Best Effort.

The weekday briefing on Australian telecommunications, data centres and AI infrastructure.

TODAY'S BRIEFING

Wednesday 11 November 2026

- NEXTDC is under scrutiny on two fronts.
- Gordon Legal and Shine Lawyers are investigating alleged disclosure failures tied to a stalled Melbourne power line after a 42 per cent share price fall, while Goodman and Digital Realty have disclosed a 9.9 per cent stake.
- AirTrunk confirmed it is behind the Mickleham campus and a 540MW Kurri Kurri project.
- An RBA staff note estimates data centre investment has added up to about 0.2 percentage points to annual GDP growth.

7 stories · **14 min** reading · **17** sources · Online at besteffort.au/editions/2026-11-11

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DATA CENTRES 1 OF 7

Two law firms probe NEXTDC disclosure as Goodman and Digital Realty take 9.9%

Gordon Legal and Shine Lawyers are investigating NEXTDC over alleged disclosure failures tied to a stalled Melbourne power line, after the share price fell 42 per cent. Goodman and Digital Realty have since disclosed a 9.9 per cent stake.

Best Effort desk · Wed 11 Nov 2026 · 4 sources · 2 min read

WHY IT MATTERS

The episode shows grid access and local consent can alter an Australian listed data centre operator's guidance, capital plans and exposure to shareholder litigation, with M3's next grid supply increase now expected in FY28.

Gordon Legal and Shine Lawyers have each opened investigations into NEXTDC over alleged disclosure failures linked to a paused power-pole rollout in Yarraville, Head Topics reported on 6 November 2026. The report said the shares fell 42 per cent, wiping $3 billion from the company's value, and described two shareholder class actions as looming. The allegations are those of the law firms' investigations and have not been tested.

The dispute concerns Jemena's 66kV power-line works to supply NEXTDC's M3 data centre in West Footscray. NEXTDC said on 21 October that Jemena suspended parts of the works in September 2026, citing safety concerns and lack of site access amid community opposition, and that the local council had not given consent while consultation continued. Jemena has told NEXTDC it does not expect to restart before February 2027. Residents objected to 15-metre poles carrying up to 66,000 volts, and Head Topics reported that some organised street blockades.

NEXTDC cut its FY27 net revenue guidance to between $475 million and $500 million from between $615 million and $640 million. Underlying EBITDA guidance fell to between $245 million and $265 million from between $385 million and $410 million, and the affected M3 contracts accounted for about $140 million of both revenue and EBITDA in the earlier guidance. The company also disclosed that the affected contracts allow for service level credits if capacity is late and, in some circumstances, give the customer termination rights, and said it is considering whether force majeure relief is available.

In a joint ASX statement on Monday 9 November, Goodman Group and Digital Realty said their 50:50 vehicle, Ackland Investments No.1, had acquired 9.9 per cent of NEXTDC at an average of $9.22 a share. The substantial holder notice lists 75,215,528 shares, bought between 3 and 6 November, with most

acquired in an institutional book build at $9.50 on 4 November. The pair said neither has "any present intention" of making a takeover offer but both reserve the right to do so. NEXTDC's board has called the buying opportunistic, said it has received no proposal, and appointed Barrenjoey, UBS, Cadence Advisory and Mallesons as advisers.

Chief executive Craig Scroggie told the UBS Australasia Conference on Monday that work on projects without customer contracts was no longer a priority. In the company announcement he said: "With M3 revenue deferred, we have paused projects not backed by customer contracts and put that capital behind the capacity our customers have already contracted," he said. He did not say how many projects are affected, and NEXTDC listed 11 centres in development or planning in its 2026 annual report. NEXTDC's board is due to report on its capital expenditure review at the 20 November AGM.

REPORTING FROM

1. **THE TECH BOOM** · NEXTDC's boss says sorry as Goodman and Digital Realty sit on 9.9%. What the data centre "raid" means, and what it doesn't
2. **BizTech Weekly** · NEXTDC pauses uncontracted projects as Melbourne power delay tests AI data-centre economics
3. **Die Signal** · NEXTDC Cuts A$140M Outlook on Melbourne Power Delay
4. **Head Topics** · NextDC faces two class actions after $3 billion value wiped by power pole delay

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

DATA CENTRES 2 OF 7

AirTrunk named behind Mickleham campus and 540MW Kurri Kurri smelter site project

AirTrunk has confirmed it is the developer of a proposed data centre campus at Mickleham, north of Melbourne, and a 540MW project on the former Kurri Kurri aluminium smelter site in New South Wales. Neither proposal named the operator when it was lodged.

Best Effort desk · Wed 11 Nov 2026 · 2 sources · 2 min read

WHY IT MATTERS

The two proposals extend AirTrunk's Australian pipeline and place capacity on a remediated industrial site next to existing generation, in line with a wider trend of reusing such land for data centres.

AirTrunk is behind two proposed Australian data centre developments: a campus at 45 Donnybrook Road in Mickleham, about 35 kilometres north of central Melbourne, and a 540MW facility at the old Kurri Kurri aluminium smelter in Loxford, New South Wales. DatacenterDynamics reported the news on 9 November 2026, and AirTrunk has since confirmed its role.

The Mickleham application was lodged in July without naming an applicant and covers up to seven buildings. It sits inside the 67-hectare Fusion Business Park, owned by real estate firm McMullin, close to the Kalkallo Zone Substation. AirTrunk put the project's total at 935,730 square metres. Before the confirmation, a PwC post had pointed to AirTrunk as a possible developer, while DataCenterMap listed the site as a planned Amazon campus.

The company said the design relies on air cooling, so community water would not be used for cooling in normal operations. It also said it would pay for its grid connection and bring forward new renewable energy projects. Community information sessions are being held in November. Rob Bartrop, associate vice president of social impact and community at AirTrunk, said the company wanted "to engage with people who live and work in Mickleham and the surrounding area".

In New South Wales, a State Environmental Planning Policy application for the 540MW data centre went to the state government in June. AirTrunk plans a large two-storey building on 21 hectares beside Snowy Hydro's 660MW Kurri Kurri gas power station, about 167 kilometres north of Sydney and 37 kilometres from Newcastle. The site would also be air cooled, and AirTrunk said it would meet the cost of new energy infrastructure.

Alcan Australia opened the smelter around 1969, production stopped in 2012 and Norsk Hydro closed it in 2014. Remediation is substantially complete and the land is mostly vacant. Stevens Group and McCloy Group bought it in 2020, planning a suburb called Loxford Waters of 2,000 homes across 2,000 hectares, with industrial estates and a business park.

For each project, AirTrunk said nearby households could get a $200 annual reduction on a standard electricity bill through Origin Energy.

Founded in 2018, AirTrunk was bought by Blackstone and the Canadian Pension Plan in 2024 for US$16.1 billion. It operates and is developing campuses in Sydney and Melbourne, as well as in Singapore, Hong Kong, Johor, Tokyo and Osaka, and earlier this year announced it would acquire India's Lumina CloudInfra.

REPORTING FROM

1 **IDCNOVA** · AirTrunk Confirmed as Operator Behind Melbourne Data Center Campus and Kurri Kurri Smelter Conversion

2 **Kilambi News** · AirTrunk named behind Melbourne and Kurri Kurri campuses

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

DATA CENTRES 3 OF 7

Firmus forecasts 8,900 Tasmanian jobs and $46b boost, but faces diesel questions

Firmus told a Tasmanian parliamentary inquiry on Tuesday 10 November 2026 that its AI data centres could add up to $46 billion to gross state product by 2035. MPs pressed the company on its appeal against a diesel generator condition and on its undisclosed customers.

Best Effort desk · Wed 11 Nov 2026 · 2 sources · 3 min read

WHY IT MATTERS

Firmus is among the larger proposed AI data centre builds in Tasmania, and the inquiry will shape recommendations to government on power use, local benefits and transparency. The outcome of the generator appeal will also show how tightly conditions on backup diesel use are applied to such sites.

Firmus Technologies says its Tasmanian AI data centres could add up to $46 billion to the state economy by 2035 and generate about 8,900 ongoing full-time equivalent jobs, based on preliminary modelling put to a parliamentary inquiry on Tuesday 10 November 2026. Pulse Tasmania reported that co-founder and co-chief executive Tim Rosenfield described the third-party study, commissioned at the state government's request, as close to final, with an extract handed to the committee.

Rosenfield said most data centre companies speak only of construction jobs, while Firmus runs its own facilities. "We need a lot more people outside the data centre than we actually do inside the data centre," he said. He said Firmus had retrained former smelter workers in the north with electrical and mechanical qualifications, and had about 40 staff working off-site, among them coders and developers in Hobart and Launceston. He also pointed to the subsea cable to the mainland that Firmus is funding with partner Subco, which he said would substantially improve Tasmania's connectivity.

Other witnesses were more cautious on jobs. TasICT Chief Executive Russell Kelly told the inquiry that a data centre creates work during construction but far fewer roles once running, saying the number was "quite limited" compared with an aluminium smelter. He said a community benefit fund could link developments to TasTAFE and the University of Tasmania, and that the state's technology workforce was forecast to grow only from 10,800 to 11,500 over the next decade. Business, Industry and Resources Minister Felix Ellis told the inquiry Firmus' planned $2.7 billion investment was "the largest private technology investment that we have ever seen in Tasmania". Ellis said the government's final statement of expectations for data centres, including a local

community benefit fund, would be released "soon".

The ABC reported that the inquiry also questioned Firmus over diesel generators. George Town Council set a condition on the Long Reach approval limiting the 276 backup generators to emergencies, maintenance and testing, and Firmus has appealed it. Firmus called the condition "unreasonable" and said it would block generator use during periods of "energy market stress". Tasmania's Environment Protection Authority has sought to join the appeal, saying it would have assessed the proposal differently had it known of use "potentially whenever it is commercially convenient for the operator". Firmus energy manager Paul Grzinic told the inquiry the generators were for backup only and not meant to run when commercially convenient. He said the company wanted clarity on the broad definition of emergency and could not discuss the appeal in detail. Greens MP and acting inquiry chair Tabatha Badger said it would not make sense to Tasmanians that Firmus described the use as emergency-only while appealing the condition.

Rosenfield declined to name Firmus' customers, saying disclosure was not normal practice for data centre developers. The ABC noted the company has previously said the Launceston and Wesley Vale facilities are contracted to customers, with Long Reach under option to a customer. Firmus withdrew its planned initial public offering last month after lacklustre investor interest, according to the ABC. Rosenfield said Nvidia was among supportive shareholders and that the decision "doesn't change our growth plans, not one bit". The inquiry will continue hearings before making recommendations to the government.

REPORTING FROM

1 **abc.net.au** · Firmus questioned at inquiry over use of diesel generators at planned AI data centres

2 **Pulse Tasmania** · Firmus forecasts 8,900 jobs and $46b economic boost for Tasmania

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

DATA CENTRES 4 OF 7

Data centre build-out lifts Australian GDP by up to 0.2 points, RBA staff estimate

An RBA staff note estimates data centre investment has grown around 10-fold in three years and added up to about 0.2 percentage points to annual GDP growth once imports are netted off. Industry trackers put the development pipeline at 31 GW (RenewMap) and forecast operational capacity of 3.9GW by 2030 (Data Centres Australia).

Best Effort desk · Wed 11 Nov 2026 · 4 sources · 2 min read

WHY IT MATTERS

The numbers show data centres are now large enough to register in national GDP, but the gains are muted by imported equipment and depend on grid connections, approvals and community acceptance, which the trackers say are already shaping where capacity is built.

Reserve Bank of Australia staff estimate that data centre investment in Australia has risen around 10-fold over the past three years, based on the capital expenditure survey. Because most of the equipment is imported, the authors say data centres have directly contributed up to about 0.2 percentage points of annual GDP growth over the past year. The note, an Insight published on 10 November 2026, assumes around 70 per cent of the equipment is imported, within an external range of 50 to 80 per cent.

The RBA says construction of the buildings is only around a quarter of activity, while servers, storage and networking gear make up about three-quarters of cost and typically come from Asian economies including Taiwan and South Korea. Investment is volatile from quarter to quarter because a small number of firms import the equipment at various stages of a project. Most existing and planned facilities are in Sydney and Melbourne, where grid power, water, fibre and skilled labour are easier to access.

Electricity is the main pressure point. The Australian Energy Market Operator estimates data centres used around 3 per cent of operational electricity consumption in the National Electricity Market in 2025/26, and Oxford Economics analysis for AEMO suggests 7.5 to 17.1 per cent by 2035/36. Liaison contacts told the RBA the main constraint on development is access to network infrastructure, particularly in metropolitan areas, and some suggested strong demand growth could put upward pressure on wholesale electricity prices for a time. Contacts also reported rising demand from operators for renewable power purchase agreements, though some operators prefer well-advanced projects, which may mean competing for existing supply.

Industry trackers describe a much larger pipeline. RenewMap tracks 276 projects: 150 operating at about 2 GW, 30 under construction at about 3.7 GW and 96 in development at about 31 GW, measured in connection capacity. Only about 2.4 GW across 20 development projects holds planning approval, and roughly 19 GW has not been submitted for approval. AEMO's 2026 Electricity Statement of Opportunities states that 36 per cent of data centre projects in its 2025 pipeline were later cancelled. Of the proposed capacity, 58 per cent is regional, against 98 per cent of operating capacity in metropolitan areas.

Data Centres Australia and DC Byte, which assess project viability rather than announced plans, forecast operational capacity rising to 3.9GW by 2030 from 1.6GW across 163 facilities, up from a 3.2GW forecast in April. Capacity under construction has doubled since April, and Melbourne's pipeline now exceeds Sydney's. The report links Melbourne's gain to faster approvals under Victoria's Development Facilitation Program, and Sydney's fall to announced energy constraints and less certain policy timelines. RenewMap puts average planning time at about 19 months in NSW and about five in Victoria. The share of the pipeline outside the two hubs rose from 19 per cent to 31 per cent over two years.

Local opposition is a live risk. Tech Insider, citing AAP, said Jemena paused installation of power poles needed for NEXTDC's M3 site in Melbourne after community opposition. Deloitte Access Economics counted 37 projects worth $141 billion in the pipeline, up 36 per cent in a year, according to the AAP report. Deloitte partner Stephen Smith told AAP that tougher US regulation does not automatically make Australia a net beneficiary and that Australian politicians may move to somewhat more regulated management of construction.

REPORTING FROM

1. **Reserve Bank of Australia** · Data Centre Investment in Australia | Insight 2026-11
2. **Tech Insider** · Australian Data Centres 2026: $141B Across 37 Projects
3. **Circular Wire** · Australia’s 31 GW Data Centre Development Pipeline
4. **Data Centre Solutions** · Australia's data centre capacity set to reach 3.9GW by 2030 as growth spreads beyond Sydney, Melbourne

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

CARRIERS & NETWORKS 5 OF 7

Cisco targets February 2027 for sovereign Cloud Control instance in Sydney

Cisco plans to bring its Cloud Control operations platform to Australia in February 2027 on a sovereign Sydney instance, iTWire reported from Cisco Live in Melbourne. US customers have had general availability since 25 August.

Best Effort desk · Wed 11 Nov 2026 · 1 source · 2 min read

WHY IT MATTERS

A sovereign Sydney instance would give Australian customers a local home for Cisco's management platform, though iTWire noted that which workflows will be available locally and how data will be handled remain open questions.

Cisco has set February 2027 as its target for offering Cloud Control to Australian customers, running from a Sydney instance, iTWire reported. Regional chief Stefan Leitl named Sydney as the site and noted that the deployment is planned as a sovereign instance. Cloud Control debuted at Cisco Live US in June 2026 and became generally available in the US on 25 August.

At the Melbourne event, Jeff Schultz, Cisco's senior vice president of portfolio strategy and marketing, placed Australia in the same rollout group as the European Union and United Kingdom. Japan, India and Canada are due to follow in May, he said. Leitl told iTWire that five or six beta customers are currently working with Cisco on use cases and onboarding. The Australian offering is intended to carry the platform's current capabilities, with further features added later.

The platform gathers inventory, topology, alerts, identity and workflows in one operational environment. Cisco AI Assistant offers a natural-language way in, and AI Canvas provides a persistent workspace where teams and agents can investigate problems together. Specialist product controllers keep their management and execution duties, while Cloud Control sits alongside existing dashboards, with features depending on connected products, permissions and subscriptions.

Schultz built the case around a move from people occasionally querying chatbots to agents that run continuously and coordinate with one another. He cited OpenRouter data showing that in the final week of September, agentic API keys used about seven times the tokens of human-classified keys. He added that agents create more north-south traffic, reaching out to the Internet, MCPs and APIs, and more east-west traffic as they work with other agents inside an organisation.

Schultz said support for Cloud Control will be required of future Cisco products. Cloud Control Studio, also announced in June, lets customers and partners build their own apps and agents. Cisco Model Foundry entered controlled availability at October's Partner Summit, with partners getting access first, and offers Cisco's specialised models plus optional fine-tuning on customer data. Schultz put its general availability on the roadmap for June 2027.

Schultz said native ThousandEyes intelligence for Wi-Fi 6E and Wi-Fi 7 access points, bundled with eligible Cisco Networking Essentials and Advantage licences, is aimed at general availability in December 2026. Separately, Cisco announced on 9 November that Experience Metrics is generally available in Meraki Dashboard for wired and wireless client experience.

REPORTING FROM

1 **iTWire** · Cisco targets February launch for Sydney Cloud Control instance

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

CARRIERS & NETWORKS 6 OF 7

Spark New Zealand holds fiscal 2027 outlook after first-quarter update

Spark New Zealand said its fiscal 2027 outlook is unchanged after a shareholder update on the first three months of the year, pointing to higher mobile service revenue and a 40 per cent rise in iPhone 18 Pro and Pro Max acquisitions.

Best Effort desk · Wed 11 Nov 2026 · 2 sources · 1 min read

WHY IT MATTERS

An unchanged outlook and rising mobile service revenue suggest New Zealand's largest telco is holding its position, while One NZ's direct-to-smartphone satellite service adds competitive pressure in rural coverage, a theme relevant to Australian carriers watching satellite connectivity.

Spark New Zealand has kept its outlook for fiscal 2027 unchanged, following a shareholder update in November 2026 on the first three months of the year under its five-year SPK-30 strategy. The company said mobile service revenue rose, helped by strong customer demand, new device offers and improved connectivity propositions. It also reported a 40 per cent year-on-year increase in iPhone 18 Pro and Pro Max acquisitions.

On sustainability, Spark said Scope 1 and 2 emissions in fiscal 2026 were down 59 per cent from the fiscal 2020 baseline, ahead of its fiscal 2030 reduction target of 56 per cent. RTTNews reported that Spark shares on the NZSE were up 0.96 per cent in Monday trading, at NZ$2.1000.

The update follows fiscal 2026 results published in August, for the year to 30 June, according to an ainvest.com analysis. The analysis said adjusted revenue was flat, EBITDA declined and free cash flow rose to NZ$308 million. It put the ordinary dividend for fiscal 2026 at 16 cents a share, split between an 8 cent interim and an 8 cent final payment.

Ainvest also pointed to competitive pressure in satellite, noting that rival One NZ has launched a Starlink direct-to-smartphone service covering roughly 40 per cent of New Zealand's territory beyond the reach of base towers. It said Spark needs to respond to protect its rural growth options, and that its data centre and satellite operations remain small relative to the core consumer and business telecommunications business.

REPORTING FROM

1 **RTTNews** · Spark New Zealand Reaffirms Fiscal 2027 Outlook

2 **ainvest.com** · Spark New Zealand (SPKKY) : 7 fois des bénéfices record, un dividende renforcé, et une stratégie de développement basée sur les données.

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.

AI INFRASTRUCTURE 7 OF 7

Anthropic releases Fable 5.2 and Mythos 5.2 with API prices cut by 20 per cent

Anthropic has launched two new Claude models at lower standard token rates and with a claimed speed gain, as it prepares for a share market listing planned for the week of 16 November.

Best Effort desk · Wed 11 Nov 2026 · 2 sources · 2 min read

WHY IT MATTERS

Cheaper token rates and availability on the major clouds alter the cost calculation for Australian organisations buying frontier models, though retention terms and access rules still need checking before deployment.

Anthropic has released Claude Fable 5.2 and Claude Mythos 5.2, lowering standard API token prices by 20 per cent and claiming output up to 30 per cent faster than the 5.1 generation. The company announced the models on Monday, and its documentation dates the release 9 November.

The two models share one underlying model and differ in safeguards and who may use them. Fable 5.2 blocks most cybersecurity and biology tasks, which allows Anthropic to offer it to all users. Mythos 5.2 has fewer of those restrictions and is open only to vetted organisations in cybersecurity or biomedical research. Fable 5.2 can be reached through the Claude API and through Amazon Bedrock, Google Cloud and Microsoft Foundry, though arrangements differ by platform.

Both models list at $8 per million input tokens and $40 per million output tokens, compared with $10 and $50 for their predecessors. A fast mode that Anthropic says runs up to 2.5 times quicker is priced at $16 and $80 per million input and output tokens respectively. The speed figures are company claims, and the final bill depends on how much reasoning, how many agents and which tools a job uses. Fable 5.2 handles a context window of one million tokens and up to 128,000 output tokens.

On Anthropic's own FrontierCode 2.0 coding test, Fable 5.2 scored 49.1 per cent at Xhigh effort, against 32.4 per cent for Fable 5.1 at the same setting. At High effort it reached 45.3 per cent, near the 45.5 per cent recorded by Opus 5.5 at Max, at about half the cost per task. Fable 5.2 scored lower at its Max setting than at Xhigh, and all results are reported by the vendor.

In a separate research report, Anthropic said it had Fable 5.2 design a USB speakerphone, a home voice-assistant hub and a handheld virtual pet with manufacturer Diode Computers. Anthropic says the prototypes functioned with no electrical changes but have not been through electrical validation, antenna tuning, thermal testing or certification. Professor Ethan Mollick, who tested the model early, described near-expert performance on many computer-based tasks, but said one creative project stalled after agent teams produced an 87,500-word rulebook. "The AI had built a bureaucracy," he wrote.

Developers upgrading from 5.1 face changes, as Anthropic's documentation warns that editing earlier conversation history can invalidate retained reasoning blocks. An older computer-use interface no longer works on most platforms, though Amazon Bedrock is an exception. Data is kept for 30 days unless Anthropic expressly approves zero data retention.

The first Fable and Mythos models were withdrawn within days of their June launch after the US Commerce Department ordered Anthropic, on national security grounds, to bar foreign nationals. Those controls were lifted weeks afterwards. Anthropic is targeting an IPO in the week of 16 November, when it is expected to raise up to $100 billion, according to Yahoo Finance. A securities filing showed third-quarter revenue of $17 billion and an operating loss of $567 million.

REPORTING FROM

1 **Brave New Coin** · Claude Fable 5.2 and Mythos 5.2 Launch: What's New
2 **Yahoo Finance** · Anthropic launches powerful new models ahead of Wall Street debut

Written by AI from the reporting above. Quotes, numbers and names were checked against those sources before publication.