

NOTICE OF
ANNUAL GENERAL
MEETING 2004

Notice of Meeting and
Information for Shareholders

Australia and New Zealand Banking Group Limited ABN 11 005 357 522



NOTICE OF ANNUAL GENERAL MEETING 2004

Notice is given that the thirty sixth Annual General Meeting of Australia and New Zealand Banking Group Limited will be held at the John Batman Theatre, Melbourne Convention Centre, corner Spencer and Flinders Streets, Melbourne, Victoria on Friday, 17 December 2004 at 10.00am Melbourne time.

ORDINARY BUSINESS

1 ANNUAL REPORTS

To consider the Annual Report, Financial Report and the Reports of the Directors and of the Auditors for the year ended 30 September 2004.

2 ELECTION OF DIRECTORS

- a) To re-elect a director –
Mr J. K. Ellis

Mr Ellis retires in accordance with the Company's Constitution, and being eligible, offers himself for re-election.

- b) To re-elect a director –
Ms M. A. Jackson AC

Ms Jackson retires in accordance with the Company's Constitution, and being eligible, offers herself for re-election.

- c) To elect a director –
Dr G. J. Clark

Dr Clark, having been appointed by the Board since the date of the 2003 Annual General Meeting, retires in accordance with the Company's Constitution, and being eligible, offers himself for election.

- d) To elect a director –
Mr D. E. Meiklejohn

Mr Meiklejohn, having been appointed by the Board since the date of the 2003 Annual General Meeting, retires in accordance with the Company's Constitution, and being eligible, offers himself for election.

- e) To elect a director –
Mr J. P. Morschel

Mr Morschel, having been appointed by the Board since the date of the 2003 Annual General Meeting, retires in accordance with the Company's Constitution, and being eligible, offers himself for election.

OTHER BUSINESS

3 GRANT OF PERFORMANCE SHARES TO MR MCFARLANE

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

“That approval is given for all purposes, including for the purposes of ASX Listing Rule 10.14, for the issue of 175,000 fully paid ordinary shares in the capital of the Company to or for the benefit of Mr John McFarlane, the Managing Director and Chief Executive Officer of the Company, on 31 December 2004 on the terms described in the Explanatory Notes which accompany the Notice convening this Annual General Meeting.”

The Company will disregard any votes cast on resolution 3 by Mr McFarlane, any other director and their respective associates. However, the Company will not disregard a vote if:

- › it is cast by a person as proxy for a member 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 member who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

ENTITLEMENT TO ATTEND AND VOTE

The Board has determined that, for the purposes of the Meeting (including voting at the Meeting), members are those persons who are the registered holders of shares at 7.00pm (Melbourne time) on 15 December 2004.

VOTING BY PROXY

A member who is entitled to attend and cast a vote at the Meeting may appoint a proxy.

A proxy need not be a member. 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 member who is entitled to cast 2 or more votes may appoint 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 Registry GPO Box 242 Melbourne Victoria 3001 Australia	ANZ Share Registry Yarra Falls 452 Johnston Street Abbotsford Melbourne Victoria 3067 Australia
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United Kingdom

ANZ Share Registry
PO Box 82
The Pavilions
Bridgewater Road
Bristol BS99 7NH
United Kingdom

New Zealand

ANZ Share Registry
Private Bag 92119
Auckland 1020
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 (+61 3) 9473 2555.

To be effective, a proxy appointment and, if the proxy appointment is signed by the member'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.

Members may also submit their proxy instructions electronically with the ANZ Share Registry by visiting www.anz.com and following the prompts and instructions.

For more information concerning the appointment of proxies and the addresses to which proxy forms may be sent, please refer to the reverse side of the proxy form.

VOTING BY ATTORNEY

A member 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 member, 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



Tim L'Estrange
Secretary
Melbourne
18 November 2004

EXPLANATORY NOTES

ITEM 2 ELECTION OF DIRECTORS

Mr Ellis and Ms Jackson retire by rotation. Dr Clark, Mr Meiklejohn and Mr Morschel, having been appointed by the Board since the 2003 Annual General Meeting, retire in accordance with the Company's Constitution. Each of these directors offers themselves for election or re-election as the case may be.

Candidates for election and re-election as directors:

Mr Ellis

Mr J. K. Ellis
MA (Oxon), FAICD, Hon FIE Aust,
FAusIMM, FTSE

Company Director
Director since October 1995

Mr Ellis is Chairman of the Risk Management Committee and a member of the Audit Committee. He is Chairman of Pacifica Group Limited, National Occupational Health and Safety Commission, Landcare Australia Limited and the Australia-Japan Foundation, and a Director of GroPep Limited. He is Chancellor of Monash University and a former Chairman of BHP.

Lives in Melbourne. Age: 67.

A trained engineer, Mr Ellis brings to the Board his analytical skills together with his practical understanding of operational issues, investments and acquisitions across a range of sectors including natural resources, manufacturing, bio-technology and education.

The Board endorses the re-election of Mr Ellis as a director.

Ms Jackson AC

Ms M. A. Jackson AC
BEc, MBA, Hon LLD, FAICD, FCA

Company Director
Director since March 1994

Ms Jackson is Chairman of the Compensation & Human Resources Committee and a member of the Audit Committee. She is Chairman of Qantas Airways Limited, Deputy Chairman of Southcorp Limited, a Director of Billabong International Limited, a member of the Foreign Affairs Council, and Chairperson of Methodist Ladies' College. Ms Jackson is a former Director of John Fairfax Holdings Limited, BHP Limited, Pacific Dunlop Limited, and the Brain Research Institute, a former partner of KPMG Peat Marwick and BDO Nelson Parkhill, and will be retiring as Chairperson of Methodist Ladies' College on 31 December 2004.

Lives in Melbourne. Age: 51.

A Chartered Accountant, Ms Jackson has broad industrial experience including her involvement in transportation, mining, the media, manufacturing and insurance. This expertise coupled with her work in health and education contribute to her role on the Board.

The Board endorses the re-election of Ms Jackson as a director.

Dr Clark

Dr G. J. Clark
B Sc(Hons 1st Class), PhD Physics (ANU)

Company Director
Director since February 2004

Dr Clark is a member of the Nominations & Corporate Governance Committee. Dr Clark is Principal of Clark Capital Partners, a US based firm that advises internationally on technology and the technology marketplace. He was appointed a Director of James Hardie Industries in July 2002. He is a former President and Chief Operating Officer of Loral Space and Communications, former Executive Committee member of News Corporation and former President of News Technology Group, and held a number of senior roles at IBM over a 14 year period. Dr Clark was also a member of the Australian Prime Minister's Science and Engineering Council from 1992 until 1997.

Currently based in New York, USA but also resides in Sydney. Age: 61.

Dr Clark brings the benefits of international experience and a distinguished career in micro-electronics, computing and communications, and is well qualified to contribute to the Board's deliberations in the area of technology.

The Board endorses the election of Dr Clark as a director.

Mr Meiklejohn

Mr D.E. Meiklejohn
B Com, Dip. Ed, FCPA, FAICD, FAIM

Company Director
Director since October 2004

Mr Meiklejohn is a member of the Audit Committee and the Nominations & Corporate Governance Committee. He is the Chairman of PaperlinX Limited and SPC Ardmona Limited, and a Director of OneSteel Limited and WMC Resources Limited. He is a former Chairman of Kimberly-Clark Australia Limited, former Deputy Chairman of GasNet Australia Limited, a former Director of Amcor Limited, Colonial Limited, Spicers Paper Limited, and Treasury Corporation of Victoria, and will be retiring from the OneSteel Board in early 2005. Mr Meiklejohn had a distinguished career at Amcor Limited where he was Chief Financial Officer from 1981 to 2000.

Lives in Melbourne. Age: 62.

A Fellow of CPA Australia, Mr Meiklejohn has a strong background in finance and accounting. He also brings to the Board his experience across a number

of Directorships of major Australian companies spanning a range of industries.

The Board endorses the election of Mr Meiklejohn as a director.

Mr Morschel

Mr J.P. Morschel
DipQS, FAIM

Company Director
Director since October 2004

Mr Morschel is a member of the Risk Management Committee and Compensation & Human Resources Committee. He is Chairman of Rinker Group Limited and a Director of Rio Tinto plc, Rio Tinto Limited, Singapore Telecommunications Limited and Tenix Pty Limited. He is a former Chairman of Leighton Holdings Limited, CSR Limited and Comalco Limited and a former Director of Cable & Wireless Optus Limited. Mr Morschel had a distinguished career with Lend Lease Corporation where he was Managing Director from 1988 to 1995. Between 1993 and 2001, he was a Director of Westpac Banking Corporation, including two years as Executive Director where his responsibilities included retail banking and wealth management.

Lives in Sydney. Age: 61.

Mr Morschel has a strong background in banking and financial services, and brings the experience of being a Director of major Australian and international companies.

The Board endorses the election of Mr Morschel as a director.

ITEM 3 GRANT OF PERFORMANCE SHARES TO MR MCFARLANE

a) Introduction

The Board proposes to grant "performance shares" to Mr John McFarlane, on the terms and conditions outlined below.

The Company announced on 26 October 2004 an extension of Mr McFarlane's employment contract with the Company to 30 September 2007. As part of Mr McFarlane's revised contract, the Board agreed to provide Mr McFarlane with a long term incentive grant comprising 175,000 performance shares in the Company.

The Board is of the view that the longer term performance incentive component of Mr McFarlane's employment package should be closely aligned to that of the total return to shareholders. In this regard, the number of performance shares and the terms described below are designed to provide a continuing

incentive for Mr McFarlane to produce value for shareholders and to reward him if he is successful. Consistent with this, the vesting of the performance shares will be subject to the performance hurdle as set out below.

Under the Listing Rules of the Australian Stock Exchange, the acquisition of performance shares by Mr McFarlane requires the approval of shareholders by ordinary resolution.

b) Performance shares

A performance share is a fully paid ordinary share in the capital of the Company, held in trust for Mr McFarlane until it "vests". The shares will be issued to and held by ANZEST Pty Ltd (Trustee) in its capacity as trustee for the ANZ Employee Share Acquisition Plan.

Upon the performance shares vesting Mr McFarlane will be entitled to receive from that date all dividends, bonus issues and other benefits accruing in respect of the shares, unless they are forfeited under the conditions set out below.

Mr McFarlane will not be entitled to receive dividends and other distributions on performance shares before they vest.

Performance shares will vest after certain performance hurdles have been met. The performance hurdles are described below. Once a performance share has vested, it will no longer be liable to be forfeited by Mr McFarlane except where Mr McFarlane ceases to be an employee of the Company by reason of termination of his employment for:

- › serious misconduct; or
- › serious breach of his contract of employment

and the share is then held by the Trustee.

Until a performance share vests, Mr McFarlane will be restricted from disposing of it (or his interest in it).

If approved by shareholders, the performance shares will be granted to Mr McFarlane on 31 December 2004 on the conditions described in these explanatory notes.

c) Acquisition price

Mr McFarlane is not required to pay any amount for the grant of the performance shares, or upon the subsequent vesting or transfer to him of the shares.

d) Valuation of performance shares

ANZ has obtained an independent valuation of the performance shares from Mercer Finance and Risk Consulting. This estimates the financial value of the proposed grant at approximately \$2.5 million, using the Monte Carlo option pricing model that is adjusted for the hurdle conditions in accordance with Accounting Standard AASB1046A. The actual value of these performance shares to Mr McFarlane at the grant date or at some future date is likely to differ from the estimated value and will depend on the TSR performance of ANZ relative to the Comparative TSRs and the share price at the time (this is discussed at (f) below).

e) The effect of vesting

If performance shares vest, Mr McFarlane may request the Trustee to:

- › transfer the relevant shares held by the Trustee to Mr McFarlane; or
- › sell the shares and pay the proceeds of sale (less any applicable transactions costs) to Mr McFarlane.

If Mr McFarlane does not give the Trustee a direction, the Trustee will continue to hold the shares on trust for Mr McFarlane.

If Mr McFarlane ceases to be employed by the Company and performance shares vest, the Trustee must transfer the corresponding shares held for Mr McFarlane to him within 3 months of the shares vesting (or earlier if requested by Mr McFarlane).

f) How do performance shares vest?

The performance shares will vest in the period starting on 31 December 2006 and ending on 31 December 2009 if the performance hurdle has been met. The performance hurdle involves comparing the Company's total shareholder return (the ANZ TSR) against the total shareholder return of each entity in a comparator group of major financial services companies in the S&P/ASX 100 Index, excluding the Company (the Comparative TSRs). Before the grant of the performance shares the Board will approve the companies to be included in the comparator group.

Broadly speaking, total shareholder return is share price growth plus the value of dividends and distributions on the relevant shares.

If the ANZ TSR when assessed against the Comparative TSRs is at or above certain levels, performance shares will vest. If performance shares vest, Mr McFarlane will be entitled to require the Trustee to sell them for his benefit or to transfer them to him.

No performance shares will vest until the percentile ranking of the ANZ TSR, as against the Comparative TSRs, is at or above the 50th percentile. At the 50th percentile, half of the performance shares will vest. Below that ranking, none of the performance shares vest.

For each percentile above the 50th percentile, an additional 2% of the performance shares will vest. For example, if the ANZ TSR is at the 60th percentile (relative to the Comparative TSRs), 70% of the performance shares will vest.

If the ANZ TSR is ranked at or above the 75th percentile, as against the Comparative TSRs, all of the performance shares will vest.

If the ranking of the ANZ TSR is less than a previous ranking, no additional performance shares will vest. However, if after a later testing the Company's ranking is above all previous rankings, vesting of additional performance shares can occur.

g) When are the performance hurdles tested?

ANZ TSR and Comparative TSRs will be measured over the period starting from the grant date of the performance shares (being 31 December 2004) and ending on 31 December 2006. Accordingly, subject to (h) below, the performance shares may first vest on 1 January 2007.

After 31 December 2006, ANZ TSR and Comparative TSRs will be re-tested on a monthly basis (over the period starting on 31 December 2004 and ending on the relevant month). Monthly re-testing will continue until 31 December 2009 or until the performance shares have either all vested or been forfeited.

h) Board's discretion to waive performance hurdles

In the case of death or total and permanent disability of Mr McFarlane, or where it is otherwise considered appropriate by the Board, the Board may waive the performance conditions in whole or in part. If the Board does so, the performance shares will vest in accordance with the terms of such waiver.

i) Forfeiture of performance shares

Mr McFarlane will forfeit ownership of any performance shares which have not vested:

- › if Mr McFarlane resigns without the prior approval of the Board; or
- › by 31 December 2009.

In addition, if Mr McFarlane ceases to be an employee of the Company by reason of termination of his employment for:

- › serious misconduct; or
- › serious breach of his contract of employment,

Mr McFarlane will forfeit ownership of any performance shares then held by the Trustee for him (whether or not the shares have already vested).

If performance shares are forfeited, Mr McFarlane will cease to have any interest in respect of them. The forfeited shares will then be held by the Trustee in accordance with the rules of the ANZ Employee Share Acquisition Plan for such employees (present and future) of ANZ as the Trustee decides.

j) Early forfeiture date

If:

- › Mr McFarlane ceases to be Chief Executive Officer of the Company before 30 September 2007; and
- › the performance shares are not forfeited upon him so ceasing in accordance with paragraph (i) above,

ANZ TSR and Comparative TSRs will continue to be re-tested on a monthly basis until the date that is 6 months after Mr McFarlane ceases to be Chief Executive Officer of the Company (or such later date as the Board may approve subject to such later date not being after 31 December 2009).

However, re-testing will end before this date if the performance hurdles have been fully satisfied and this has resulted in all outstanding performance shares vesting before then.

Performance shares that have not vested before this earlier forfeiture date will automatically be forfeited.

k) Other terms

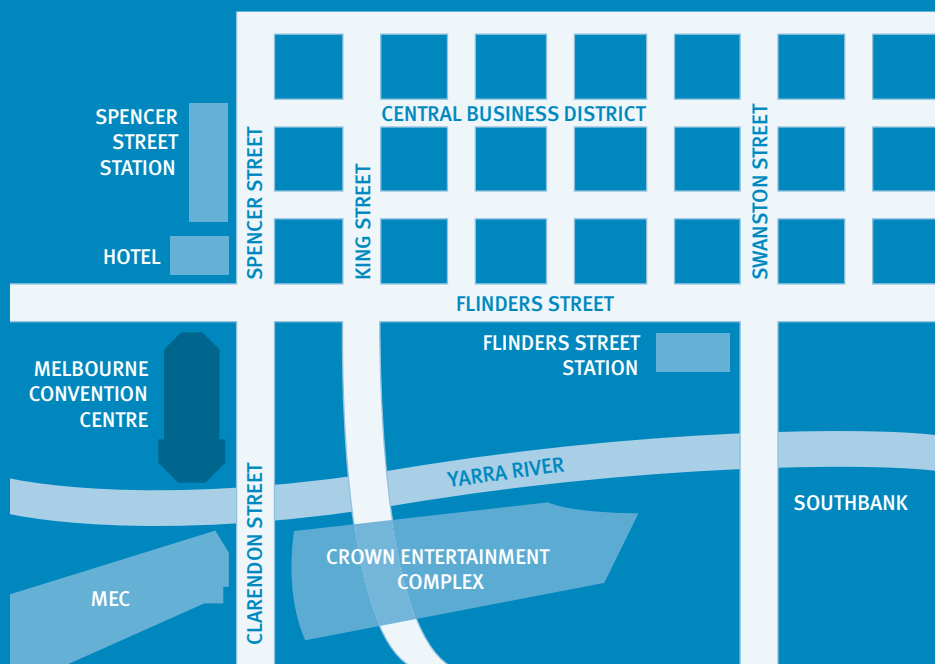
Subject to the above, the rules of the ANZ Employee Share Acquisition Plan will apply in respect of the performance shares to be granted to Mr McFarlane.

A copy of the ANZ Employee Share Acquisition Plan rules is available upon request from the Company Secretary.

l) Additional information

The ASX Listing Rules require that this notice of meeting include the following additional information in relation to the performance shares to be granted to Mr McFarlane:

- › Mr McFarlane is the only director entitled to participate in the ANZ Employee Share Acquisition Plan and receive performance shares and he has not previously received performance shares under the ANZ Employee Share Acquisition Plan. No associate of any director is entitled to participate.
- › There is no loan scheme in relation to the acquisition of the performance shares (or the shares underlying them) as no payment is required.
- › The performance shares will be issued on 31 December 2004.



AGM Location

John Batman Theatre, Melbourne Convention Centre
corner Spencer and Flinders Streets
Melbourne, Victoria