

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Name of entity

Westpac Banking Corporation (Westpac)

ABN

33 007 457 141

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	Class of securities issued or to be issued	Westpac Capital Notes 5
2	Number of securities issued or to be issued (if known) or maximum number which may be issued	Approximately 7,500,000 but may be more or less.
3	Principal terms of the securities (eg, if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion)	<p>Refer to the Westpac Capital Notes 5 Prospectus lodged with ASX on 5 February 2018 ("Prospectus") (in particular, the "Investment overview" in Section 1, the "Information about Westpac Capital Notes 5" in Section 2 and the "Westpac Capital Notes 5 Terms" in Appendix B).</p> <p>Capitalised terms not otherwise defined in this Appendix 3B have the meaning set out in the Prospectus.</p> <p>Westpac Capital Notes 5 are fully paid, non-cumulative, convertible, transferable, redeemable, subordinated, perpetual, unsecured notes issued by Westpac.</p> <p>Westpac Capital Notes 5 pay non-cumulative, floating rate Distributions quarterly in arrear, subject to satisfaction of the Distribution Payment Conditions, including Westpac's absolute discretion. The first Distribution is scheduled to be paid on 22 June 2018 and the first Distribution Period is longer than the normal Distribution Period.</p> <p>The Distribution Rate is determined quarterly as the sum of the 90 day Bank Bill Rate plus a fixed Margin, together multiplied by (1 - the Tax Rate). The Margin is to be determined at the end of the</p>

Bookbuild.

Westpac Capital Notes 5 will Convert into Ordinary Shares on the Scheduled Conversion Date, subject to satisfaction of the Scheduled Conversion Conditions. The first possible Scheduled Conversion Date will be 22 September 2027. If the Scheduled Conversion Conditions are not satisfied on 22 September 2027, Conversion is deferred until the next Distribution Payment Date in respect of which the Scheduled Conversion Conditions are satisfied (unless Converted, Redeemed or Transferred earlier in accordance with the Westpac Capital Notes 5 Terms). Upon Scheduled Conversion, Westpac Capital Notes 5 Holders will receive a variable number of Ordinary Shares (based on the VWAP during the 20 Business Days before the Scheduled Conversion Date).

Westpac Capital Notes 5 may, at Westpac's option, be Converted, Redeemed (if APRA gives its prior written approval) or Transferred on 22 September 2025, or upon the occurrence of a Tax Event or Regulatory Event.

Westpac must Convert the Westpac Capital Notes 5 on the occurrence of a Capital Trigger Event, Non-Viability Trigger Event or Acquisition Event. If Conversion does not occur for any reason following a Capital Trigger Event or Non-Viability Trigger Event, all rights in relation to the Westpac Capital Notes 5 will be terminated.

Westpac Capital Notes 5 Holders do not have any right to vote at a general meeting of Westpac before Conversion. Holders have certain voting rights which can be exercised at a meeting of Holders. Following Conversion, Holders will become holders of Ordinary Shares and have the rights that attach to Ordinary Shares.

- 4 Do the securities rank equally in all respects from the issue date with an existing class of quoted securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

In a Winding Up of Westpac, Westpac Capital Notes 5 rank for payment ahead of Ordinary Shares, equally among themselves and with all Equal Ranking Capital Securities and subordinated to Senior Creditors.

On Conversion, Westpac Capital Notes 5 Holders will be issued fully paid Ordinary Shares. Those Ordinary Shares will rank equally with all Ordinary Shares already on issue in all respects.

Holders' rights in relation to Westpac Capital Notes 5 may also be terminated in certain circumstances where Conversion does not occur following a Capital Trigger Event or Non-Viability Trigger Event.

For more information refer to the Prospectus (in particular, sections 1.4, 2.7, 5.1.8, 5.1.9, 5.1.23 and 5.1.24).

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

5	Issue price or consideration	A\$100 per Westpac Capital Note 5
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Westpac is issuing the Westpac Capital Notes 5 to raise regulatory capital which satisfies the requirements of APRA. The Notes will qualify as Additional Tier 1 Capital for APRA purposes. The proceeds received under the Offer will be used by Westpac for general business purposes.
6a	Is the entity an eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	<i>Not Applicable</i>
6b	The date the security holder resolution under rule 7.1A was passed	<i>Not Applicable</i>
6c	Number of securities issued without security holder approval under rule 7.1	<i>Not Applicable</i>
6d	Number of securities issued with security holder approval under rule 7.1A	<i>Not Applicable</i>
6e	Number of securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	<i>Not Applicable</i>
6f	Number of securities issued under an exception in rule 7.2	<i>Not Applicable</i>
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	<i>Not Applicable</i>
6h	If securities were issued under	<i>Not Applicable</i>

- rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements
- 6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements
- 7 Issue dates
Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.
- 8 Number and class of all securities quoted on ASX (including the securities in clause 2 if applicable)

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Not Applicable

<p>Date of entry into uncertificated holdings is expected to be 13 March 2018.</p> <p>Holding Statements are expected to be dispatched by 20 March 2018.</p>
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Number	Class
3,404,172,038	Fully Paid Ordinary Shares
3,900	Series 2010-1 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAM
21,000	Series 2014-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBB
11,000	Series 2014-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBC
10,000	Series 2014-3 Fully Paid Subordinated Floating Rate Medium Term Notes ASX Code WBCHBD
24,500	Series 2015-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBF
3,250	Series 2015-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBE
27,000	Series 2015-9 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBI
2,000	Series 2015-10 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBJ
30,500	Series 2015-15 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBL
1,750	Series 2015-16 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBM
4,250	Series 2015-20 Fully Paid Senior Fixed Rate

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

	Medium Term Notes ASX Code WBCHBN
7,000	Series 2016-1 Fully Paid Subordinated Floating Rate Medium Term Notes ASX Code WBCHBP
23,500	Series 2016-2 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBQ
5,000	Series 2016-3 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBR
21,000	Series 2016-4 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBS
23,500	Series 2017-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBX
2,500	Series 2017-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBY
11,000	Series 2017-4 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHCB
19,500	Series 2017-5 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHCC
3,000	Series 2017-6 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHCD
11,893,605	Westpac CPS ASX Code WBCPC
13,835,690	Westpac Capital Notes ASX Code WBCPD
9,252,850	Westpac Subordinated Notes II ASX Code WBCHB
13,105,705	Westpac Capital Notes 2 ASX Code WBCPE
13,244,280	Westpac Capital Notes 3 ASX Code WBCPF
17,020,534	Westpac Capital Notes 4 ASX Code WBCPG
Approximately 7,500,000 but may be more or less	Westpac Capital Notes 5 ASX Code WBCPH
Series 1183 CNY1,250,000,000 Fixed Rate Subordinated Instruments due February 2025 ASX Code WBCHBG	
Series 1187 AUD350,000,000 Fixed Rate Subordinated Instruments due March 2027 ASX Code WBCHBH	
Series 1198 SGD325,000,000 Fixed Rate Subordinated Instruments due August 2027 ASX Code WBCHBK	
Series 1227 USD100,000,000 Fixed Rate Subordinated Instruments due February 2046 ASX Code WBCHBO	
Series 1267 JPY10,000,000,000 Fixed Rate Subordinated Instruments due June 2026 ASX Code WBCHBT	
Series 1269 AUD175,000,000 Fixed Rate Subordinated Instruments due June 2028 ASX Code WBCHBU	
Series 1331 HKD600,000,000 Fixed Rate Subordinated Instruments due July 2027 ASX Code WBCHBZ	
Series 1333 AUD 350,000,000 Fixed Rate Subordinated	

		Instruments due August 2029 ASX Code WBCHCA	
		Series 1361 AUD 185,000,000 Fixed Rate Subordinated Instruments due February 2048 ASX Code WBCHCE	
9	Number and class of all securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	Class
		732,817	Chief Executive Officer Agreements
		710,476	Westpac Performance Plan
		5,029,273	Westpac Reward Plan
		USD1.25 billion 5.00% Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	<p>Westpac Capital Notes 5 pay non-cumulative floating rate Distributions quarterly in arrear, subject to satisfaction of the Distribution Payment Conditions, being:</p> <ul style="list-style-type: none">• Westpac’s absolute discretion;• the payment of the Distribution not resulting in a breach of Westpac’s capital requirements (on a Level 1 basis) or of the Westpac Group’s capital requirements (on a Level 2 basis) under the then current Prudential Standards at the time of the payment;• the payment of the Distribution not resulting in Westpac becoming, or being likely to become, insolvent; and• APRA not otherwise objecting to the payment. <p>Distributions will also be subject to the Corporations Act and any other law regulating the payment of Distributions.</p> <p>The first Distribution is scheduled to be paid on 22 June 2018.</p>	

Part 2 - Pro rata issue

11	Is security holder approval required?	Not Applicable
12	Is the issue renounceable or non-renounceable?	Not Applicable
13	Ratio in which the securities will be offered	Not Applicable
14	Class of securities to which the offer relates	Not Applicable
15	Record date to determine entitlements	Not Applicable

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	<i>Not Applicable</i>
17	Policy for deciding entitlements in relation to fractions	<i>Not Applicable</i>
18	Names of countries in which the entity has security holders who will not be sent new offer documents <i>Note: Security holders must be told how their entitlements are to be dealt with.</i>	<i>Not Applicable</i>
19	Closing date for receipt of acceptances or renunciations	<i>Not Applicable</i>
20	Names of any underwriters	<i>Not Applicable</i>
21	Amount of any underwriting fee or commission	<i>Not Applicable</i>
22	Names of any brokers to the issue	<i>Not Applicable</i>
23	Fee or commission payable to the broker to the issue	<i>Not Applicable</i>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	<i>Not Applicable</i>
25	If the issue is contingent on security holders' approval, the date of the meeting	<i>Not Applicable</i>
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	<i>Not Applicable</i>
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	<i>Not Applicable</i>
28	Date rights trading will begin (if applicable)	<i>Not Applicable</i>
29	Date rights trading will end (if applicable)	<i>Not Applicable</i>

30	How do security holders sell their entitlements in full through a broker?	Not Applicable
31	How do security holders sell part of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	Issue date	Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities (tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the securities are equity securities, the names of the 20 largest holders of the additional securities, and the number and percentage of additional securities held by those holders
- 36 ☐ If the securities are equity securities, a distribution schedule of the additional securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional securities

Entities that have ticked box 34(b)

38	Number of securities for which quotation is sought	Not Applicable
39	Class of securities for which quotation is sought	Not Applicable

- 40 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Not Applicable

- 41 Reason for request for quotation now
Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Not Applicable

- 42 Number and class of all securities quoted on ASX (including the securities in clause 38)

Number	Class
<i>Not Applicable</i>	

Quotation agreement

- 1 Quotation of our additional securities is in ASX's absolute discretion. ASX may quote the securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those securities should not be granted quotation.
 - An offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any securities to be quoted and that no-one has any right to return any securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the securities to be quoted under section 1019B of the Corporations Act at the time that we request that the securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before quotation of the securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
Company Secretary

Date: 5 February 2018

Print name: Timothy Hartin