

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Warrants described below.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

**Non-collateralised Structured Products
Launch Announcement for Warrants**

issued by

Macquarie Bank Limited

(ABN 46 008 583 542)

(incorporated under the laws of Australia)

Sponsor

Macquarie Capital Securities Limited



Particulars of Warrants

We intend to issue the following Warrants:

Warrants	Series 1	Series 2	Series 3
Stock Code	17115	17116	17117
Issue size	50,000,000 Warrants	40,000,000 Warrants	30,000,000 Warrants
Type	European style cash settled call warrants	European style cash settled call warrants	European style cash settled call warrants
Company	Ping An Insurance (Group) Company of China, Ltd.	CNOOC Limited	China Petroleum & Chemical Corporation
Shares	Existing issued ordinary H shares of the Company	Existing issued ordinary shares of the Company	Existing issued ordinary H shares of the Company
Board Lot	5,000 Warrants	10,000 Warrants	2,000 Warrants
Issue Price per Warrant	HKD 0.250	HKD 0.250	HKD 0.334
Exercise Price	HKD 67.500	HKD 13.500	HKD 7.250
Launch Date	22 October 2014	22 October 2014	22 October 2014
Issue Date	28 October 2014	28 October 2014	28 October 2014
Expected listing date	29 October 2014	29 October 2014	29 October 2014
Expiry Date	05 May 2015	02 December 2016	05 May 2015
Entitlement	1 Share	1 Share	1 Share
Number of Warrant(s) per Entitlement	10	10	1
Implied Volatility*	29.60%	44.00%	29.14%
Effective Gearing*	7.87x	2.69x	7.56x
Gearing*	23.92x	5.04x	19.85x
Premium*	17.06%	26.98%	14.39%

* This data may not be comparable to similar information provided by other issuers of derivative warrants. Each issuer may use different pricing models.

How much will you receive on expiry?

You are not required to deliver any exercise notice and the Warrants will be automatically exercised on the relevant Expiry Date. You will receive a Cash Settlement Amount per Board Lot in Hong Kong dollars calculated as follows (if positive):

For a series of call Warrants:

$$\text{Cash Settlement Amount per Board Lot} = \frac{\text{Entitlement} \times (\text{Average Price} - \text{Exercise Price}) \times \text{one Board Lot}}{\text{Number of Warrant(s) per Entitlement}}$$

“**Average Price**” means the arithmetic mean of the closing prices of one Share (as derived from the Daily Quotation Sheet of the Stock Exchange) for each of the five Business Days immediately preceding the Expiry Date, subject to adjustment in accordance with the product conditions of the Warrants.

Listing of the Warrants

We will make an application to the Stock Exchange for listing of, and permission to deal in, the Warrants on the Stock Exchange.

Where do you obtain quotes?

You may request to obtain a quote for your Warrants by calling the following telephone number:

<i>Liquidity Provider:</i>	Macquarie Capital Securities Limited		
<i>Broker ID Number</i>	Series 1 9507	Series 2 9507	Series 3 9507
<i>Address:</i>	Level 18, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong		
<i>Telephone number:</i>	+852 3922 3788		

We do not have any special arrangements in place with any brokers with respect to our Warrants.

Where can you inspect the relevant documents?

The following documents (“**Listing Documents**”), each in separate English and Chinese versions, are available for inspection until the Expiry Date at Level 18, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong:

1. our base listing document dated 21 May 2014; and
2. the supplemental listing document for each series of the Warrants to be dated on or about 28 October 2014.

IMPORTANT INFORMATION

Unsecured nature of the Warrants

The issue of the Warrants was authorised by our board of directors on 29 August 2002. The Warrants constitute our general unsecured contractual obligations and of no other person and will rank equally among themselves and with all our other unsecured obligations (save for those obligations preferred by law) upon liquidation. You are relying upon our creditworthiness and have no rights under the Warrants against any company which has issued the underlying securities. If we become insolvent or default on our obligations under the Warrants, you may not be able to recover all or even part of the amount due under the Warrants (if any).

Macquarie Bank Limited

Our long term credit ratings are:

<i>Rating agency</i>	<i>Rating as of the Launch Date*</i>
Standard and Poor's Ratings Services	A
Moody's Investors Service, Inc.	A2

* Credit ratings are subject to change or withdrawal at anytime within each rating agency's sole discretion.

We are a licensed bank regulated by the Hong Kong Monetary Authority. We are also regulated by, among others, the Australian Prudential Regulation Authority.

Selling restriction

The Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in the Securities Act).

Investment risk

The price of the Warrants may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. If the Cash Settlement Amount is less than or equal to zero, the Warrants will expire worthless on the relevant Expiry Date.

The Liquidity Provider may be the only market participant for the Warrants. The secondary market for the Warrants may be limited.

You must:

- carefully study the risk factors set out in the relevant Listing Documents;
- fully understand the potential risks and rewards and independently determine whether the Warrants are appropriate for you given your objectives, experience, financial and operational resources, and other relevant circumstances; and
- consult with such advisers as you deem necessary to assist yourself in making these determinations.

Hong Kong, 22 October 2014