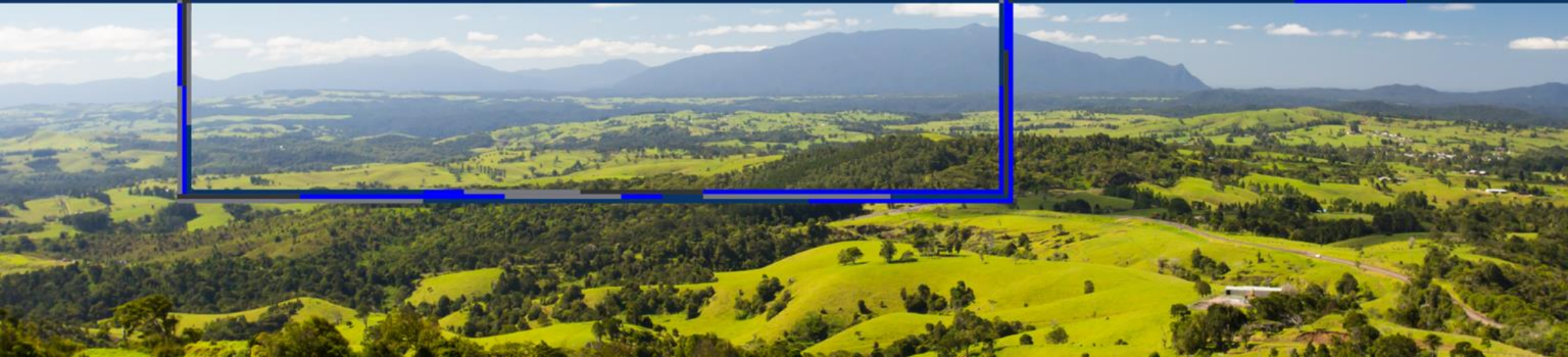


QTC GREEN BONDS



QUEENSLAND
TREASURY
CORPORATION

NOT FOR DISTRIBUTION IN THE UNITED STATES



Important Notice and Disclaimer

You must read this notice before reading presentation (Presentation) or any information contained in this Presentation. By continuing to read this Presentation you agree to be bound by the following terms and conditions, including any modifications to them. This presentation is for informational purposes only. This Presentation is not an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, and neither this Presentation nor anything in it shall form the basis for or of any contract or commitment whatsoever. If an offer of securities is made by QTC, it will be made pursuant to the Information Memorandum and a term sheet.

Statements in this Presentation are made only as of the date of this Presentation unless otherwise stated and the information in this Presentation remains subject to change without notice. This Presentation may be based on information supplied by QTC and from sources believed to be reliable, however QTC has not independently verified any of the contents of this Presentation. Reliance should not be placed on information or opinions contained in this Presentation and, except as required by law or regulation, neither QTC, its affiliates, related bodies corporate or shareholders, or any of their respective officers, directors, employees, related bodies corporate, affiliates, agents and advisers (Related Parties), nor any other person, accepts any obligation to correct or update this Presentation or provide any additional or updated information whether as a result of new information, future events or results or otherwise. To the maximum extent permitted by law, no representation or warranty, express or implied, is made by any QTC, or Related Parties as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this Presentation.

In particular, none of the Joint Lead Managers or any of their respective affiliates, related bodies or their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (each an Adviser and together, the Advisers) have authorized, permitted or caused the issue, lodgment, submission, dispatch or provision of this Presentation, make or purport to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement made by any of them.

To the maximum extent permitted by law, the Advisers and any Joint Lead Managers expressly disclaim all liabilities in respect of, and make no representations or warranties (whether express or implied) regarding, and take no responsibility for, any part of this Presentation and its contents (including any omission) and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Presentation.

The information in this Presentation does not constitute financial product or investment advice (nor investment, tax, accounting or legal advice) or a recommendation to acquire securities. It has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should conduct your own investigations and analysis of the financial condition, assets and liabilities, financial position and performance, profits and losses, prospects and business affairs of QTC and its business, and the contents of this Presentation. This Presentation does not purport to summarize all information that an investor should consider when making an investment decision.

This Presentation is confidential and not for further distribution. By accepting this Presentation, persons to whom this Presentation is given agree to keep the information confidential, not copy, reproduce, disseminate, quote, refer to or publish the document and not to disclose any of the information contained in the Presentation, in whole or in part, directly or indirectly, to anyone, without the prior written consent of QTC, which may be withheld in its absolute discretion.

This Presentation contains certain "forward looking statements". Forward looking statements can be identified by the use of forward looking terminology, including, without limitation, the terms "believes", "estimates", "anticipates", "expects", "predicts", "outlook", "guidance", "plans", "intends", "should", "could", "may", "will", "would" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward looking statements. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of QTC and Related Parties, that may cause actual results to differ materially from those predicted or implied by any forward looking statements. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Important Notice and Disclaimer continued

This Presentation is provided to you on the basis that you are, and you represent and warrant that you are:

- i. a non-U.S. person as defined in Regulation S of the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) in compliance with Regulation S; or
- ii. a “qualified institutional buyer” (QIB) (as such term is defined in Rule 144A under the U.S. Securities Act).

THIS PRESENTATION IS NOT FOR DISTRIBUTION INTO THE UNITED STATES. This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States and neither this Presentation nor any of the information contained herein shall form the basis of any contract or commitment. No action has been taken or is proposed to be taken to register or qualify this Presentation or any related proposed offer of securities in QTC under the securities laws of any state or jurisdiction of the United States. In particular, no securities of QTC relating to this Presentation have been, and nor will they be, registered under the U.S. Securities Act. Securities in QTC relating to this Presentation may not be offered or sold directly or indirectly in the United States except in transactions exempt from, or not subject to, registration under the U.S. Securities Act and applicable U.S. state securities laws.

© Queensland Treasury Corporation



Queensland Treasury Corporation

The Queensland Government's central financing authority

- Queensland Treasury Corporation (QTC) provides debt funding and financial risk management services to the State, public sector entities, local government
- All debt securities issued by QTC are guaranteed by the Queensland Government
- All debt securities issued by QTC carry the same credit rating as the Queensland Government:
 - AA+ Stable (Standard & Poor's)
 - Aa1 Negative (Moody's)
- QTC is focused on whole-of-State outcomes and securing the State's financial success
- QTC's total debt on issue was AUD91.3 billion (face value) as at 31 December 2016

Credit ratings are not recommendations by a rating agency to buy, sell or hold securities. They may be revised, suspended or withdrawn at any time by the rating agency.

Overview

QTC Green Bonds are 'Use of Proceeds' green bonds which fund projects that contribute to:

- climate change mitigation or adaptation efforts
- the transition to a low carbon and climate resilient economy

All QTC Green Bonds are intended to be:

- issued under QTC's A\$ Bond Program with U.S. Rule 144A capability, carry the guarantee and credit rating of the Queensland Government
- issued in accordance with QTC's Green Bond Framework
- certified in compliance with the Climate Bonds Standard (CBS)
- verified by DNV GL, QTC's independent verification agent

Overview continued

As per the CBS certification requirements, QTC expects that:

- the QTC Green Bond eligible project pool is expected to be expanded over time, subject to meeting the CBS certification requirements
- QTC Green Bond proceeds will be earmarked for funding new and existing eligible projects
- the aggregate value of all QTC Green Bonds will not exceed the aggregate value of expended funds for the QTC Green Bond eligible project pool
- QTC Green Bonds will carry the same characteristics as conventional QTC bonds in terms of price, yield, maturity and credit rating
- investors will not be exposed to the direct risk related to the underlying projects and payment of interest or principal is not directly linked to the performance of the underlying projects
- green bonds may be issued in the future

Why is QTC issuing green bonds?

1. QTC is supporting Queensland's efforts to adapt to and mitigate the impacts of climate change as well as the journey towards reducing greenhouse gas emissions
2. Demonstrating the Queensland Government's commitment to the global transition to a low carbon future
3. Supporting the development of the green bond asset class
4. Diversifying funding sources
5. Targeting new investors

Queensland's strategies on climate change

Queensland's Department of Environment and Heritage Protection is developing the [Queensland Climate Adaptation Strategy \(Q-CAS\)](#)

- The [Directions Statement](#) is currently available online
- Part of the Queensland Government's Advance Queensland agenda
- Queensland's other efforts and strategies are detailed in the '[Advancing Climate Action in Queensland](#)' report



UNDERSTAND

Develop a comprehensive understanding of how climate change will affect Queensland



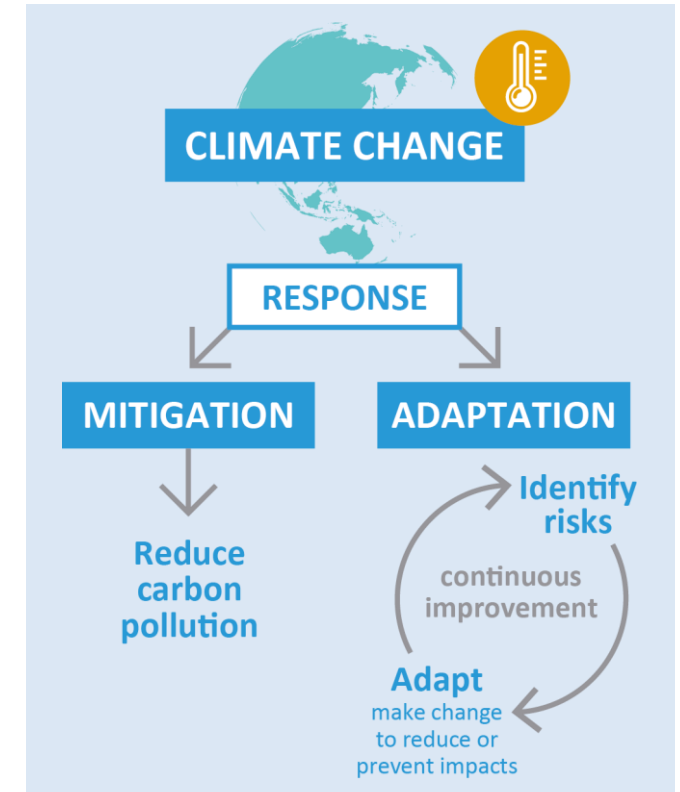
ADAPT

Work to reduce the risk of current and future climate change impacts on Queensland



TRANSITION

Do our fair share to reduce greenhouse gas emissions, and create the low-carbon economy jobs of the future in Queensland



QTC's Green Bond Framework

The QTC Green Bond Framework sets out the types of projects that are eligible for funding via QTC Green Bonds and the management process around QTC Green Bonds

- Draws on the International Capital Market Association (ICMA) Green Bond Principles (GBP) and fulfils the requirements for CBS certification
- The QTC Green Bond Framework addresses:
 1. Use of Proceeds
 2. Process for project selection
 3. Management of bond proceeds
 4. Verification and assurance
 5. Reporting



Use of proceeds

Proceeds will be earmarked for funding QTC Green Bond eligible projects. These may include, but are not limited to, projects which are CBS eligible and fall within the following categories:

- renewable energy ie. solar and wind
- energy efficiency processes and products
- low carbon transport (rail, mass transit, bus rapid transport)
- drought resilience and flood defence
- water and wastewater treatment plants and distribution infrastructure
- preservation of the Great Barrier Reef and other natural ecosystems
- low carbon buildings, and
- other projects covered by new or revised CBS sector criteria.

Eligible projects may be added/removed from the QTC Green Bond eligible project portfolio over time.

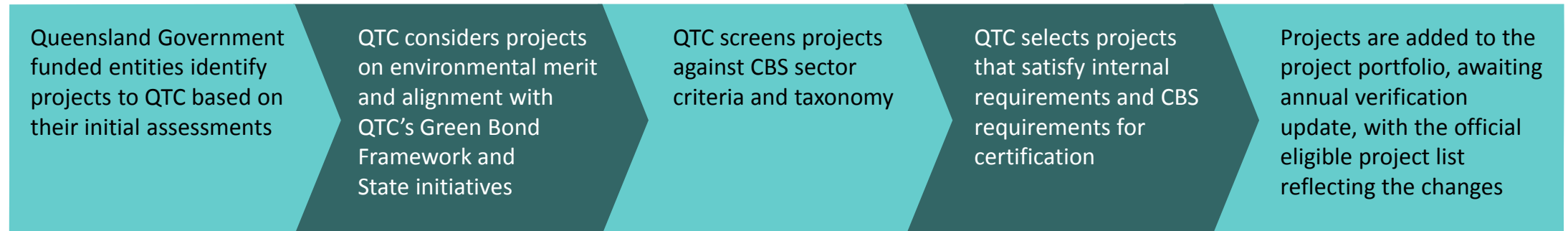


Selection process for eligible projects

The QTC Green Bond Committee manages the eligible project selection process.

Projects are considered against:

1. Environmental objectives, features and benefits of the projects
2. Conformance to the updated versions of the CBS and sector criteria
3. The Climate Bonds Taxonomy of eligible projects



Management of proceeds

How are proceeds tracked?

- Net proceeds from QTC Green Bonds will be earmarked and allocated to QTC's internal funding, liquidity and on-lending pools according to existing systems, policies and processes
- An internal register of QTC Green Bond proceeds, eligible projects and allocations will be maintained for the annual assurance process
- It is expected that net QTC Green Bond proceeds be allocated immediately upon issuance of each QTC Green Bond. Any unallocated proceeds will be temporarily invested in cash or cash equivalent instruments as per the requirements of the CBS
- Payment of principal and interest on QTC Green Bonds will be made from QTC's general funds, not directly related to performance of eligible projects

Assurance and certification

QTC Green Bonds are certified as in compliance with the Climate Bonds Standard (V 2.1)

- Compliance with the CBS has been independently verified by DNV GL
- The CBS certificate and DNV GL pre-issuance assurance opinion are available online
- QTC Green Bonds will require an annual verification update¹ to confirm QTC Green Bonds remain in compliance with updated versions of the CBS
- QTC expects to maintain CBS certification for all QTC Green Bonds on issue.

Reporting

- QTC maintains an internal register of proceeds of all QTC Green Bonds and a list of eligible nominated projects
- Annual QTC Green Bond reporting will include:
 - DNV GL independent QTC Green Bond assurance updates
 - Confirmation of net proceeds of QTC Green Bond(s) on issue
 - progress, outcomes and impact reporting of the eligible projects where available
 - confirmation of compliance with the QTC Green Bond Framework and CBS Certification requirements



Summary

- Proceeds from QTC Green Bonds will be used to fund a pool of eligible projects across Queensland that support the transition to a low-carbon future and climate change mitigation and adaptation.
- QTC Green Bonds will maintain certification under the Climate Bonds Standard (Version 2.1)
- QTC Green Bonds are issued under QTC's AUD bond program
- QTC aims to issue green bonds in future



Use of proceeds – nominated projects

Gold Coast Light Rail Stages 1 and 2



CBS criteria applied: low carbon transport

Stage 1 – operating since June 2014

- 13km, 16 station electric urban transport corridor
- Connects high-density precincts using 14 electric trams

Stage 2 – completion expected in early 2018

- 7.3km, three station electric transport connection corridor
- Capacity for 3000 passengers per hour
- Connects existing light rail from Griffith University to SEQ hard rail network using four additional electric trams
- 1400 ‘Park and Ride’ spaces
- QTC Green Bond proceeds will be used to refinance State Government Contributions and Gold Coast City Council loans to Light Rail project

Use of proceeds – nominated projects

Moreton Bay Rail Link – Redcliffe Peninsula Line



CBS criteria applied: low carbon transport

- The Moreton Bay region is the third largest local government area in Australia being home to over 375,000 people
- 12.6km dual-track passenger line, from Petrie to Kippa-Ring
- 6 new stations including bus connections and bike storage
- Provides an efficient, integrated low-carbon public transport solution in a region heavily geared towards car transport
- Opened and operational in October 2016
- QTC Green Bond proceeds will be used to refinance State Government Contributions

Use of proceeds – nominated projects

New Generation Rolling Stock



- 75 new six-car electric trains to service the South-East Queensland metropolitan region
- Maintaining trains for approximately 30 years
- Constructing a modern, purpose-built maintenance centre
- Provides a significant increase to the South-East Queensland electric train fleet to meet the growing demand for low-carbon transport services
- Progressively rolled out onto the network until late 2018
- QTC Green Bond proceeds will be used to refinance State Government Contributions

CBS criteria applied: low carbon transport

Use of proceeds – nominated projects

Various cycle ways



- Cycle ways and cycle infrastructure at various locations around Brisbane, Townsville and Toowoomba
- Provides a zero-carbon transport option to commuters and an alternative to carbon-intensive transport options such as cars
- QTC Green Bond proceeds will be used to refinance State Government Contributions

CBS criteria applied: low carbon transport

Use of proceeds – nominated projects

Sunshine Coast Solar Farm development



- 15 megawatt solar farm built on 49 hectare site
- 57,000 PV modules, six inverter stations, control room among other structural works
- Electricity generated over one year is sufficient to power 5000 homes
- 36,000 trees are expected to be planted as part of the project
- Due for completion in mid-2017
- QTC Green Bond proceeds will be used to refinance Sunshine Coast Regional Council Solar Farm development loans

CBS criteria applied: renewable energy (solar)