

ANZ NOTICE OF MEETING

2011 ANNUAL GENERAL MEETING

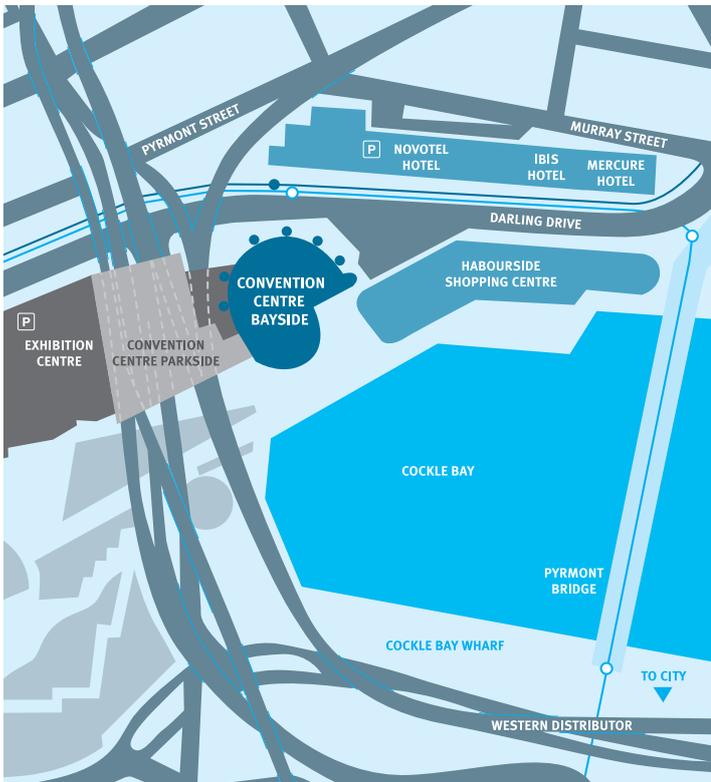
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LOCATION OF THE ANNUAL GENERAL MEETING

Friday, 16 December 2011 – 10:00 am (AEDT)

Sydney Convention and Exhibition Centre
Bayside Auditorium B
Darling Drive, Darling Harbour
Sydney, New South Wales



THE SYDNEY CONVENTION AND EXHIBITION CENTRE (SCEC)

The Sydney Convention and Exhibition Centre (SCEC) is located in the Darling Harbour district of Sydney, New South Wales. The fully-equipped centre is close to public transport hubs and the Sydney central business district.

TRANSPORT OPTIONS

MONORAIL

The Metro Light Rail provides a direct service to the venue with a Metro Light Rail station located directly outside the Convention Centre. Tickets can be purchased on the train. Trains operate every 15 minutes between Central Station and Lilyfield.

For further information on the Metro Light Rail, please refer to their website at www.metrolightrail.com.au or www.metrolightrail.com.au/StationLocatorFlash.asp to view the light rail route map.

TRAIN

The nearest public train station is Town Hall Station approximately 10 minutes from the venue by foot.

BUS

The 443 bus service runs to locations such as the Maritime Museum and Harris Street, Ultimo. The Convention Centre is approximately 5 minutes walking distance from these locations.

The State Transit Website www.131500.com.au has useful information regarding public transport options, including a trip planner function that will provide you with detailed information on how to get around Sydney.

CAR

The Sydney Convention and Exhibition Centre car park is conveniently located off Darling Drive, underneath the Centre's five exhibition halls. The car park has direct access to the venue and the many attractions and facilities available in Darling Harbour.

ANNUAL GENERAL MEETING AGENDA

Friday, 16 December 2011

9:00 am	Registration Opens
9:15 am	Morning Tea
10:00 am	Annual General Meeting commences Welcome to Shareholders – Chairman Chief Executive Officer's presentation Items of Business

Please join the Chairman, John Morschel, the Directors and senior executives of ANZ for refreshments after the Annual General Meeting

HOW BUSINESS WILL BE CONDUCTED AT THE MEETING

The Annual General Meeting is an important event and we encourage shareholders to actively participate.

Important information about the conduct of the Meeting is set out below.

DISCUSSION AND ASKING QUESTIONS

Discussion will take place on all the items of business as set out on page 4.

The Explanatory Notes also provide further information relating to the items of business.

Shareholders will have the opportunity to ask questions at the Annual General Meeting (including an opportunity to ask questions of the Auditor).

To ensure that as many shareholders as possible have the opportunity to speak, shareholders are requested to observe the following guidelines:

- Please keep questions as brief as possible and relevant to the matters being discussed;
- If a shareholder has more than one question, please ask all questions at the one time;
- Shareholders should not ask questions at the Meeting that they may have as an individual customer. These questions should be taken up with the ANZ representatives after the Meeting.

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so.

A Questions from Shareholders form has been included in the AGM mailing and is also available on the website. We will attempt to address as many of the more frequently asked questions as possible in the Chairman's and Chief Executive Officer's presentations to the Meeting.

A shareholder information stand will be available in the area outside the Meeting room. In addition Directors and senior executives will be available after the Meeting.

Discussion will take place on each item of business prior to shareholders being asked to vote.

WEBCAST AND PHOTOGRAPHY

We have arranged for the Annual General Meeting to be filmed and broadcast via a webcast which can be viewed at www.shareholder.anz.com. After the Meeting you can also watch an archived recording on the ANZ website.

We have arranged for photographs to be taken at the Meeting. If you attend the Meeting in person, you may be included in photographs or the webcast recording.

For the safety and security of all those present at the Meeting, cameras and recording devices are not permitted. Upon entry to the Meeting room, you will be asked to present your bag for a security search.

NOTICE OF 2011 ANNUAL GENERAL MEETING

Notice is given that the 43rd Annual General Meeting of Australia and New Zealand Banking Group Limited will be held at the **Sydney Convention and Exhibition Centre, Bayside Auditorium B, Darling Drive, Darling Harbour, Sydney, New South Wales** on Friday 16 December 2011 at 10:00am (AEDT).

BUSINESS

1. ANNUAL REPORTS

To consider the Annual Report, Financial Report and the Reports of the Directors and of the Auditor for the year ended 30 September 2011.

2. ADOPTION OF THE REMUNERATION REPORT

To adopt the Remuneration Report for the year ended 30 September 2011.

The vote on this resolution is advisory only.

3. GRANT OF PERFORMANCE RIGHTS TO MR MICHAEL SMITH

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That approval is given for the Company to grant to the Company’s Chief Executive Officer, Mr Michael Smith, Performance Rights under the ANZ Share Option Plan on the terms set out in the Explanatory Notes to this Notice of Meeting.”

4. APPROVAL OF BUY-BACK SCHEMES RELATING TO THE PREFERENCE SHARES WHICH FORM PART OF THE UK STAPLED SECURITIES

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That approval is given to the terms and conditions of the selective buy-back schemes relating to the buy-back of the

preference shares designated the “June 2007 Sterling Preference Shares” issued as part of the Company’s £450,000,000 non-cumulative mandatory convertible stapled securities as described in the Explanatory Notes to this Notice of Meeting.”

5. APPROVAL OF SECURITIES ISSUED

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That for the purposes of ASX Listing Rule 7.4, the issue of securities by the Company, as more fully described in the Explanatory Notes which accompany this Notice of Meeting, be approved.”

6. ELECTION OF DIRECTORS

(a) To elect a Director – Mr R.J. Reeves

Mr Reeves, being eligible, offers himself for election.

(b) To re-elect a Director – Mr P. A. F. Hay

Mr Hay is retiring and, being eligible, offers himself for re-election.

(c) To re-elect a Director – Ms A. M. Watkins

Ms Watkins is retiring and, being eligible, offers herself for re-election.



ANZ SHAREHOLDER CENTRE WEBSITE

Our shareholder website has recently been updated to better serve our shareholders. Shareholders are able to view information in the manner that best suits them. Documents are available in various formats – view online, download or request a hard copy.

2011 ANNUAL REPORT AND 2011 SHAREHOLDER AND CORPORATE RESPONSIBILITY REVIEW

The Annual Report provides detailed financial data and information on the Group’s performance as required to comply with applicable regulatory requirements. We also issue a Shareholder and Corporate Responsibility Review which is a non-statutory document covering key performance areas, financial information, remuneration details and corporate responsibility. These documents are available at www.shareholder.anz.com or by calling the Share Registrar on 1800 11 33 99 (within Australia) or (61 3) 9415 4010 (outside Australia) to request a hard copy.

VOTING RESTRICTIONS

VOTING RESTRICTIONS FOR ITEM 2

The Corporations Act prohibits Directors and other key management personnel of the Company and their closely related parties voting in any capacity (e.g. as a shareholder, proxy or corporate representative) on item 2. The prohibition does not apply if the person has been appointed as a proxy by writing that specifies how the proxy is to vote on item 2, provided that the person who appointed the proxy is not themselves a person subject to the prohibition.

In addition and pursuant to relief granted by the Australian Securities and Investments Commission (ASIC) to the Company, the prohibition does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise an undirected proxy. If a shareholder appoints the Chairman of the Meeting as their proxy and the shareholder does not direct the Chairman of the Meeting how to vote on item 2, the shareholder authorises the Chairman of the Meeting in respect of item 2 to exercise the proxy:

- notwithstanding that item 2 is connected directly or indirectly with the remuneration of a member of the Company's key management personnel; and
- even if the Chairman of the Meeting has an interest in the outcome of the vote on item 2 and that any votes cast by the Chairman of the Meeting in respect of item 2, other than as proxy holder, will be disregarded because of that interest.

The Chairman of the Meeting intends to vote undirected proxies (where the Chairman has been appropriately authorised) in favour of item 2.

Other Directors and other key management personnel of the Company and their closely related parties will not cast any votes in respect of item 2 that arise from any undirected proxy that they hold.

VOTING RESTRICTIONS FOR ITEM 3

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on item 3 by each Director (except those who are ineligible to participate in any employee incentive scheme operated by the Company) and their associates, except where the vote:

- is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

- is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Corporations Act also prohibits the Company's key management personnel and their closely related parties voting as a proxy on resolutions connected directly or indirectly with the remuneration of key management personnel (such as item 3), if the proxy appointment does not specify the way the person is to vote.

The prohibition does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise an undirected proxy. If a shareholder appoints the Chairman of the Meeting as their proxy and the shareholder does not direct the Chairman of the Meeting how to vote on item 3, the shareholder authorises the Chairman of the Meeting in respect of item 3 to exercise the proxy:

- notwithstanding that item 3 is connected directly or indirectly with the remuneration of a member of the Company's key management personnel; and
- even if the Chairman of the Meeting has an interest in the outcome of the vote on item 3 and that any votes cast by the Chairman of the Meeting in respect of item 3, other than as proxy holder, will be disregarded because of that interest.

The Chairman of the Meeting intends to vote undirected proxies (where the Chairman has been appropriately authorised) in favour of item 3.

Other Directors and other key management personnel of the Company and their closely related parties will not cast any votes in respect of item 3 that arise from any undirected proxy that they hold.

If you do not wish to appoint the Chairman of the Meeting to vote in favour of items 2 and/or 3, it will be important for you to complete the voting directions in respect of each item in Step 2 of the Proxy Form.

VOTING RESTRICTIONS FOR ITEM 4

The Corporations Act requires the Company to disregard any votes cast in favour of item 4 by any person who holds UK Stapled Securities or is an associate of a person who holds UK Stapled Securities. The holder of the UK Stapled Securities is BT Globenet Nominees Limited.

VOTING RESTRICTIONS FOR ITEM 5

The Company will disregard any votes cast on item 5 by a person who participated in the issue of CPS3 referred to in item 5 or their associates.

However, the Company will not disregard a vote if:

- it is cast by a person as proxy for a shareholder who is entitled to vote, in accordance with the directions on the Proxy Form; or
- it is cast by the person chairing the Meeting as proxy for a shareholder who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

ASX has granted a waiver from ASX Listing Rule 14.11.1 to the extent necessary to permit the Company to count votes cast on item 5 by persons who are acting solely in a fiduciary, nominee or custodial capacity (**Nominee Holders**) on behalf of beneficiaries who did not participate in the issue of CPS3 referred to in item 5. The waiver is subject to the following conditions:

- the beneficiaries provide written confirmation to the Nominee Holders that they did not participate in the issue of CPS3, nor are they an associate of a person who participated in the issue of CPS3;
- the beneficiaries direct the Nominee Holders to vote for or against the resolution; and
- the Nominee Holders do not exercise discretion in casting a vote on behalf of the beneficiaries.

If shareholders (including nominees or custodians) have questions on the voting restrictions for items 2, 3, 4 or 5 they should contact the Company's Share Registrar on 1800 11 33 99 (within Australia), 0800 174 007 (within New Zealand), (0870) 702 0000 (within the United Kingdom) or (61 3) 9415 4010 (outside Australia).

UNDIRECTED PROXIES

The Chairman of the Meeting intends to vote undirected proxies (where he has been appropriately authorised, having regard to the voting restrictions above) in favour of each item of business, except for item 6(a) (the election of Mr Reeves). On item 6(a), the Chairman of the Meeting intends to vote any undirected proxy against Mr Reeves' election.

ENTITLEMENT TO ATTEND AND VOTE

The Board has determined that for the purposes of the Meeting (including voting at the Meeting), shareholders are those persons who are the registered holders of shares at 7:00pm (AEDT) on Wednesday 14 December 2011.

Holders of the Company's ordinary shares may vote on all items of business, subject to the voting restrictions described above for items 2, 3, 4 and 5.

Holders of the Company's preference shares (including the June 2007 Sterling Preference Shares) are entitled to attend the Meeting and such holders are entitled to vote on item 4 (subject to the voting restrictions described above for item 4) but are not entitled to vote on any other item of business.

VOTING BY PROXY

A shareholder who is entitled to attend and cast a vote at the Meeting may appoint a proxy. A proxy need not be a shareholder. A person can appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, it must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Meeting.

A shareholder who is entitled to cast 2 or more votes may appoint up to 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

The following addresses are specified for the purposes of receipt of proxy appointments and any authorities under which proxy appointments are signed (or certified copies of those authorities):

Australia	
ANZ Share Registrar GPO Box 242 Melbourne Victoria 3001 Australia	ANZ Share Registrar Yarra Falls 452 Johnston Street Abbotsford Victoria 3067 Australia

United Kingdom	New Zealand
ANZ Share Registrar The Pavilions Bridgwater Road Bristol BS99 6ZZ United Kingdom	ANZ Share Registrar Private Bag 92119 Auckland 1142 New Zealand

Proxy appointments and any authorities under which they are signed (or certified copies of those authorities) may be sent by fax to facsimile number 1800 783 447 (within Australia) or (61 3) 9473 2555 (outside Australia).

Shareholders may also submit their proxy instructions electronically to the Company's Share Registrar by visiting www.investorvote.com.au and Intermediary Online subscribers only (custodians) should visit www.intermediaryonline.com

To be effective, a proxy appointment and, if the proxy appointment is signed by the shareholder's attorney, the authority under which the appointment is signed (or a certified copy of the authority) must be received by the Company at least 48 hours before the Meeting.

For more information concerning the appointment of proxies and the addresses to which Proxy Forms may be sent, please refer to the Proxy Form.

VOTING BY ATTORNEY

A shareholder may appoint an attorney to vote on his/her behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours before the Meeting.

CORPORATE REPRESENTATIVES

A body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

By Order of the Board



Bob Santamaria
Secretary
Melbourne
11 November 2011

EXPLANATORY NOTES

ITEM 1 ANNUAL REPORTS

A copy of the Company's 2011 Annual Report, including the Financial Report and the Reports of the Directors and of the Auditor for the year ended 30 September 2011, may be accessed by visiting the Company's website www.shareholder.anz.com

A shareholder may elect to receive by mail, free of charge, the Company's 2011 Annual Report (which includes detailed financial statements and reports) or the 2011 Shareholder and Corporate Responsibility Review (a non-statutory document covering key performance areas, financial information, remuneration details and corporate responsibility). Shareholders who wish to receive a hard copy of either document should contact the Company's Share Registrar.

The Company mails a copy of the Annual Report or the Shareholder and Corporate Responsibility Review as applicable (when they are released each year) only to those shareholders who have made an election to receive it.

ITEM 2 ADOPTION OF THE REMUNERATION REPORT

As required by the Corporations Act, the Board is presenting the Remuneration Report to shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- information about Board policy for determining the nature and amount of remuneration of the Company's Directors and most senior executives;
- a description of the relationship between the remuneration policy and the Company's performance; and
- remuneration details for key management personnel (including the Directors of the Company) for the period ended 30 September 2011.

A copy of the Remuneration Report, which is part of the 2011 Annual Report, is available by contacting the Company's Share Registrar or by visiting the Company's website www.shareholder.anz.com

Board Recommendation: The Board considers that the remuneration policies adopted by the Company are appropriately structured to provide rewards that are commensurate with the performance of the Company and competitive with the external market. On this basis, the Board recommends that shareholders eligible to do so vote in favour of item 2.

ITEM 3 GRANT OF PERFORMANCE RIGHTS TO MR MICHAEL SMITH

The Company is seeking the approval of shareholders for the proposed grant of Performance Rights to the Chief Executive Officer, Mr Michael Smith, under the ANZ Share Option Plan on the terms and conditions set out below.

GRANT OF PERFORMANCE RIGHTS

A Performance Right is a right to acquire an ordinary fully paid share in the Company at nil cost (i.e. nil exercise price), subject to meeting the performance condition. Upon exercise, each Performance Right entitles Mr Smith to one ordinary ANZ share, which will rank equally with shares in the same class. (There will be an exercise period ending 2 years after the vesting date.) Mr Smith is not required to pay any amount on grant of the Performance Rights, nor on their vesting and exercise.

Performance Rights granted under the ANZ Share Option Plan do not carry any dividend or voting rights until they vest and are exercised.

If approval is obtained, it is the intention of the Board that the Performance Rights will be granted to Mr Smith on 16 December 2011 (but, in any event, not more than 12 months after the date of this Annual General Meeting).

GRANT VALUE AND CALCULATION OF THE NUMBER OF PERFORMANCE RIGHTS TO BE GRANTED

It is proposed that Mr Smith be granted Performance Rights with a grant value of \$3,150,000. The actual number of Performance Rights to be granted is not known at this stage as it will depend on the valuation at the date of grant. However, the total value of the Performance Rights allocated will not exceed the \$3,150,000 grant value. The dollar value at grant may also vary from the value at some future date, as it will depend on the TSR performance of the Company relative to a comparative group of companies and the share price at the time.

PricewaterhouseCoopers and Mercer (Australia) Pty Ltd will independently value the Performance Rights. The valuation model takes into account a range of factors to determine the value of a Performance Right, such as the life of the Performance Right, the likelihood of vesting, the current price of the underlying shares, expected volatility of the share price and the dividends expected to be paid in relation to the shares.

In accordance with AASB 2, the model reflects both the performance condition and the non-transferability of the Performance Rights (noting that the performance condition must be met before the Performance Rights vest and become exercisable). These valuations are then reviewed by KPMG and the highest acceptable value will then be approved by the Board as the allocation value.

For example, based on a grant value of \$3,150,000 and an approved allocation value of, for example, \$10 for each Performance Right, the number of Performance Rights that would be allocated is 315,000.

PERFORMANCE CONDITION

The Board has determined that the Performance Rights to be granted to Mr Smith (if approval is received) will be subject to a Total Shareholder Return (TSR) hurdle which ranks the TSR performance of the Company with the TSR performance of a comparative group of companies.

The comparative group of companies currently includes the Commonwealth Bank of Australia, National Australia Bank Limited, Westpac Banking Corporation Limited, Suncorp-Metway Limited, Macquarie Bank Limited, AMP Limited, ASX Limited, QBE Insurance Group Limited and Insurance Australia Group Limited (**Comparative Group**).

Broadly, TSR is the growth in share price, plus the value of the dividends and distributions on the relevant shares. The TSR is measured over a three year performance period starting on the date of grant of the Performance Rights (i.e. 16 December 2011) and ending on the third anniversary of the date of grant of the Performance Rights (i.e. 16 December 2014) (**Performance Period**). The proportion of the Performance Rights that will become exercisable will depend upon a single point of testing of the TSR achieved by the Company relative to the TSRs of the Comparative Group at the end of the Performance Period. An average calculation will be used for TSR over a 90 day period for start and end values in order to reduce the impact of share price volatility.

The level of performance required for each level of vesting, and the percentage vesting associated with each level of performance, are set out in the table below. The Performance Rights lapse if the performance condition is not met. There is no re-testing.

IF THE TSR OF THE COMPANY:	THE PERCENTAGE OF PERFORMANCE RIGHTS WHICH WILL VEST IS:
Does not reach the 50th percentile of the TSR of the Comparative Group	0%
Reaches or exceeds the 50th percentile of the TSR of the Comparative Group but does not reach the 75th percentile	50%, plus 2% for every one percentile increase above the 50th percentile
Reaches or exceeds the 75th percentile of the TSR of the Comparative Group	100%

Mr Smith is not entitled to trade, transfer or otherwise deal in (including entering into any hedging arrangements in respect of) the Performance Rights or the underlying shares prior to vesting.

TREATMENT ON TERMINATION OF EMPLOYMENT

If Mr Smith:

- resigns, all unexercised Performance Rights will be forfeited;
- is terminated by the Company with notice, all Performance Rights which have vested or which will vest during the notice period will be retained and become exercisable; all remaining Performance Rights will vest and become exercisable, subject to the relevant time and performance conditions being satisfied, unless the Board determines otherwise;
- is terminated by the Company without notice, all unexercised Performance Rights will be forfeited (whether or not the Performance Rights have vested); or
- ceases employment in circumstances of death or total and permanent disability, the performance condition will be waived and all unvested Performance Rights will vest.

In determining whether a different treatment should apply to that set out above where Mr Smith is terminated by the Company on notice, the Board will have regard to factors including, but not limited to, performance and the proportion of the Performance Period that has expired at the time of cessation of employment.

The Board could determine, for example, that:

- only some Performance Rights (whether vested or unvested) will continue on foot and become exercisable at the normal testing date (subject to satisfaction of the performance condition); or
- some or all unvested Performance Rights will lapse or be tested against the performance condition on cessation of employment.

TREATMENT ON CHANGE OF CONTROL

In the event of takeover, scheme of arrangement or other change of control event occurring, the performance condition applying to the Performance Rights will be tested and the Performance Rights will vest based on the extent the performance condition is satisfied. No pro rata reduction in vesting will occur based on the period of time from the date of grant to the date of the change of control event occurring, and vesting will only be determined by the extent to which the performance condition is satisfied.

Any Performance Rights which vest based on satisfaction of the performance condition will vest at a time (being no later than the final date on which the change of control event will occur) determined by the Board.

Any Performance Rights which do not vest will lapse with effect from the date of the change of control event occurring, unless the Board determines otherwise.

OTHER INFORMATION

The ASX Listing Rules require the following additional information be provided in relation to the proposed grant of Performance Rights to Mr Smith.

Mr Smith is the only Director entitled to participate in the ANZ Share Option Plan. No associate of any Director is entitled to participate.

At the time of preparation of this Notice, Mr Smith holds 773,546 Performance Rights under the ANZ Share Option Plan which were granted in accordance with his contract and or shareholder approval given at the 2007 and 2010 Annual General Meetings. Mr Smith also holds 700,000 options under the ANZ Share Option Plan which were granted in accordance with shareholder approval given at the 2008 Annual General Meeting.

There is no loan scheme in relation to the acquisition of the Performance Rights (or the shares underlying them) as no payment is required.

On vesting of the Performance Rights, shares may be issued or acquired on market.

The Board retains discretion to reduce any equity grant made to Mr Smith (including reducing it to zero) if the Board considers such an adjustment necessary to protect the financial soundness of ANZ, to meet unexpected or unknown regulatory requirements or if the Board subsequently considers that having regard to information which has come to light after the grant of equity, the grant was not justified.

The rules of the ANZ Share Option Plan address the impact of rights issues and bonus issues on the Performance Rights.

A copy of the ANZ Share Option Plan rules is available on request from the Company Secretary.

Board Recommendation: The Board considers that the granting of Performance Rights is appropriate having regard to the need to motivate Mr Smith as CEO, and is in the best interests of the Company and its shareholders, as the grant strengthens the alignment of Mr Smith's interests with shareholders, and the Performance Rights provide a strong link between the reward for Mr Smith's performance and total shareholder returns over the next three year period. Accordingly, the Board recommends that shareholders eligible to do so vote in favour of item 3.

ITEM 4 APPROVAL OF BUY-BACK SCHEMES RELATING TO THE PREFERENCE SHARES WHICH FORM PART OF THE UK STAPLED SECURITIES

INTRODUCTION

On 15 June 2007, the Company issued 9,000 non-cumulative mandatory convertible stapled securities (**UK Stapled Securities**) at an issue price of £50,000 each pursuant to a prospectus dated 12 June 2007 (**Prospectus**) raising £450,000,000 in Tier 1 capital. Each UK Stapled Security comprises two fully paid securities – an interest paying unsecured subordinated note with a principal amount of £50,000 issued by the Company through its New York Branch (**Note**) and a preference share with a liquidation preference of £50,000 issued by the Company (**June 2007 Sterling Preference Share**), which are stapled together and which may not be traded separately. In certain circumstances (including where the June 2007 Sterling Preference Shares are repaid as described below), the Notes which form part of the UK Stapled Securities will be unstapled from the June 2007 Sterling Preference Shares and will be automatically assigned for no further consideration to the Company or its Assignee (**Assignee**), so that the investor holds only the June 2007 Sterling Preference Share.

A summary of the UK Stapled Securities, the June 2007 Sterling Preference Shares and the Notes is set out in the Prospectus. You can obtain a free copy of the Prospectus or the terms of issue of the June 2007 Sterling Preference Shares from the Company by contacting ANZ Investor Relations on (61 3) 8654 7682.

WHY ARE WE SEEKING SHAREHOLDER APPROVAL?

As part of the Company's capital management strategy, the Board regularly monitors and reviews the most cost efficient and effective forms of capital available. This has led to the Board forming the view that the Company should have the maximum flexibility to buy back the June 2007 Sterling Preference Shares at a future date without the need to convene an extraordinary general meeting of the Company.

The UK Stapled Securities will mandatorily convert into ordinary shares of the Company on the first conversion date on which the conversion conditions are satisfied. The first conversion date is 15 June 2012. Each 5 year anniversary of the immediately preceding

conversion date is also a conversion date (**Conversion Date**).

The conversion conditions will be satisfied if:

- on the 25th business day prior to the Conversion Date, the Conversion Ratio as of that date is less than or equal to 90.91% of the Maximum Conversion Ratio (**First Conversion Condition**); and
- on the Conversion Date, the Conversion Ratio as of that date is less than or equal to the Maximum Conversion Ratio.

(The Conversion Ratio and Maximum Conversion Ratio are each defined in the terms of issue of the June 2007 Sterling Preference Shares).

However, the terms of the UK Stapled Securities also provide that if the First Conversion Condition has not been satisfied and APRA's prior written approval has been obtained, the Company has the right to repay the June 2007 Sterling Preference Shares on a Conversion Date. Repayment can be way of a redemption, a buy-back (other than an on market buy-back within the meaning of the Corporations Act) or a reduction of capital (or any combination of those methods of repayment).

Under the Corporations Act, ANZ needs to obtain shareholder approval to repay the June 2007 Sterling Preference Shares if the method of repayment is by way of buy-back. Accordingly, the Board is seeking shareholder approval for the buy-back schemes in relation to the June 2007 Sterling Preference Shares if a decision is made to do so and APRA's prior written approval is obtained.

The special resolution in relation to the buy-back schemes operates as an alternative to the Company's other rights that the Company may have under the terms of the June 2007 Sterling Preference Shares. The Company has taken no decision in relation to any of those rights.

WILL ANY BUY-BACK OF THE JUNE 2007 STERLING PREFERENCE SHARES TAKE PLACE?

No decision has been made by the Board whether to buy back the June 2007 Sterling Preference Shares or when any such buy-back might occur.

The Board will only decide to undertake a buy-back of the June 2007 Sterling Preference Shares if it considers it is in the best interests of the Company. This may depend, among other things, on the capital

position of the Company and its consolidated group, conditions in domestic and international capital markets and changes in the prudential regulation of the Company.

WHAT IS THE PURPOSE OF THESE EXPLANATORY NOTES?

The purpose of these Explanatory Notes in relation to item 4 is to state all information known to the Company that is material to the decision on how to vote on the special resolution for the approval of the buy-back of the June 2007 Sterling Preference Shares. The following additional information may be material to the decision on how to vote on item 4. The buy-back schemes are alternatives and, if the Company makes the decision to proceed, it will only proceed with one of them.

(a) Summary of the first buy-back scheme

If the Company elects to redeem the June 2007 Sterling Preference Shares by means of a buy-back as contemplated by the terms of the June 2007 Sterling Preference Shares, the terms of those shares provide for the buy-back to be on terms that the Company pays to the holders of them (**Holders**) an amount equal to £50,000 plus any accrued and unpaid dividends on each June 2007 Sterling Preference Share for the then current dividend payment period, if any, to the date for redemption.

No further consideration is payable on account of the Note component of a UK Stapled Security.

The buy-back would be in relation to all 9,000 of the June 2007 Sterling Preference Shares on issue.

(b) Summary of the second buy-back scheme

The terms of issue of the June 2007 Sterling Preference Shares provide that the Company may, no less than 30 business days and no more than 60 business days prior to a Conversion Date, give a transfer notice to the Holders which designates a third party with a minimum long-term counterparty credit rating from Standard & Poor's and a long-term senior issuer rating from Moody's of not less than AA- and Aa3 respectively (**Nominated Party**) to purchase the UK Stapled Securities or, if the Notes have been unstapled from the June 2007 Sterling Preference Shares, the June 2007 Sterling Preference Shares on the relevant Conversion Date.

The purchase price payable to Holders will be £50,000 per UK Stapled Security or June 2007 Sterling Preference Share (as the case may be).

Following a transfer to a Nominated Party the Company may with APRA's prior written approval offer to buy back the UK Stapled Securities or the June 2007 Sterling Preference Shares (as the case may be).

If the Company elects to buy back the June 2007 Sterling Preference Shares from the Nominated Party, the buy-back would be subject to the following conditions:

- the buy-back price would be an amount per June 2007 Sterling Preference Share not exceeding £50,000 (plus the amount of any accrued but unpaid dividends for the dividend period current at the date the buy-back takes effect, but not counting any fees and expenses that the Company has agreed to pay to the Nominated Party); and
- the buy-back would be effected within 12 calendar months of the date of the Meeting.

No further consideration would be payable on account of the Note component of a UK Stapled Security.

The buy-back would be in relation to all 9,000 of the June 2007 Sterling Preference Shares on issue.

(c) Interests of Directors

Each Director confirms that he or she does not have a beneficial interest in any UK Stapled Securities or the associated Notes or June 2007 Sterling Preference Shares.

(d) The financial effect of the buy-back schemes on the Company

The buy-back of each June 2007 Sterling Preference Share requires a payment by the Company of £50,000 (plus accrued and unpaid dividends, and in the case of the second buy-back scheme, any fees and expenses that the Company has agreed to pay to the Nominated Party). The cost of buying back all of the June 2007 Sterling Preference Shares would not exceed

£450,000,000 (plus any accrued and unpaid dividends at that time, and in the case of the second buy-back scheme, any fees and expenses that the Company has agreed to pay to the Nominated Party). The Company will not buy back the June 2007 Sterling Preference Shares if to do so would have a material adverse impact on the Company's financial or regulatory capital position or would materially prejudice the Company's ability to pay its creditors.

(e) Source of funds for the buy-back schemes

The Company maintains significant cash reserves and has other funding alternatives that could be used to implement any buy-back of the June 2007 Sterling Preference Shares. The Directors of the Company would, at the relevant time, consider the best alternative or combination of alternatives for funding any buy-back of the June 2007 Sterling Preference Shares.

Approval of the buy-back schemes will give the Company additional flexibility in determining the most cost efficient and effective capital structure of the Company. While a buy-back scheme would result in a reduced capital base for the Company, the Company will not proceed with a buy-back of the June 2007 Sterling Preference Shares if to do so would have a material adverse impact on the Company's financial or regulatory capital position or would materially prejudice the Company's ability to pay its creditors. Furthermore, the Company will only decide to undertake a buy-back of the June 2007 Sterling Preference Shares if it considers it is in the best interests of the Company.

(f) Effect of buy-back schemes on the control of the Company

Each June 2007 Sterling Preference Share entitles a Holder to limited voting rights. Holders are entitled to vote at a general meeting of the Company, together with the holders of ordinary shares (to the extent such holders are entitled to vote), on the basis of one vote for each June 2007 Sterling Preference Share held (if a poll is conducted)

on a limited number of resolutions, including on any proposal to wind up the Company or any proposal to affect the rights attaching to the June 2007 Sterling Preference Shares. (However, Holders are subject to the voting restrictions that apply in relation to item 4 as set out in this Notice of Meeting.) In the circumstances that Holders are eligible to vote on a resolution, the total number of votes capable of being exercised by the Holders would be 9,000. The total number of votes capable of being exercised by holders of ordinary shares as at 28 September 2011 was 2,629,033,329. Given the limited circumstances in which Holders can vote, and the nature of the June 2007 Sterling Preference Shares, the Board considers that any buy-back of the June 2007 Sterling Preference Shares would have no effect on the control of the Company.

(g) The identity of the affected shareholders

The UK Stapled Securities (and the June 2007 Sterling Preference Shares) are currently held by a single nominee holder for institutional investors predominantly based outside of Australia.

Board Recommendation: The Board considers that giving the Company the ability to selectively buy back the June 2007 Sterling Preference Shares is in the interests of the Company as it provides the Company with greater flexibility to implement its capital management strategy. On this basis, the Board recommends that shareholders eligible to do so vote in favour of the special resolution in item 4.

ITEM 5 APPROVAL OF SECURITIES ISSUED

INTRODUCTION

ASX Listing Rule 7.1 imposes a limit on the number of equity securities (including ordinary shares) that a company can issue or agree to issue without shareholder approval. Generally, a company may not, without shareholder approval, issue in any 12 month period, a number of equity securities which is more than 15% of the number of fully paid ordinary shares on issue 12 months before the issue.

The number of equity securities that may be issued by a company under ASX Listing Rule 7.1 without shareholder approval is not impacted by equity securities which are issued under an exception contained in ASX Listing Rule 7.2 or which have received shareholder approval.

ASX Listing Rule 7.4 provides that an issue by a company of equity securities made without shareholder approval under ASX Listing Rule 7.1 is treated as having been made with approval, if the issue did not breach ASX Listing Rule 7.1 when made and the company's shareholders subsequently approve it.

The Board has decided to seek shareholder approval under ASX Listing Rule 7.4 in respect of the Company's issue of 13,400,000 Convertible Preference Shares (each convertible in certain circumstances into fully

paid ordinary shares of the Company) in September 2011 (CPS3).

CPS3 represent approximately 2.6% of the Company's fully paid ordinary shares on issue as at 28 September 2011 (on the basis that CPS3 are treated for the purpose of ASX Listing Rule 7.1 as 68,577,277 fully paid ordinary shares).

WHY ARE WE SEEKING SHAREHOLDER APPROVAL?

The Company's capital base is critical to its ability to manage its business. The Company funds itself from various sources, including deposits, borrowings in the debt capital markets and equity capital. With the recent turmoil in global credit markets, it is important for the Company to have available to it access to all forms of capital.

The approval of shareholders is being sought to provide the Company with the maximum flexibility to undertake equity raisings without the need for further shareholder approval. The requirement to obtain shareholder approval for an issue, at the time of issue, could limit the Company's ability to take advantage of opportunities that may arise to raise equity capital. It should be noted that, notwithstanding an approval by shareholders of the proposed resolution relating to this item of business, any future equity raisings will remain subject to the 15% limit set out in ASX Listing Rule 7.1.

No decision has been made by the Board to undertake any further issue of equity securities in the event that approval is received from shareholders in respect of item 5. The Board will only decide to issue further equity securities if it considers it is in the best interests of the Company to do so. This may depend, among other things, on the capital position of the Company, conditions in domestic and international capital markets and changes in the prudential regulation of the Company.

DETAILS OF THE SECURITIES ISSUED FOR WHICH APPROVAL IS BEING SOUGHT UNDER THIS ITEM

The following information is provided in connection with the approval under this item sought from shareholders for the issue of CPS3. The Company confirms that the issue of CPS3 at the relevant time did not breach ASX Listing Rule 7.1.

Information about the CPS3 is set out below with further details included in information lodged with ASX and available at www.asx.com.au. The funds resulting from the issue of CPS3 were, or will be, used for general corporate purposes (unless otherwise announced).

Details of the securities issued for which approval is sought under this item, the issue price and the allottees are set out below:

ALLOTTEES	DATE OF ISSUE	NUMBER OF SECURITIES	ISSUE PRICE PER SECURITY
Subscribers for CPS3 under a prospectus dated 31 August 2011, where each CPS3 is, subject to certain terms and conditions, convertible into approximately A\$101.01 worth of ordinary shares (based on the volume weighted average sale price of the Company's ordinary shares over the 20 trading days prior to the conversion date).	28 September 2011	13,400,000 CPS3 (treated as convertible into 68,577,277 fully paid ordinary shares (assuming one holder of CPS3) based on a closing price for ordinary shares of the Company of \$19.74 on 28 September 2011 (being the CPS3 issue date) and a conversion discount of 1%)	A\$100

Board Recommendation: The Board considers that the approval of the issue of CPS3 described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of equity securities permitted under ASX Listing Rule 7.1 in the next 12 months (without further shareholder approval), should it be required. Accordingly, the Board recommends that shareholders eligible to do so vote in favour of the special resolution in item 5.

ITEM 6 ELECTION OF DIRECTORS

Mr Hay and Ms Watkins are retiring and offer themselves for re-election. Mr Reeves is a former ANZ employee and has nominated himself for election as a Director, although his candidacy is not supported by the Board.

To be elected, a candidate needs to receive more "for" votes than "against" votes. The Proxy Form contains further information on voting.

The order of candidates on this Notice of Meeting and on the Proxy Form has been determined by ballot by the Company's Auditor.

Candidates for election and re-election as Directors:

MR REEVES

Mr R.J. Reeves
BEC, FCPA, DPM

Lives in Melbourne. Age: 61

Mr Reeves provided a statement for inclusion in this Notice of Meeting. After considerable discussion between the Company and Mr Reeves, some of the content of the statement was deleted by the Company on the basis of various legal considerations. The balance is set out below. Mr Reeves disagrees with the stance adopted by the Company.

Defamation and breach of contract were just two of the actions I raised against ANZ and, after a significant legal fight and prior to full exposure in court, ANZ paid me what ANZ termed a commercial settlement. Remember this payment to me was from, as Shareholders, our funds.

The documents which I believe prove my allegations are publicly available. Key to my action was an independent Whistleblower Statement.

ANZ has said previously that it investigated the matters raised by me but in my view it was not a thorough investigation.

Since raising my concerns publicly in 2007, ANZ have revamped their Code of Conduct and Values including training. I believe it took the Opes Prime debacle to finally force ANZ into action.

I believe ANZ's reputation clearly suffered and that ANZ's past failures live long in the memory of investors and customers.

With deep experience both in Australia and Asia and working across different cultures, I know I am very well placed to assist ANZ move forward in the region.

I again offer my services to ANZ Shareholders to "strengthen accountability and governance". [ANZ Corporate Responsibility newsletter July 2009]

I am a Fellow Certified Practising Accountant. My experience includes roles as Deputy Secretary - Department of Treasury Victorian State Government, and with Price Waterhouse and BHP, and encompassed chairing the Victorian Government's Treasury Department Audit Committee and being a Member of the State Revenue Office's Audit Committee. I have lived and worked extensively in Asia during my 30 year plus financial markets professional experience.

The information above is not endorsed by the Company, and the Company assumes no responsibility for it.

Board Recommendation: The Board does not endorse the election of Mr Reeves as a Director.

MR HAY

Mr P. A. F. Hay
LLB (Melb), FAICD

Company Director

Independent Non-Executive Director, appointed in November 2008.

Mr Hay chairs the Governance Committee and is a member of the Audit Committee and the Human Resources Committee. He is Chairman of the Lazard Pty Ltd Advisory Board, a Director of Alumina Limited, Landcare Australia Limited, GUD Holdings Limited, NBN Co Limited and Myer Holdings Limited, and a member of the Takeovers Panel. Mr Hay is a former Director of Pacifica Group Limited and Lazard Pty Ltd, and a former Chief Executive Officer of Freehills.

Lives in Melbourne. Age: 61

Mr Hay has a strong background in company law and investment banking advisory work, with a particular expertise in relation to mergers and acquisitions. He has also had significant involvement in advising

governments and government-owned enterprises.

Board Recommendation: The Board (excluding Mr Hay because of his interest) endorses the re-election of Mr Hay as a Director.

MS WATKINS

Ms A. M. Watkins
BCom, FCA, F Fin, FAICD

Company Director and Executive

Independent Non-Executive Director, appointed in November 2008.

Ms Watkins chairs the Human Resources Committee and is a member of the Audit Committee and the Governance Committee. She is the Chief Executive Officer of GrainCorp Limited and a member of The Nature Conservancy Australian Advisory Board and the Takeovers Panel. Ms Watkins is a former Director of Woolworths Limited, Just Group Limited and the AICD National Board and Victorian Council, and a former partner of McKinsey & Company.

Lives in Melbourne. Age: 48

Ms Watkins is an experienced CEO and established director with a grounding in finance and accounting. Her experience includes retailing, agriculture, food manufacturing and financial services, and covers small to medium companies as well as large organisations. Ms Watkins held senior executive roles with ANZ from 1999 to 2002.

Board Recommendation: The Board (excluding Ms Watkins because of her interest) endorses the re-election of Ms Watkins as a Director.