Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Australia and New Zealand Banking Group Limited (**ANZ**)

ABN

11 005 357 522

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	Convertible Preference Shares (**CPS3**)
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	7,500,000 but may be more or less

+ See chapter 19 for defined terms.

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)	See page 5 and Section 1 of the Prospectus. Capitalised terms have the meaning set out in the Prospectus. CPS3 are fully paid preference shares issued by ANZ, which will Mandatorily Convert into Ordinary Shares on the Mandatory Conversion Date (subject to certain conditions being satisfied). The Mandatory Conversion Date is 1 September 2019 provided that all of the Mandatory Conversion Conditions are satisfied. If any of the Mandatory Conversion Conditions are not satisfied with respect to 1 September 2019, ANZ may (subject to APRA giving its prior written approval) Redeem all CPS3 for $100 each. Otherwise, Conversion is deferred until the next Dividend Payment Date in respect of which all of the Mandatory Conversion Conditions are satisfied. Upon Conversion, CPS3 Holders will receive approximately $101.01 worth of Ordinary Shares per CPS3 (based on the VWAP during the 20 Business Days before the Mandatory Conversion Date). CPS3 may, subject to APRA's prior written approval, be Exchanged by ANZ at certain times before 1 September 2019 if an Acquisition Event, Tax Event or Regulatory Event occurs. CPS3 must, subject to APRA's prior written approval (where required), be Exchanged if a Change of Control Event occurs. Dividends on CPS3 are preferred, non-cumulative, based on a floating rate and are expected to be fully or substantially franked. Dividends are scheduled to be paid quarterly in arrears, subject to the Directors at their absolute discretion resolving to pay Dividends and the other Payment Tests. CPS3 Holders generally do not have voting rights, except in the limited circumstances described in the CPS3 Terms.

+ See chapter 19 for defined terms.

4	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	Yes, with respect to the payment of dividends and in a winding-up - see clauses 9.1 and 9.2 of the CPS3 Terms in Appendix A of the Prospectus. **9.1 Ranking with respect to dividends** The CPS3 rank in respect of payment of dividends: (a) senior to Ordinary Shares and other instruments or securities of ANZ that rank or are expressed to rank junior to the CPS3; (b) equally among themselves and with all Equal Ranking Instruments; and (c) junior to any securities or instruments that rank senior to the CPS3 and to all ANZ's debts and liabilities to its depositors and all other creditors, both unsubordinated and subordinated, other than indebtedness that by its terms ranks equally with or junior to the CPS3, in each case of (a), (b) and (c), in respect of payment of dividends. **9.2 Ranking in a winding-up** (a) In a winding-up of ANZ, a CPS3 confers upon the CPS3 Holder the right to payment in cash of the Liquidation Sum out of the surplus (if any) available for distribution to shareholders, but no further or other right to participate in the assets of ANZ on a return of capital in the winding-up. (b) CPS3 Holders will rank for payment of the Liquidation Sum in a winding-up of ANZ: (i) in priority to Ordinary Shares and other securities that ANZ has issued or may issue that by their terms rank junior to the CPS3; (ii) equally among themselves and with all Equal Ranking Instruments; and

		(iii) junior to any securities or instruments that rank senior to the CPS3 and to all ANZ's debts and liabilities to its depositors and all other creditors, both unsubordinated and subordinated, other than indebtedness that by its terms ranks equally with or junior to the CPS3 in a winding-up, in each case of (i), (ii) and (iii), with respect to priority of payment in a winding-up. (c) The Liquidation Sum is an amount out of surplus assets equal to $100 plus the amount of any Dividend determined to be paid but unpaid.
5	Issue price or consideration	$100 per CPS3
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The offer of CPS3 forms part of ANZ's capital management strategy, with the CPS3 proceeds being used for general corporate purposes.
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	3 October 2011

Number	+Class

8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	2,628,902,711	Fully paid ordinary shares
		10,812,124	Fully paid convertible preference shares issued in 2008 (CPS1).
		19,687,224	Fully paid convertible preference shares issued in 2009 (CPS2).
		7,500,000 but may be more or less	CPS3

+ See chapter 19 for defined terms.

	AUD1,025m 6.50% TCD due November 2011 AUD1,450m Floating Rate TCD due November 2011 AUD505m Floating Rate TCD due January 2012 AUD450m Floating Rate TCD due May 2010 AUD600m 5.25% TCD due May 2012 AUD340m 7.25% TCD due September 2012 AUD635m Floating Rate TCD due September 2012 AUD1,230m 8.5% TCD due April 2013 AUD1,150m Floating Rate TCD due April 2013 AUD2,350m Floating Rate TCD due January July 2013 AUD250m 5.75% TCD due July 2013 AUD1,100m Floating Rate TCD due January 2014 AUD2,410m 5.25% TCD due January 2014 AUD1,700m Floating Rate TCD due February 2014 AUD600m 6.25% TCD due February 2014 AUD2,000m Floating Rate TCD due November 2014 AUD1,375m 6.75% TCD due November 2014 AUD1,450m Floating Rate TCD due May 2016 AUD550m 6.75% TCD due May 2016 AUD350m 6.50% Subordinated Notes due March 2017 AUD350m Floating Rate Subordinated Notes due March 2017 AUD100m 7.30% Subordinated Notes due August 2017 AUD100m Floating Rate Subordinated Notes due August 2017 AUD290m 7.75% Subordinated Notes due October 2017 AUD310m Floating Rate Subordinated Notes due October 2017 AUD365m Floating Rate Subordinated Notes due January 2018

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	9,012,957	Options on issue (there are no options approved for grant but not yet granted).
		750,000	2003 Redeemable Preference Shares (Series 2)
		500,000	December 2004 Euro Preference Shares
		9,000	June 2007 Sterling Preference Shares

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Dividends on CPS3 are preferred, non-cumulative, based on a floating rate and are expected to be fully or substantially franked. Dividends are scheduled to be paid quarterly in arrears, subject to the Directors at their absolute discretion resolving to pay Dividends and the other Payment Tests (see Section 1.2.7 of the Prospectus).

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
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	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements *in full* through a broker?	
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

32 How do +security holders dispose of their entitlements (except by sale through a broker)?

33 +Despatch date

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	
39	Class of +securities for which quotation is sought	
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	
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)	

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

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: .John Priestley... Date: 23 August 2011....
(Company secretary)

Print name: ....

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