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MACQUARIE BANK

27 September 2004

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

Dear Caitlin

Macquarie Warrants – BSLWMD; BSLWMQ – Bluescope Steel Special Dividend

Macquarie Bank Limited ("Macquarie") is the issuer of one series of Call Warrants (ASX code: BSLWMD) and one series of Put Warrants (ASX code: BSLWMQ) over shares in Bluescope Steel Limited ("BSL").

Further to the announcement to the market dated 2 September 2004, Macquarie advises that pursuant to clause 4.6 of the Terms of Issue the warrants have been adjusted as follows :

(a) the Underlying Parcel is unchanged;

(b) the Conversion Ratio of these warrants has been adjusted from 3 to 2.97

(c) the Exercise Price has been reduced as follows:

Warrant Series	Old Exercise Price	New Exercise Price
BSLWMD	$7.50	$7.4147
BSLWMQ	$7.00	$6.9204

The Warrants will recommence trading on a ex-adjustment basis on Tuesday 28 September 2004.

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