

Group Offices in Hong Kong, London, Sao Paulo and Tokyo

22 November 2002

Caitlin Chau
ASX Derivatives
Level 6, 20 Bridge Street
Sydney NSW 2000

Dear Caitlin



Macquarie Trading Warrants – WMC adjustment

Macquarie Bank Limited ("Macquarie") is the issuer of three series of Call & Put Warrants (ASX codes: WMCWMB, WMCWMC, WMCWMW) over shares in WMC Limited ("WMC").

These warrants may be adjusted due to a proposed demerger of WMC's resources and alumina businesses, subject to shareholder and court approval.

Proposed Demerger

On 28 October 2002, WMC announced a proposed demerger into two separate ASX listed entities: Alumina Limited and WMC Resources Limited. The proposal to demerge WMC's resources and alumina businesses requires a series of steps including a scheme of arrangement, a capital reduction, a share scheme dividend, the approval of WMC shareholders at a General Meeting to be held on 29 November 2002 and then Court approval.

Warrant Adjustments

Provided the demerger of WMC receives shareholder approval at the General Meeting and then Court approval, the warrants will be adjusted as follows:

- The Underlying Parcel over which the WMC warrants are issued will become 1 share in Alumina Limited together with 1 share in WMC Resources Limited;
- The ASX warrant code under which the warrants will trade will change:

Existing ASX Warrant Code	New ASX Warrant Code
WMCWMB	WMBWMB
WMCWMC	WMBWMC
WMCWMW	WMBWMW

The code change is expected to come into effect from Tuesday 3 December 2002 although the warrants will not commence trading ex-demerger until Wednesday 4 December 2002.

- The Exercise Price, Expiry Date and Specified Number will remain unchanged.

This method of adjustment is consistent with that to be used by the ASX Derivatives Division to adjust the ETOs and LEPOs over WMC shares.

If you have any questions regarding this matter please contact your Stockbroker or Financial Adviser or call Macquarie on 1800 80 30 10.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Chris Home', written over a horizontal line.

Chris Home
Associate Director
Macquarie Bank Limited