

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 2
2	Number of securities issued or to be issued (if known) or maximum number which may be issued	13,105,705
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 2 Prospectus lodged with ASX on 15 May 2014 ("Prospectus") (in particular, the "Investment overview" in Section 1, the "Information about Westpac Capital Notes 2" in Section 2 and the "Westpac Capital Notes 2 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 2 are fully paid, non-cumulative, convertible, transferrable, redeemable, subordinated, perpetual, unsecured notes issued by Westpac.</p> <p>Westpac Capital Notes 2 pay non-cumulative floating rate Distributions quarterly in arrear, beginning on 23 September 2014, subject to satisfaction of the Distribution Payment Conditions. 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 3.05% per annum.</p> <p>Westpac Capital Notes 2 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 23 September 2024. If the Scheduled</p>

	<p>Conversion Conditions are not satisfied on 23 September 2024, 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 2 Terms). Upon Scheduled Conversion, Westpac Capital Notes 2 Holders will receive a variable number of Ordinary Shares (based on the VWAP during the 20 Business Days before the Scheduled Conversion Date).</p> <p>Westpac Capital Notes 2 may, at Westpac's option, be Converted, Redeemed (if APRA gives its prior written approval) or Transferred on 23 September 2022, or upon the occurrence of a Tax Event or Regulatory Event.</p> <p>Westpac must Convert the Westpac Capital Notes 2 on the occurrence of a Capital Trigger Event, Non-Viability Trigger Event or Acquisition Event. If Conversion is not possible following a Capital Trigger Event or Non-Viability Trigger Event, all rights in relation to the Westpac Capital Notes 2 will be terminated.</p> <p>Westpac Capital Notes 2 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.</p>	
4	<p>Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none">• 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	<p>In a Winding Up of Westpac, Westpac Capital Notes 2 rank for payment ahead of Ordinary Shares, equally among themselves and with all Equal Ranking Capital Securities and subordinated to Senior Creditors.</p> <p>On Conversion, Westpac Capital Notes 2 Holders will be issued fully paid Ordinary Shares. Those Ordinary Shares will rank equally with all Ordinary Shares already on issue in all respects.</p> <p>Holders' rights in relation to Westpac Capital Notes 2 may also be terminated in certain circumstances where Conversion is not possible following a Capital Trigger Event or Non-Viability Trigger Event.</p> <p>For more information refer to the Prospectus (in particular, Sections 1.2.8, 1.4.1, 2.1.1, 2.11.1, 2.13.1 and 6.1.9).</p>
5	Issue price or consideration	A\$100 per Westpac Capital Note 2
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 2 to raise regulatory capital which satisfies the requirements of APRA. The Notes 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	Not Applicable
6b	The date the security holder resolution under rule 7.1A was passed	Not Applicable
6c	Number of securities issued without security holder approval under rule 7.1	Not Applicable
6d	Number of securities issued with security holder approval under rule 7.1A	Not Applicable
6e	Number of securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not Applicable
6f	Number of securities issued under an exception in rule 7.2	Not Applicable
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.	Not Applicable
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not Applicable
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	Not Applicable

- 7 Dates of entering securities into uncertificated holdings or despatch of certificates

Date of entry into uncertificated holdings is expected to be 23 June 2014.

Holding Statements are expected to be dispatched by 27 June 2014.

- 8 Number and class of all securities quoted on ASX
(including the securities in clause 2 if applicable)

3,109,048,309	Fully Paid Ordinary Shares
228	Series 2009G-2 Fully Paid Guaranteed Senior Floating Rate Medium Term Notes ASX Code WBCHAD
4,265	Series 2009G-3 Fully Paid Guaranteed Senior Fixed Rate Medium Term Notes ASX Code WBCHAC
6,660	Series 2009G-6 Fully Paid Guaranteed Senior Fixed Rate Medium Term Notes ASX Code WBCHAK
10,320	Series 2009-5 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAJ
17,123	Series 2009-6 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAI
16,950	Series 2009-7 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAL
3,900	Series 2010-1 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAM
26,350	Series 2010-7 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAP
7,700	Series 2010-8 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAQ
13,000	Series 2010-11 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAY
17,500	Series 2011-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAS
5,000	Series 2011-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAT
23,500	Series 2011-3 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAU
6,250	Series 2011-4 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAV
19,250	Series 2012-6 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAW
7,250	Series 2012-7 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAX

19,500	Series 2013-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAZ
2,500	Series 2013-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBA
19,000	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
3,793,500	Westpac SPS II ASX Code WBCPB
11,893,605	Westpac CPS ASX Code WBCPC
16,762,190	Westpac Subordinated Notes ASX Code WBCHA
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

9 Number and class of all securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	Class
713,264	Chief Executive Officer Agreements
1,399,980	Westpac Performance Plan
4,526,748	Westpac Reward Plan

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Not Applicable

Part 2 - Bonus issue or 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	<i>Not Applicable</i>
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 issue 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 prospectus or Product Disclosure Statement 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	<i>Not Applicable</i>

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

	applicable)	
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?	<i>Not Applicable</i>
31	How do security holders sell part of their entitlements through a broker and accept for the balance?	<i>Not Applicable</i>
32	How do security holders dispose of their entitlements (except by sale through a broker)?	<i>Not Applicable</i>
33	Despatch date	<i>Not Applicable</i>

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	<p>Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> 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	<p>Reason for request for quotation now</p> <p><i>Example: In the case of restricted securities, end of restriction period</i></p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	Not Applicable									
42	Number and class of all securities quoted on ASX (including the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">Number</th> <th style="text-align: center;">Class</th> </tr> <tr> <td colspan="2" style="text-align: center;">Not Applicable</td> </tr> </table>	Number	Class	Not Applicable		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">Number</th> <th style="text-align: center;">Class</th> </tr> <tr> <td colspan="2" style="text-align: center;">Not Applicable</td> </tr> </table>	Number	Class	Not Applicable	
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Not Applicable											
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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: 23 June 2014

Print name: Timothy Hartin