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5 March 2003

Caitlin Chau
ASX Derivatives
Level 6, 20 Bridge Street
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MACQUARIE
BANK

Dear Caitlin

For announcement to the market:

Ventracor Rights Issue – Effect on VCRWMA

Macquarie Bank Limited ("Macquarie") is the issuer of one series of Call Warrants (ASX codes: VCRWMA) over shares in Ventracor Limited ("VCR") pursuant to a Term Sheet dated 25 August 2003.

On Wednesday 17 September 2003, VCR lodged with the Australian Securities and Exchange Commission a Prospectus for a 1 for 12 renouncable rights issue at $2.25 to raise approximately $33.3 million.

The record date for this entitlement is Friday 26 September 2003. The VCR shares and warrants will begin trading on an ex-adjustment basis on Monday 22 September 2003.

Warrant Adjustments

Pursuant to clause 4.5 of the Terms of Issue, the Warrants will be adjusted as follows:

(a) the Exercise Price is unchanged;

(b) the Underlying Parcel includes the additional number of Shares given by the following formula:

$$C = \frac{B \times N \times R}{D \times X}$$

where:

C = the number of additional Shares in the Underlying Parcel after the rights issue;

B = the number of Shares constituting an Underlying Parcel immediately before the rights issue;

N = the Issue Numerator of the rights issue;

D = the Issue Denominator of the rights issue;

R = the value of a right to acquire one of the securities the subject of the rights issue:

(a) where the rights trade on ASX on the ex-entitlement date in respect of the rights issue as published by ASX, determined from the weighted average price at which those rights trade on that day excluding late, special and overseas trades;

(b) in any other case, determined by the Issuer with the consent of ASX having reference to the weighted average prices at which Shares trade on ASX "ex" the rights and "cum" the entitlements on the ex-entitlements date in respect of the rights issue as published by ASX (or, where the Shares do not trade "cum" the rights on that day, having reference also to the weighted average price of those "cum" rights Shares on the Business Day preceding the ex-rights date);

X = the weighted average price at which the ex-rights Shares trade on the ex-rights date in respect of the rights issue as published by ASX, excluding late, special and overseas trades and option exercises;

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

Chris Horne
Associate Director
Macquarie Bank Limited