption Amount will be the outstanding principal amount of the Notes which are redeemed. The Issuer will also pay accrued interest in accordance with Condition 9.6 (“Early redemption at the option of the Issuer (Issuer call)”);
 - (ii) the Issuer must give a notice in accordance with Condition 9.6(b) (“Early redemption at the option of the Issuer (Issuer call)”) and the minimum and maximum notice periods specified in Condition 9.6(b) (“Early redemption at the option of the Issuer (Issuer call)”) will apply; and
 - (iii) the Early Redemption Date (Call) will be the date specified in the notice given by the Issuer referred to in sub-paragraph (ii) above (which date must be a Business Day).
- (b) The Issuer may redeem a Note under Condition 9.6 (“Early redemption at the option of the Issuer (Issuer call)”) on a date which is more than [3 months] before the Maturity Date. If this paragraph (b) applies, for the purposes of Condition 9.6 (“Early redemption at the option of the Issuer (Issuer call)”):
- (i) the Redemption Amount will be the Make-Whole Amount. The Issuer will also pay accrued interest in accordance with Condition 9.6 (“Early redemption at the option of the Issuer (Issuer call)”);
 - (ii) the Issuer must give a notice in accordance with Condition 9.6(b) (“Early redemption at the option of the Issuer (Issuer call)”) and the minimum and maximum notice periods specified in Condition 9.6(b) (“Early redemption at the option of the Issuer (Issuer call)”) will apply; and
 - (iii) the Early Redemption Date (Call) will be the date specified in the notice given by the Issuer referred to in sub-paragraph (ii) above (which date must be a Business Day).

In this paragraph (b), "**Make-Whole Amount**" means the amount which is the greater of:

- (1) the outstanding principal amount of the Note as at the Early Redemption Date (Call); and
- (2) the amount determined by the Financial Representative to be the value on the Early Redemption Date (Call) of the Note being redeemed, calculated in accordance with the Reserve Bank of Australia Bond Formula for the calculation of the settlement price of fixed income securities (as published on the Issue Date), where the yield that applies is:
 - (A) the rate (expressed as a semi-quarterly rate), which is the mid-swap rate (determined using linear interpolation as necessary) calculated by referencing the semi-annual rate adjusted for the 6-month 3-month basis (as applicable) to the Maturity Date of the Notes as displayed on Interest Rate Swaps (Australia) Bloomberg page ('IRSB AU', reference to the 'Mid' rates) or other electronic media at or around 10.00 am (Sydney time) three Business Days prior to the Early Redemption Date (Call); or

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- (B) if those rates are not displayed by Bloomberg, the rate determined by the Financial Representative to be appropriate having regard to market rates and sources then available,

and in the case of either paragraph (A) or (B), plus 35bps (being 25% of the re-offer margin to benchmark, rounded to the nearest 5bps).

For the purpose of calculating the Make-Whole Amount, “**Financial Representative**” means a financial institution authorised as an authorised deposit-taking institution in Australia under the Banking Act 1959 (Cth) of Australia which has been appointed, from time to time, by the Issuer for the purposes of calculating the Make-Whole Amount and notified to the Registrar and the Noteholder



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Schedule 2 – Change of Control (Holder put):

- (a) If a Change of Control Event (defined in paragraph (c) below) occurs, the Issuer must, as soon as reasonably practicable but, in any event, within 10 Business Days, notify the Holders of the occurrence of the Change of Control Event in accordance with Condition 19 (“Notices”) (a “Change of Control Event Notice”). Within 45 days of receipt of the Change of Control Event Notice (the “Change of Control Put Period”, a Holder may, by notice to the Issuer, require the Issuer to redeem all or some of the Notes of a Series held by the Holder before their Maturity Date and the Issuer must redeem the Notes specified by the Holder on the Change of Control Redemption Date at the Redemption Amount (being the outstanding principal amount of the Notes which are redeemed) and any interest accrued on it to (but excluding) the redemption date if the following conditions are satisfied:
- (i) the amount of Notes to be redeemed is a multiple of their Denomination;
 - (ii) the Holder has given notice to the Issuer and the Registrar by delivering to the Registrar, in accordance with Condition 19 (“Notices”) a completed and signed redemption notice in the form provided in the Change of Control Event Notice, together with any evidence the Registrar may require to establish title of the Holder to the Note; and
 - (iii) the notice referred to in the preceding sub-paragraph (ii) specifies an account in the country of the currency in which the Note is denominated to which the payment should be made or an address to where a cheque for payment should be sent.

Any notice given by a Holder under the preceding sub-paragraphs (ii) or (iii) is irrevocable.

Change of Control Redemption Date means the earlier of (i) the Maturity Date and (ii) the date that is 90 days after the date of the Change of Control Event Notice.

- (b) If a Change of Control Event occurs and the Issuer fails to comply with its obligations under this Part 2 (other than in respect of the provision of notices by it) it shall be an additional Event of Default for the purposes of Condition 14.1(b) (“Events of Default”).
- (c) A “**Change of Control Event**” occurs if:
- (i) the Commonwealth of Australia Government (or a relevant Commonwealth Government instrumentality, statutory authority, Ministry or Ministries) ceases to own or Control (as defined in section 50AA of the Corporations Act), directly or indirectly, at least 50.1% of the beneficial and legal interest in the Issuer’s share capital and voting power (a “**Change of Control**”); and
 - (ii) if:
 - (A) the Notes are rated by at least one Rating Agency at the time the Change of Control occurs, by the end of the period ending 90 days after the later of the date on which the Change of Control occurs or is publicly announced (the “Trigger Period”), the Notes are not rated at least A2 (or its equivalent) by Moody’s (or any of its successors or any other Rating Agency of domestic or international standing and recognition) or the rating of the Notes is otherwise removed; or
 - (B) the Notes are not rated by at least one Rating Agency at the time the Change of Control occurs, the Notes have not been assigned a rating of at least A2 (or its equivalent) by Moody’s (or any of its successors or any other Rating

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Agency of domestic or international standing and recognition) by the end of the Trigger Period.

"**Moody's**" means Moody's Investors Service Pty Limited (ACN 003 399 657).

- (d) For the purposes of paragraph (c)(ii) above, if:
- (A) only one Rating Agency provides a rating in respect of the Notes, that rating will apply;
 - (B) two Rating Agencies provide a rating in respect of the Notes, the lowest of those ratings will apply; or
 - (C) three Rating Agencies provide a rating in respect of the Notes:
 - (i) if two of those three Rating Agencies assign the same rating, that rating will apply; or
 - (ii) if all three Rating Agencies assign a different rating, then the lowest of the ratings will apply.
- (e) For the avoidance of doubt, no Change of Control will occur under paragraph (c)(i) solely as a result of a change from time to time in a relevant Commonwealth Minister or in or to a relevant Commonwealth Government instrumentality, statutory authority, Ministry or Ministries.



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