

The Pricing Supplement to be issued in respect of each Tranche of Bonds will be substantially in the form set out below.



**Government of
South Australia**

South Australian Government Financing Authority

(a statutory authority constituted by the Government Financing Authority Act 1982 of South Australia)
(ABN 75 277 967 856)

Domestic Wholesale A\$ Bond Programme

Issue of
**A\$500 million Aggregate Principal Amount of
Fixed Rate Inscribed Stock of the South Australian Government Financing Authority
due 20 July 2026 ("Bonds")**

The date of this Pricing Supplement is 20 July 2016.

Series: 3.0% 20 July 2026 Select Line SAFA Bonds

Tranche No.: Two

This Pricing Supplement (as referred to in the Information Memorandum dated 14 August 2015 ("**Information Memorandum**") in relation to the above Programme) relates to the Tranche of Bonds referred to above. It is supplementary to, and should be read in conjunction with the terms and conditions of the Bonds contained in the Information Memorandum ("**Conditions**"), the Information Memorandum and the Bond Deed Poll dated 14 August 2015 made by the Issuer. Unless otherwise indicated, terms defined in the Conditions have the same meaning in this Pricing Supplement.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Bonds or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The particulars to be specified in relation to the Tranche of Bonds referred to above are as follows:

- | | | | |
|---|--------------|---|--|
| 1 | Issuer | : | South Australian Government Financing Authority |
| 2 | Guarantor | : | The Treasurer of the State of South Australia for and on behalf of the Government of South Australia |
| 3 | Type of Bond | : | Fixed Rate Bond |

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4	Status	:	The Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. As among themselves, the Bonds of each Series will rank <i>pari passu</i> and will be payable rateably without preference or priority with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except as such obligations as are mandatorily preferred by law.
5	Method of Distribution	:	Syndicated Issue
6	Lead Managers	:	Citigroup Global Markets Australia Pty Limited National Australia Bank Limited
7	Dealers	:	Citigroup Global Markets Australia Pty Limited National Australia Bank Limited
8	Registrar	:	Link Market Services Limited (ABN 54 083 214 537)
9	Issuing and Paying Agent	:	Link Market Services Limited (ABN 54 083 214 537)
10	Calculation Agent	:	Link Market Services Limited (ABN 54 083 214 537)
11	Details of Series (Fungibility with other Tranches)	:	Fungible with Tranche 1 of the SAFA 20 July 2026 select line from 20 July 2016 onward.
12	Principal amount of Tranche	:	\$A500 million
	Aggregate principal amount of Series	:	\$A1,000 million
13	Issue Date	:	25 July 2016
14	Issue Clean Price	:	104.529
15	Denomination	:	AUD 1,000
			Minimum consideration payable for issue and transfers will be AUD \$500,000 (or its equivalent in an alternative currency and, in each case, disregarding moneys lent by the offeror or its associates to the offeree or its associates) or if the offer or invitation (including any resulting issue) otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act
16	Maturity Date	:	20 July 2026

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17	Record Date	:	As per the Conditions
18	Condition 6 (Fixed Rate Bonds) applies	:	Yes
	Fixed Coupon Amount	:	AUD 15 for a Bond having a Redemption Amount of AUD 1,000
	Interest Rate	:	3.0% per annum
	Interest Commencement Date	:	Issue Date
	Interest Payment Dates	:	20 January and 20 July in each year with the first Interest Payment Date being 20 January 2017 and the last Interest Payment Date being 20 July 2026 as adjusted in accordance with Business Day Convention
	Business Day Convention	:	Business Days: Sydney, Adelaide Business Day Convention: Modified Following Business Day Convention
	Day Count Fraction	:	RBA Bond Basis
19	Clearing System	:	Austraclear
20	ISIN	:	AU3SG0001498
21	Listing	:	Unlisted
22	Credit ratings	:	Standard & Poor's Rating Services: AA (stable) Moody's Investor Services, Limited: Aa1 (stable)

A credit rating is not a recommendation to buy, sell or hold Bonds and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

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23 Section 128F Exemption : The Tranche of Bonds is intended to be issued in a manner satisfying the requirements for exemption from interest withholding tax under Section 128F of the Income Tax Assessment Act (Clth) 1936.

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

CONFIRMED

For and on behalf of
South Australian Government Financing Authority

By:

Name:

Title:

Date: