Westpac

Australia's First Bank

Westpac Banking Corporation ABN 33 007 457 141

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8 December 2006

The Companies Announcements Platform
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

WESTPAC BANKING CORPORATION - GRANT OF OPTIONS

At Westpac's Annual General Meeting held on 11 December 2003, shareholder approval was given to the granting of performance options and performance share rights (together the **"Securities"**) to the Chief Executive Officer ("CEO") pursuant to the Chief Executive Securities Agreement 2003 (**"Agreement"**).

Details of the 1 December 2006 grants under that Agreement are:

Grant date:	1 December 2006
Number of Securities granted:	594,167 options over (in aggregate) 594,167 unissued ordinary fully paid Westpac shares. 181,667 performance share rights over (in aggregate) 181,667 unissued ordinary fully paid Westpac shares. The Securities may be exercised in part on multiple occasions.
Amount paid per Security:	Nil
Exercise Price:	options: $24.18 per share share rights: nil per share
Expiry date of Securities:	30 November 2016 (**"End Date"**)
Performance and exercise periods:	The Securities are subject to a performance period of 3 years and certain performance requirements based on Westpac's total shareholder return when compared against similar returns of a peer group. The TSR Ranking group will, at the time the comparison is to be made, consist of the first 50 entities out of a peer group of 100 bodies corporate comprised in the S&P/ASX 200 Index identified at the commencement of the performance period (excluding Westpac, all entities in the property trusts sector of the Index and such other entity or entities as the Board may from time

	to time determine) having the highest market capitalisation at that time and ranked in descending order from highest to lowest that at that time remain listed on the ASX. Subject to satisfaction of performance requirements, the Securities may be exercised during the exercise period. The Securities may only be exercised on and from the First Exercise Date (as defined in the Agreement) until the End Date. The first eligible date for vesting is 1 March 2010. If not exercised by the End Date, the Securities will lapse.
Ranking for dividends:	The Securities are not eligible to participate in dividends. Fully paid ordinary shares allotted upon the exercise of the Securities rank immediately for dividends.
Listing and transferability:	The Securities will not be listed and are not transferable.
Treatment upon termination of employment prior to 31 December 2007	• If employment ceases due to death, disablement or sickness, the CEO will be entitled to performance options and performance share rights granted prior to the date of cessation and for which the performance hurdles have been or are subsequently satisfied; • If the CEO resigns with the consent of the Board or if his employment is terminated without cause, the CEO will be entitled to exercise all performance options and performance share rights granted prior to the date of termination, whether or not the performance hurdles have been satisfied; • If the CEO's employment contract is terminated for poor performance he may exercise any performance option and performance share rights which had been granted prior to the date of termination, and for which the performance hurdles have been satisfied within 12 months after the date of termination. All other performance options and performance share rights will lapse; and • If the CEO resigns without the consent of the Board, or his employment is terminated for cause, he will be entitled only to performance options and performance share rights which have been granted prior to the date of termination and for which the performance hurdles have been satisfied prior to that date.

Yours sincerely

Anna O'Connell
Head of Group Secretariat

Appendix 3Y - Listing Rule 3.19A.2
Change of Director's Interest Notice

Date	8 December 2006
Name of entity	Westpac Banking Corporation ("Westpac")
ABN	33 007 457 141

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Dr David Raymond Morgan
Date of last notice	17 November 2006

Part 1 - Change of director's relevant interests in securities

Direct Interests

Direct or indirect interest	**Direct**	**Direct**	**Direct**
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	-	-	-
Date of change	-	1 December 2006	1 December 2006
No. of securities held prior to change	1,958,186	2,139,000	654,000
Class	Fully paid ordinary shares	Options to acquire fully paid ordinary shares	Rights to acquire fully paid ordinary shares
Number acquired	-	594,167	181,667
Number disposed of	-	-	-
Value / Consideration Note: If consideration is non-cash, provide details and estimated valuation.	-	Nil consideration. Option exercise price is $24.18 per share	Nil consideration. Nil exercise price.
No. of securities held after change	1,958,186 (no change)	2,733,167	835,667
Nature of change Eg on-market trade, off-market trade, exercise of options, issue of securities under DRP, participation in buy-back.	-	Option grant pursuant to Chief Executive Securities Agreement 2003, approved by shareholders at the annual general meeting on 11 December 2003.	Performance share right grant pursuant to Chief Executive Securities Agreement 2003, approved by shareholders at the annual general meeting on 11 December 2003.

Appendix 3Y - Listing Rule 3.19A.2
Change of Director's Interest Notice

Indirect Interests

Direct or indirect interest	Indirect	Indirect	Indirect	Indirect	Indirect	Indirect	Indirect	Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.								
Date of change	-	-	-	-	-	-	-	-
No. of securities held prior to change	1,463,413.07	1,894,736.84	1,054,603.31	41,214	10,000	1,256,114	840,000	900,000
Class	Units in BT Global Return Fund	Units in BT Wholesale Asian Share Fund	Units in BT Wholesale Smaller Companies Fund	Shares in Australian Infrastructure Fund, ASX Code AIX	Units in BT Wholesale Smaller Companies Fund	Units in BT Wholesale Global Property Securities Fund	Units in BT Wholesale MicroCap Opportunities Fund	Units in BT Wholesale Core Global Share Fund
Number acquired	-	-	-	-	-	-	-	-
Number disposed	-	-	-	-	-	-	-	-
Value / Consideration Note: If consideration is non-cash, provide details and estimated valuation.	-	-	-	-	-	-	-	-
No. of securities held after change	1,463,413.07 (no change)	1,894,736.84 (no change)	1,054,603.31 (no change)	41,214 (no change)	10,000 (no change)	1,256,114 (no change)	840,000 (no change)	900,000 (no change)
Nature of change Eg on-market trade, off-market trade, exercise of options, issue of securities under DRP, participation in buy-back.	-	-	-	-	-	-	-	-

Part 2 - Change of director's interests in contracts

Detail of contract	-
Nature of interest	-
Name of registered holder (if issued securities)	-
Date of change	-
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed.	-
Interest acquired	-
Interest disposed	-
Value / Consideration Note: If consideration is non-cash, provide details and an estimated valuation.	-
Interest after change	-