Westpac Banking Corporation ABN 33 007 457 141

Equity Derivatives
Level 5, 255 Elizabeth Street
Sydney NSW 2000
Telephone: 61 2 9284 9214
Facsimile: 61 2 9284 8525
Email: joaolay@westpac.com.au

19 May 2004

Mr Wayne Elliott
Manager, Warrant Administration
Australian Stock Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

Dear Wayne

Re: Challenger Portfolio Endowment Warrants – Change in the Outstanding Amounts
Pursuant to the Offering Circulars dated 11 October 2001, Challenger Equities Limited has issued Portfolio Endowment Warrants containing Macquarie Bank Limited

Portfolio Endowment Warrants - PEWEEA
Pursuant to an offering Circular dated 11 October 2001, Challenger Equities Limited has issued Year 2012 Portfolio Endowment Warrants in respect of the following Underlying Parcel of Shares:

PEWEEA

Stock	No of Shares in Underlying Parcel
Alumina Limited	12
AMP Limited	5
Australia and New Zealand Banking Group Limited	6
BHP Billiton Limited	11
Brambles Industries Limited	9
Commonwealth Bank of Australia	3
Coles Myer Limited	14
CSL Limited	2
Foster's Group Limited	20
Macquarie Bank Limited	3
National Australia Bank Limited	3
News Corporation Limited	7
Rio Tinto Limited	3
St George Bank Limited	6
Telstra Corporation Limited	21
Westpac Banking Corporation	7
Wesfarmers Limited	3
WMR Limited	12
Woolworths Limited	8
Woodside Petroleum Limited	7
Westfield Holdings Limited	5

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As Warrant Issuer and according to Clause 4.6 of the Offering Circulars, Challenger Equities Limited provides the following information in relation to the period ending 24 May 2004.

As at the 11th June 2004, the following Reduction Amounts were paid in respect of the underlying shares in the Portfolio.

ASX Share Code	Ex-Dividend Date	Reduction Amount per Share (cents)	No. in Portfolio	Reduction Amount
MBL	24-May-04	$0.70	3	$2.10
TOTAL				**$2.10**

The Outstanding Amounts of the Portfolio Endowment Warrants, PEWEEA have been adjusted according to Clause 4.5 of the Offering Circulars as follows:

Number Of Warrants	Warrant Code	Outstanding Amount
1,000	PEWEEA	$1,137
1	PEWEEA	$1.14

In accordance with the relevant Offering Circular, the Base Rate that will apply to all series of Endowment Warrants issued by Challenger Equities Limited, pursuant to that Offering Circular, from 1st April 2004 to 1st July 2004 inclusive is 5.5600% per annum.

For further information please contact Westpac Banking Corporation 1800 990 107.

Joao Lay
Dealer
For and on behalf of Westpac Banking Corporation