Westpac

Westpac Banking Corporation ABN 33 007 457 141

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23 August 2004

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

Dear Wayne

Re: Challenger Endowment Warrants – Change in the Outstanding Amounts

Pursuant to the Offering Circular dated 27 February 2002, Challenger Equities Limited has issued Endowment Warrants in respect to Telecom Corporation of New Zealand Limited.

As Warrant Issuer and according to Clause 4.5 of the Offering Circular, Challenger Equities Limited provides the following information in relation to the period ending 23 August 2004.

On the 23 August 2004, an Ex-Dividend date occurred with respect to Telecom Corporation of New Zealand Limited. The Outstanding Amount of the Endowment Warrant has been adjusted according to Clause 4.4 of the Offering Circular as follows:

ASX Share Code	Ex-Date	Reduction Amount per Share (cents)	Reduction Amount	New Outstanding Amount
TEL	23 Aug 2004	$0.0895	$ 0.0895	2.6545

In accordance with the relevant Offering Circulars, the Base Rate that will apply to all series of Endowment Warrants issued by Challenger Equities Limited, pursuant to that Offering Circular, from 1st July 2004 to 1st October 2004 inclusive is 5.5433% per annum.

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

Joao Lay
Dealer
For and on behalf of Westpac Banking Corporation