

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).

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|---|---|--|
| 1 | Class of securities issued or to be issued | Tranche No. 1 of Series 2016-1 fully paid callable floating rate subordinated notes due March 2026 (the "Series 2016-1 Notes") |
| 2 | Number of securities issued or to be issued (if known) or maximum number which may be issued | 7,000 Series 2016-1 Notes |
| 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) | The Series 2016-1 Notes are fully paid subordinated notes paying floating rate interest in denominations of A\$100,000 as more fully described in the Information Memorandum dated 5 March 2014 and the Pricing Supplement dated 8 March 2016 (which is attached to this Appendix 3B). |
| 4 | <p>Do the securities rank equally in all respects from the issue date 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 | <p>In a Winding-Up of Westpac, the Series 2016-1 Notes rank for payment ahead of Ordinary Shares and any other Junior Ranking Capital Instruments, equally among themselves and with Equal Ranking Instruments and behind the claims of Senior Creditors.</p> <p>If the Series 2016-1 Notes have been Converted into Ordinary Shares, those Ordinary Shares will rank equally with other holders of Ordinary Shares.</p> |

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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| | in relation to the next dividend, distribution or interest payment | |
| 5 | Issue price or consideration | Series 2016-1 Notes: A\$100,000 fully paid per note. |
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | The net proceeds of the issue of the Series 2016-1 Notes will be used for Westpac's general funding purposes. The Series 2016-1 Notes will satisfy the requirements of the Australian Prudential Regulation Authority to qualify as Tier 2 Capital of Westpac. |
| 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 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 | Issue dates <i>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.</i> | 10 March 2016 | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Number and class of all securities quoted on ASX (including the securities in clause 2 if applicable) | <table><tr><th>Number</th><th>Class</th></tr><tr><td>3,335,774,947</td><td>Fully Paid Ordinary Shares</td></tr><tr><td>16,950</td><td>Series 2009-7 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAL</td></tr><tr><td>3,900</td><td>Series 2010-1 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAM</td></tr><tr><td>13,000</td><td>Series 2010-11 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAY</td></tr><tr><td>21,500</td><td>Series 2011-3 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAU</td></tr><tr><td>5,250</td><td>Series 2011-4 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAV</td></tr><tr><td>19,250</td><td>Series 2012-6 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAW</td></tr><tr><td>7,250</td><td>Series 2012-7 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHAX</td></tr><tr><td>24,000</td><td>Series 2013-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAZ</td></tr><tr><td>2,500</td><td>Series 2013-2 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBA</td></tr><tr><td>21,000</td><td>Series 2014-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBB</td></tr></table> | Number | Class | 3,335,774,947 | Fully Paid Ordinary Shares | 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 | 13,000 | Series 2010-11 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAY | 21,500 | Series 2011-3 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAU | 5,250 | 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 | 24,000 | 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 | 21,000 | Series 2014-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBB |
| Number | Class | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3,335,774,947 | Fully Paid Ordinary Shares | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 21,500 | Series 2011-3 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHAU | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5,250 | 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 | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 24,000 | 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 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 21,000 | Series 2014-1 Fully Paid Senior Floating Rate Medium Term Notes ASX Code WBCHBB | | | | | | | | | | | | | | | | | | | | | | | | | |

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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| 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 |
| 21,000 | 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 |
| 2,400 | Series 2015-20 Fully Paid Senior Fixed Rate Medium Term Notes ASX Code WBCHBN |
| 7,000 | Series 2016-1 Fully Paid Subordinated Floating Rate Medium Term Notes ASX Code WBCHBP |
| 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 |
| 13,244,280 | Westpac Capital Notes 3 ASX Code WBCPF |
| 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 | |

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

| Number | Class |
|-----------|------------------------------------|
| 483,436 | Chief Executive Officer Agreements |
| 588,858 | Westpac Performance Plan |
| 5,801,094 | Westpac Reward Plan |

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| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | <i>Not Applicable</i> |
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Part 2 - Pro rata issue

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| 11 | Is security holder approval required? | <i>Not Applicable</i> |
| 12 | Is the issue renounceable or non-renounceable? | <i>Not Applicable</i> |
| 13 | Ratio in which the securities will be offered | <i>Not Applicable</i> |
| 14 | Class of securities to which the offer relates | <i>Not Applicable</i> |
| 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 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> |

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| 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? | <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 | Issue 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 | 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: <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 | Reason for request for quotation now <i>Example: In the case of restricted securities, end of restriction period</i> (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) | <table border="1"> <thead> <tr> <th>Number</th> <th>Class</th> </tr> </thead> <tbody> <tr> <td colspan="2">Not Applicable</td> </tr> </tbody> </table> | Number | Class | Not Applicable | | |
| Number | Class | | | | | | |
| Not Applicable | | | | | | | |

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: 10 March 2016

Print name: Timothy Hartin

Series No.: 2016-1

Tranche No.: 1



Westpac Banking Corporation

(ABN 33 007 457 141)

Debt Issuance Programme

Issue of

A\$700,000,000 Callable Floating Rate Subordinated Notes due March 2026 ("Subordinated Notes")

The date of this Supplement is 8 March 2016.

This Supplement (as referred to in the Information Memorandum in relation to the above Programme dated 5 March 2014 ("**Information Memorandum**") relates to the Tranche of Subordinated Notes referred to above. It is supplementary to, and should be read in conjunction with the Subordinated Note Deed Poll dated 5 March 2014 made by Westpac Banking Corporation ("**Deed Poll**") and the Information Memorandum.

This 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 Subordinated Notes or the distribution of this Supplement in any jurisdiction where such action is required.

Terms used but not otherwise defined in this Supplement have the meaning given in the applicable Conditions set forth in the Information Memorandum.

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

- | | | |
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| 1 | Issuer | : Westpac Banking Corporation (ABN 33 007 457 141) |
| 2 | Lead Manager | : Westpac Banking Corporation (ABN 33 007 457 141) |
| 3 | Relevant Dealer | : Westpac Banking Corporation (ABN 33 007 457 141) |
| 4 | Registrar and Australian Paying Agent | : BTA Institutional Services Australia Limited (ABN 48 002 916 396) of Level 2, 1 Bligh Street, Sydney NSW 2000 |

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| 5 | Calculation Agent | : BTA Institutional Services Australia Limited (ABN 48 002 916 396) |
| 6 | Issuing and Paying Agent (Offshore) | : Not applicable |
| 7 | If to form a single Series with an existing Series, specify date on which all Subordinated Notes of the Series become fungible, if not the Issue Date | : Not applicable |
| 8 | Status | : Subordinated. The primary method of loss absorption is Conversion, subject to possible Write-off in accordance with Condition 5.3 For the purposes of: <ul style="list-style-type: none"> the formula in Condition 6.1(a) to be used for calculating the Conversion Number, P is 0.99; and Condition 6.10(b), the Clearing System Cut-off Date is 10 Business Days prior to the Non-Viability Trigger Event Date. |
| 9 | Currency | : Australian dollars ("A\$") |
| 10 | Aggregate Principal Amount of Tranche | : A\$700,000,000 |
| 11 | If interchangeable with existing Series, Series No. | : Not applicable |
| 12 | Issue Date | : 10 March 2016 |
| 13 | Issue Price | : 100 per cent. per Denomination |
| 14 | Commissions Payable | : As set out in the Subscription Acknowledgement dated 8 March 2016 between the Issuer and the Lead Manager and Dealer |
| 15 | Selling Concession | : Not applicable |
| 16 | Purchase Price | : A\$100,000 fully paid per Denomination |
| 17 | Denomination | : A\$100,000 The minimum aggregate consideration for offers or transfers of the Subordinated Notes in Australia must be at least A\$500,000 (disregarding moneys lent by the transferor or its associates to the transferee), unless the offer or invitation resulting in the transfer does not otherwise require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia. |
| 18 | Partly Paid Senior Notes | : Not applicable |

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| 19 | Type of Debt Instruments | : Floating Rate Subordinated Notes |
| 20 | If interest-bearing, specify which of the relevant Conditions is applicable, and then specify the matters required for the relevant Condition, namely | : Condition 7.3 is applicable |
| 21 | Fixed Rate Debt Instruments | : Not applicable |
| 22 | Floating Rate Debt Instruments | : Applicable |
| | Interest Commencement Date, if not Issue Date | : Issue Date |
| | Interest Rate | : Condition 7.3(b)(i) (ISDA Determination) is applicable |
| | Interest Payment Dates | : Each 10 March, 10 June, 10 September, and 10 December, commencing 10 June 2016 to and including the Maturity Date, subject to adjustment in accordance with the Applicable Business Day Convention |
| | Applicable Business Day Convention | : |
| | - for Interest Payment Dates: | Modified Following Business Day Convention |
| | - for Interest Period End Dates: | Modified Following Business Day Convention |
| | - for Maturity Date: | Modified Following Business Day Convention |
| | - any other date: | Not applicable |
| | Additional Business Centre(s) | : Sydney |
| | Floating Rate Option | : AUD-BBR-BBSW (to four decimal places) |
| | Designated Maturity | : 3 months |
| | Reset Date | : Each Interest Payment Date |
| | Margin | : Plus 3.10 per cent. per annum |
| | Minimum/Maximum Interest Rate | : Not applicable |
| | Day Count Fraction | : Actual/365 (Fixed) |
| | Fallback Interest Rate | : Not applicable |
| 23 | Index-Linked Interest Debt Instrument provisions | : Not applicable |
| 24 | Other rates | : Not applicable |
| 25 | Accrual of interest | : Not applicable |
| 26 | Default Rate | : Not applicable |
| 27 | Overdue Rate | : Not applicable |

| | | |
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| 28 | Zero Coupon Debt Instrument | : Not applicable |
| 29 | Reference Price | : Not applicable |
| 30 | Maturity Date | : 10 March 2026 |
| 31 | Maturity Redemption Amount | : 100% of the Outstanding Principal Amount |
| 32 | Early Redemption Amount (Tax) | |
| | Specify if applicable | : Not applicable |
| 33 | Early Redemption Amount (Call) | |
| | Specify if applicable | : Condition 8.3 is applicable, but only in respect of the Interest Payment Date scheduled to fall on 10 March 2021 and each Interest Payment Date thereafter |
| | Specify minimum notice period | : 15 days |
| | Specify maximum notice period | : 45 days |
| | Specify any additional conditions to exercise the call option | : Not applicable |
| | Specify first date on which the call option may be exercised in the case of Subordinated Notes | : 10 March 2021 |
| | Specify if Early Redemption Amount (Call) is not the Outstanding Principal Amount, together with accrued interest (if any) thereon of the Subordinated Notes, insert amount or full calculation provisions | : Not applicable |
| | Specify whether redemption is permitted in respect of some only of the Subordinated Notes and, if so, any minimum aggregate principal amount and the means by which Subordinated Notes will be selected for redemption | : Yes, the Issuer may redeem all or some Subordinated Notes at its discretion under Condition 8.3 |
| 34 | Early Redemption Amount (Put) | |
| | Specify if applicable | : Not applicable |
| 35 | Early Redemption Amount (Adverse Tax Event) | |
| | Specify if applicable | : Condition 8.4 is applicable |
| | Specify minimum notice period | : 15 days |
| | Specify maximum notice period | : 45 days |

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| | Specify any additional conditions to exercise of option | : Not applicable |
| | Specify if Early Redemption Amount (Adverse Tax Event) is not the Outstanding Principal Amount, together with accrued interest (if any) thereon of the Subordinated Notes, insert amount or full calculation provisions | : Not applicable |
| | Specify whether redemption is permitted in respect of some only of the Subordinated Notes and, if so, any minimum aggregate principal amount and the means by which Subordinated Notes will be selected for redemption | : Not applicable |
| 36 | Early Redemption Amount (Regulatory Event) | |
| | Specify if applicable | : Condition 8.5 is applicable |
| | Specify minimum notice period | : 15 days |
| | Specify maximum notice period | : 45 days |
| | Specify any additional conditions to exercise of option | : Not applicable |
| | Specify if Early Redemption Amount (Regulatory Event) is not the Outstanding Principal Amount, together with accrued interest (if any) thereon of the Subordinated Notes, insert amount or full calculation provisions | : Not applicable |
| | Specify whether redemption is permitted in respect of some only of the Subordinated Notes and, if so, any minimum aggregate principal amount and the means by which Subordinated Notes will be selected for redemption | : Not applicable |
| 37 | Early Termination Amount | |
| | If Early Termination Amount is not the Outstanding Principal Amount of the Subordinated Notes, insert amount or full calculation provisions | : Not applicable |
| | Specify if Holders are not to receive accrued interest on early redemption on default | : Not applicable |

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| 38 | Redemption of Zero Coupon Debt Instruments | : Not applicable |
| 39 | Deed Poll | : Subordinated Note Deed Poll dated 5 March 2014 |
| 40 | Taxation | : Condition 10.8 is applicable |
| 41 | Other relevant terms and conditions | : Not applicable |
| 42 | ISIN | : AU3FN0030391 |
| 43 | Common Code | : 137419416 |
| 44 | Common Depository | : Not applicable |
| 45 | Austraclear Number | : WP2197 |
| 46 | Any Clearing System other than Euroclear / Clearstream / Austraclear | : Not applicable |
| 47 | Settlement procedures | : Customary medium term note settlement and payment procedures apply |
| 48 | U.S. selling restrictions | : As set out in the Information Memorandum |
| 49 | Distribution of Information Memorandum | : As set out in the Information Memorandum |
| 50 | Other selling restrictions | : As set out in the Information Memorandum |
| 51 | Australian interest withholding tax | <p>: The Issuer intends to issue the Subordinated Notes in a manner consistent with the public offer test set out in section 128F(3) of the Income Tax Assessment Act 1936 of Australia (the "Tax Act"). If the requirements of section 128F of the Tax Act are not satisfied, Condition 10.8 will be applicable (subject to Item 40 above), and accordingly the Issuer may, subject to certain exceptions, be obliged to pay Additional Amounts in accordance with Condition 10.8.</p> <p>See also the section of the Information Memorandum entitled "Australian Taxation".</p> |
| 52 | Transaction Documents | : Not applicable |
| 53 | Listing | : It is intended that the Subordinated Notes will be quoted on the Australian Securities Exchange |
| 54 | Events of Default | : Condition 9 is applicable |
| 55 | Additional or alternate newspapers | : Not applicable |
| 56 | Stabilisation Manager | : Not applicable |
| 58 | Other amendments | : The "Conditions of the Subordinated Notes" contained in the Information Memorandum are |

amended as set out in the Schedule

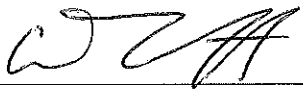
59 Other disclosure

: Not applicable

CONFIRMED

For and on behalf of

Westpac Banking Corporation

By: 
Name Alexander Bischoff
Position Executive Director
Date: 8/03/2016

Schedule

1. Condition 5.1(a) is deleted and replaced with the following:

5.1 Non-Viability Trigger Event

- (a) If a Non-Viability Trigger Event occurs, the Issuer must:
- (i) subject to Condition 5.3 (“No further rights”), Convert; or
 - (ii) if the Supplement specifies that the primary method of loss absorption will be Write-off without Conversion in accordance with Condition 5.3, Write-off,

all Subordinated Notes or, if paragraph (a) of the definition of “Non-Viability Trigger Event” applies, some Subordinated Notes (or a percentage of the Outstanding Principal Amount of each Subordinated Note), subject to Condition 5.1(b), as is equal (following any conversion or write down of Relevant Securities as referred to in Condition 5.1(b)) to the aggregate face value or outstanding principal amount of Relevant Securities which APRA has notified the Issuer must be converted, written-off or written-down (or, if APRA has not so notified the Issuer, all or some Subordinated Notes (or a percentage of the Outstanding Principal Amount of each Subordinated Note) as is necessary to satisfy APRA that the Issuer will no longer be non-viable).

2. Condition 5.1(c) is deleted and replaced with the following:

- (c) If a Non-Viability Trigger Event occurs:
- (i) the Subordinated Notes or the percentage of the Outstanding Principal Amount of each Subordinated Note determined in accordance with Conditions 5.1(a) and (b), shall be Converted or Written-off immediately upon the occurrence of the Non-Viability Trigger Event in accordance with Conditions 5.2 (“Automatic Conversion or Write-off upon the occurrence of a Non-Viability Trigger Event”) and 6 (“Procedures for Conversion”). The Conversion or Write-off will be irrevocable;
 - (ii) the Issuer must give notice to Holders in accordance with Condition 13 (“Notices”) and the ASX as soon as practicable that a Non-Viability Trigger Event has occurred and that Conversion or Write-off has occurred on the Non-Viability Trigger Event Date;
 - (iii) the notice must specify (A) the date on which Conversion or Write-off occurred (**Non-Viability Trigger Event Date**) and the Subordinated Notes or percentage of the Outstanding Principal Amount of each Subordinated Note which was Converted or, if Condition 5.3 (“No further rights”) is applicable, Written-off, and (B) details of the Relevant Securities converted, written-off or written down in accordance with Condition 5.1(b); and

- (iv) in the case of Conversion, the notice must specify the details of the Conversion process, including any details which were taken into account in relation to the effect on marketable parcels and whole numbers of Ordinary Shares, and the impact on any Subordinated Notes remaining on issue.

Failure to undertake any of the steps in Conditions 5.1(c)(ii) to (iv) does not prevent, invalidate or otherwise impede Conversion or Write-off.

3. Condition 5.2 is deleted and replaced with the following:

5.2 If a Non-Viability Trigger Event has occurred and all or some Subordinated Notes are (or a percentage of the Outstanding Principal Amount of each Subordinated Note is) required to be Converted or Written-off in accordance with Condition 5.1 ("Non-Viability Trigger Event"), then

- (a) Conversion or Write-off of such Subordinated Notes or percentage of the Outstanding Principal Amount of each Subordinated Note will occur in accordance with Condition 5.1 ("Non-Viability Trigger Event") and, if applicable Condition 5.3 ("No further rights"), immediately upon the Non-Viability Trigger Event Date;
- (b) in the case of Conversion and subject to Condition 6.10 ("Conversion: Clearing Systems, where the Holder does not wish to receive Ordinary Shares or is an Ineligible Holder"), the entry with respect to a Holder's Subordinated Notes in the Register will constitute an entitlement of that Holder to (i) the Conversion Number of Ordinary Shares in respect of such Subordinated Notes or percentage of the Outstanding Principal Amount of each Subordinated Note in accordance with Condition 6.1, and (ii) unless the Subordinated Notes shall have been Written-off in full, to Subordinated Notes with an Outstanding Principal Amount equal to the aggregate of the remaining percentage of the Outstanding Principal Amount of each Subordinated Note, and the Issuer will recognise the Holder as having been issued the Conversion Number of Ordinary Shares for all purposes, in each case without the need for any further act or step by the Issuer, the Holder or any other person (and the Issuer will, as soon as possible thereafter and without delay on its part, take any appropriate procedural steps to effect such Conversion, including updating the Ordinary Share register); and
- (c) a Holder has no further right or claim under these Terms and Conditions in respect of such Subordinated Notes or percentage of the Outstanding Principal Amount of each Subordinated Note (including to payments of interest or Additional Amounts, or the repayment of principal), except in the case of Conversion and subject to Condition 6.10 ("Conversion: Clearing Systems, where the Holder does not wish to receive Ordinary Shares or is an Ineligible Holder") in relation to the Holder's entitlement to the Conversion of Ordinary Shares in accordance with Condition 6 ("Procedures for Conversion") and the Holder's entitlement, if any, to Subordinated Notes representing the Outstanding Principal Amount of such Subordinated Notes which have not been required to be Converted.

4. Condition 5.3 is deleted and replaced with the following:

5.3 No further rights

If:

- (a) for any reason, Conversion of any Subordinated Notes (or a percentage of the Outstanding Principal Amount of any Subordinated Notes) required to be Converted under Condition 5.1 ("Non-Viability Trigger Event") does not occur within five ASX Business Days after the Non-Viability Trigger Event Date; or
- (b) the Pricing Supplement specifies that the primary method of loss absorption will be Write-off without Conversion in accordance with Condition 5.3 ("No further rights"),

then:

- (c) the relevant Holders' rights and claims under these Conditions in relation to such Subordinated Notes or the percentage of the Outstanding Principal Amount of such Subordinated Notes (including to payments of interest or the repayment of principal and, in the case of Conversion, to be issued with the Conversion Number of Ordinary Shares in respect of such Subordinated Notes or percentage of the Outstanding Principal Amount of each Subordinated Note), are immediately and irrevocably terminated ("**Written-off**") with effect on and from the Non-Viability Trigger Event Date; and
- (d) the Outstanding Principal Amount of the Subordinated Notes is reduced on that date by the Outstanding Principal Amount of the Subordinated Notes to be Converted or Written-off, as determined in accordance with Conditions 5.1(a) and (b) and any accrued and unpaid interest and any unpaid Additional Amounts shall be correspondingly reduced.

5. Condition 5.4(a) is deleted and replaced with the following:

- 5.4 Subject to any Write-off required in accordance with Condition 5.3 ("No further rights"), each Holder by its purchase or holding of a Subordinated Note irrevocably agrees that:
- (a) upon Conversion in accordance with Condition 5 ("Non-viability, Conversion and Write-off") and Condition 6 ("Procedures for Conversion"), it consents to becoming a member of the Issuer and agrees to be bound by the constitution of the Issuer;

6. Conditions 6.1(a) and 6.1(b) are deleted and replaced with the following:

6.1 Conversion

On the Non-Viability Trigger Event Date, subject to Condition 5.3 ("No further rights") and Condition 6.10 ("Conversion: Clearing Systems, where the Holder does not wish to receive Ordinary Shares or is an Ineligible Holder"), the following provisions will apply.

- (a) The Issuer will allot and issue the Conversion Number of Ordinary Shares for each Subordinated Note to each Holder of a Subordinated Notes. The Conversion Number is, subject always to the Conversion Number being no greater than the Maximum Conversion Number, either (x) the number specified, or determined in accordance with the relevant provisions in, the Supplement or, (y) if no Conversion Number and

no such provisions are specified in the Supplement, calculated according to the following formula:

$$\text{Conversion Number for each Subordinated Note} = \frac{\text{Outstanding Principal Amount of the Subordinated Note (translated if necessary into Australian Dollars in accordance with paragraph (d) of the definition of Outstanding Principal Amount, except that the calculation date shall be the Conversion Date)}}{P \times \text{VWAP}}$$

where:

P means the number specified in the Supplement.

VWAP means the VWAP during the VWAP Period.

Maximum Conversion Number means a number calculated according to the following formula:

$$\text{Maximum Conversion Number} = \frac{\text{Outstanding Principal Amount of the Subordinated Note (translated if necessary into Australian Dollars in accordance with paragraph (d) of the definition of Outstanding Principal Amount)}}{0.20 \times \text{Issue Date VWAP}}$$

- (b) Subject to Condition 6.10 ("Conversion: Clearing Systems, where the Holder does not wish to receive Ordinary Shares or is an Ineligible Holder"), each Holder's rights in relation to each Subordinated Note that is being Converted as determined in accordance with Conditions 5.1(a) and (b) will be immediately and irrevocably terminated for an amount equal to its Outstanding Principal Amount and the Issuer will apply such Outstanding Principal Amount of each such Subordinated Note to be so Converted to subscribe for the Ordinary Shares to be allotted and issued under Condition 6.1(a). Each Holder is taken to have irrevocably directed that any amount payable under this Condition 6.1 is to be applied as provided for in this Condition 6.1 without delay (notwithstanding any other provisions in these Conditions providing for payments to be delayed) and Holders do not have any right to payment in any other way.

7. Condition 6.9(a) is deleted and replaced with the following:

6.9 Status and listing of Ordinary Shares

- (a) Ordinary Shares issued or arising from Conversion will rank equally with all other fully paid Ordinary Shares provided that the rights attaching to the Ordinary Shares issued or arising from Conversion do not take effect until 5.00pm (Sydney time) on the Non-Viability Trigger Event Date (or such other time required by APRA).

8. Condition 6.10(a) is deleted and replaced with the following:

- (a) If Subordinated Notes are required to be Converted and the Holder is the operator of a Clearing System or a nominee for a common depository for any one or more

Clearing Systems (such operator or nominee for a common depository acting in such capacity as is specified in the rules and regulations of the relevant Clearing System or Clearing Systems), then, with effect from the Non-Viability Trigger Event Date, the Holder's rights in relation to each such Subordinated Note being Converted shall be immediately and irrevocably terminated and the Issuer will issue the relevant aggregate Conversion Number of Ordinary Shares issued to one or more Sale and Transfer Agents for no additional consideration to hold on trust for sale for the benefit of the participants in, or members of, the relevant Clearing System or Clearing Systems who held the corresponding Subordinated Notes through the relevant Clearing System or Clearing Systems immediately prior to Conversion ("**Clearing System Participants**"). A Clearing System Participant will be entitled to receive Ordinary Shares (or the proceeds of the sale of Ordinary Shares) in accordance with this Condition 6.10.

9. Condition 6.10(e) is deleted and replaced with the following:

- (e) If Conversion under this Condition 6.10 does not occur within five ASX Business Days, then the Holder's rights will be immediately and irrevocably terminated in accordance with Condition 5.3 ("No further rights").

10. Condition 6.13 is deleted and replaced with the following:

If under these Conditions it is necessary to Convert or Write-off a percentage only of the Outstanding Principal Amount upon the occurrence of a Non-Viability Trigger Event then Condition 6 ("Procedures for Conversion") will apply to the Conversion or Write-off as if references to the Outstanding Principal Amount were references to the relevant percentage of the Outstanding Principal Amount to be Converted or Written-off.

11. The following words are added at the end of Condition 10.4:

This Condition 10.4(b) does not apply to the payment referred to in Condition 6.1(b).