



Commodity Products

Termsheet Indicative

Wednesday, 17 May 2006

3Year Commodity Linked Note – 95% Principal Protected

Sugar (11) NYBOT, Ethanol, Corn

Terms and conditions as of Wednesday, 17 May 2006

All material herein, including the summarized Terms and conditions of the transaction is for discussion purposes only.

THE DEBT INSTRUMENT IS NOT PRINCIPAL PROTECTED. THE HOLDER OF THE DEBT INSTRUMENT CAN LOSE 5% OF THE PRINCIPAL. THIS LEVEL OF PROTECTION DOES NOT APPLY UPON EARLY REDEMPTION OF THE DEBT INSTRUMENTS.

Termsheet: 17 May 2006

Product Name : Commodity Linked Note

Rating: Not Rated
(Senior, Unsecured Issuer Rating A/A2 : For information purposes only)

ISIN: ISIN XS0254575953

Dealer: Macquarie Bank Limited

Description	Weight w _i	Strike Reference ATM Spot Bloomberg	Initial Fixing Price
CBOT Ethanol	50%	DL1<CMDTY>	2.85
CBOT Corn	10%	C1<CMDTY>	260.00
NYBOT Sugar #11	40%	SB1<cmdty>	17.17

Underlying

Commodity Basket of Commodities:

- NYBOT Sugar 11 contract
- CBOT Corn
- CBOT Ethanol

Underlying For the avoidance of doubt, the option is indexed to the price of a combination of futures and forward contracts.

Initial Fixing Price The Official settlement of each underlying commodity, as published on Bloomberg on Initial Fixing Price Date

Final Fixing Price The Official settlement of each underlying commodity, as published on Bloomberg on the Final Fixing Date

Reference Price

- For **“NYBOT” Sugar No 11**, the official settlement price (per pound) of front month sugar contract as traded on the New York Board of Trade or its successor (the “NYBOT”) specified in USD, as made public by the “NYBOT” on the Final Fixing Date
- For **Corn**, the official settlement price per bushel of #2 Yellow Corn as traded on the Chicago Board of Trade or its successor (the “CBOT”), specified in U.S. dollars, as made public by the “CBOT” on the Final Fixing Date;
- For **Ethanol**, the official settlement price per gallon of Denatured Fuel Ethanol as traded on the Chicago Board of Trade or its successor (the “CBOT”), specified in U.S.



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dollars, as made public by the "CBOT" on the Final Fixing Day;

Product Details

Notional Amount:	[USD XXXXX]
Issue Price	100 %
Capital Guaranteed at Maturity	95% of Face Value
Participation	100%
Redemption amount:	The holder of the certificate is entitled to receive on the redemption date an amount in USD equal to :

$$(N \times CG) + (N \times C_T)$$

Where

N = Notional Amount

CG = Capital Guaranteed Level

$$C_T = \text{Max}[\sum_{i=1}^3 w_i \times \frac{S_i - K_i}{K_i}, 0]$$

Where:

S_i the Final Fixing Price of each underlying commodity at the valuation date.

K_i the Initial Fixing price (spot price) of each underlying commodity on start date

Dates

Initial Fixing Date	15 May 2006
Final Fixing Date	15 May 2009 or if that day is not a valid Commodity Business Day, the next following valid Commodity Business Day
Issue Date:	24 May 2006
Note Maturity Date:	26 May 2009, or if that day is not a valid Business Day, the next following valid Business Day

General Product Information

Secondary Market Settlement:	Trade date + 10 business days
Minimum trading size	USD 100,000.00
Nominal Amount	USD 10,000.00
Minimum Early Unwind Amount	USD 100,000.00
Commodity Business Day:	Any day on which the NYBOT and CBOT are open for business
Business day	Any day on which the banks are open for normal trading day in London and New York



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Early Unwind provision

Unwind orders are to be received by MBL by 11.40am New York Time on the commodity Business Day ("Early Unwind date").

Governing Law:

New South Wales (Australia)

Calculation Agent:

Macquarie Bank Limited

Sales Restrictions:

This note is not to be distributed to US residents, or individuals domiciled in the USA. As per the MBL USD 15, 000,000,000 Debt Instrument Programme. Details of which are available at www.macquarie.com.au/funding

Contact:

Bruna Iijima

• Macquarie

☎ Fone: +55 11 2108 2613

☎ Fax: +55 11 3167 3807

✉ Bruna.Iijima@macquarie.com

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