

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

BENDIGO AND ADELAIDE BANK LIMITED

ABN

11 068 049 178

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Converting preference shares 4 ("CPS4") |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 3,216,145
CPS4 |

+ See chapter 19 for defined terms.

- 3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Converting Preference Shares 4

Please refer to the replacement Prospectus lodged with ASIC and ASX on 24 October 2017 (in particular, sections 1.2 and 2 and the full terms of issue of CPS4 at Appendix A of the Prospectus). Capitalised terms in this Appendix 3B have the same meaning as set out in the Prospectus and the CPS4 Terms.

CPS4 are fully paid, converting, perpetual, non-cumulative, unsecured preference shares issued by Bendigo and Adelaide Bank Limited ("BEN").

Unless Exchanged earlier in accordance with the CPS4 Terms, CPS4 must Convert into Ordinary Shares on the Scheduled Mandatory Conversion Date, being 15 June 2026, subject to the Mandatory Conversion Conditions being satisfied.

If any of the Mandatory Conversion Conditions are not satisfied on 15 June 2026, CPS4 will continue to be on issue and Conversion will be deferred until the first Dividend Payment Date on which all of the Mandatory Conversion Conditions are satisfied.

Upon Conversion on a Mandatory Conversion Date, BEN CPS4 Holders will receive a variable number of Ordinary Shares with a value of approximately \$101.01 per CPS4 (based on the VWAP of Ordinary Shares sold on ASX during a period of 20 Business Days before the Mandatory Conversion Date).

In certain circumstances (and subject to APRA's prior written approval), BEN may choose to Exchange:

- all or some CPS4 on an Exchange Date following the occurrence of a Tax Event or a Regulatory Event;
- all (but not some only) CPS4 on an Exchange Date following the occurrence of an Acquisition Event; or
- all or some CPS4 on the Optional Exchange Date (13 June 2024).

CPS4 must (subject to certain conditions) be Converted after a Change of Control Event.

In addition, all or some CPS4 must Convert if a Capital Trigger Event or a Non-Viability Trigger Event occurs. If Conversion is not effected within five Business Days after a Capital Trigger Conversion Date or Non-Viability Conversion Date (as applicable) for any reason (including an Inability Event), the CPS4 will be Written Off with effect on and from the Capital Trigger Conversion Date or Non-Viability Conversion Date (as applicable) in accordance with the CPS4 Terms.

Dividends on CPS4 are preferred, discretionary, non-cumulative, floating rate payments and are subject to certain Dividend Payment Tests. Dividends on CPS4 are expected to be paid quarterly in arrears and are expected to be fully franked.

CPS4 do not carry voting rights, except in limited circumstances described in the CPS4 Terms.

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, with respect to ranking in respect of dividends and in a winding up, and voting rights – please see the Prospectus (particularly section 2.9) and clauses 11.1 and 11.2 of the CPS4 Terms.</p> <p>In respect of payment of dividends, CPS4 rank:</p> <ul style="list-style-type: none"> • in priority to Ordinary Shares; • equally and without preference among CPS4; and • equally with all Equal Ranking Instruments that BEN has issued or may issue under the Constitution with respect to payment of dividends otherwise than in a winding up and with each of the other securities and instruments that BEN has issued or may issue that by their terms rank equally with respect to priority of payment of dividends, distributions or similar payments, otherwise than in a winding up. <p>In a winding-up of BEN, CPS4 Holders will be entitled to claim for the Liquidation Sum out of the surplus (if any) available for distribution to shareholders.</p> <p>Holders will rank for payment of the Liquidation Sum in a winding-up of BEN:</p> <ul style="list-style-type: none"> • in priority to Ordinary Shares; • equally and without preference among CPS4; • equally with Equal Ranking Instruments; and • junior to the claims of all creditors of BEN, including depositors, other than creditors expressed to rank equally with CPS4 in a winding-up. <p>Any return in a winding-up may be adversely affected if a Capital Trigger Event or a Non-Viability Trigger Event occurs because if that occurs all or some CPS4 will be required to be Converted or Written Off in accordance with the CPS4 Terms.</p> <p>The Ordinary Shares held as a result of any Conversion of CPS4 will, following Conversion, rank equally with existing Ordinary Shares of BEN.</p>
5	Issue price or consideration	\$100 per CPS4

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The Offer is being made as part of BEN's ongoing capital management strategy, with CPS ₄ being eligible Additional Tier 1 Capital. The CPS ₄ proceeds may be used to fund the redemption of existing BEN Convertible Preference Shares ("CPS") and for BEN's general corporate purposes. The total expenses of the Offer will be paid out of the proceeds of the Offer.
6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the ⁺ securities the subject of this Appendix 3B, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	Not applicable
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	Not applicable
6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable
6f	Number of ⁺ securities issued under an exception in rule 7.2	Not applicable
6g	If ⁺ securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the ⁺ issue date and both values. Include the source of the VWAP calculation.	Not applicable

⁺ See chapter 19 for defined terms.

6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable																
6i	Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable																
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	13 December 2017																
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>482,125,568</td><td>BEN</td></tr><tr><td>2,921,188</td><td>BENPE</td></tr><tr><td>2,822,108</td><td>BENPF</td></tr><tr><td>210,853</td><td>BENHB</td></tr><tr><td>3,216,145</td><td>BENPG (CPS4)</td></tr><tr><td colspan="2">Please note that 2,688,703 BENPD were redeemed on 13 December 2017.</td></tr></table>	Number	+Class	482,125,568	BEN	2,921,188	BENPE	2,822,108	BENPF	210,853	BENHB	3,216,145	BENPG (CPS4)	Please note that 2,688,703 BENPD were redeemed on 13 December 2017.			
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9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>459,624</td><td>BENAI</td></tr><tr><td>355,440</td><td>BENAK</td></tr><tr><td>644,328</td><td>BENAA</td></tr><tr><td>84,748</td><td>BENAB</td></tr><tr><td>192,899</td><td>BENAD</td></tr></table>	Number	+Class	459,624	BENAI	355,440	BENAK	644,328	BENAA	84,748	BENAB	192,899	BENAD				
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+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- | | |
|---|---|
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | <p>CPS4 are scheduled to pay preferred, discretionary, non-cumulative Dividends until all CPS4 are Converted, Redeemed or Written Off (on account of a Capital Trigger Event or Non-Viability Trigger Event). Dividends are based on a floating rate plus a fixed Margin (determined by the Bookbuild to be 3.75%), adjusted for BEN's tax rate and are expected to be fully franked. Dividends are scheduled to be paid quarterly in arrears and are subject to the satisfaction of the Dividend Payment Tests. However, if BEN does not pay a Dividend in full on a Dividend Payment Date, then restrictions apply to BEN (subject to certain exceptions) unless the Dividend is paid in full within three Business Days of that date. For further details, see clause 3 of the CPS4 Terms.</p> |
|---|---|

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the +securities will be offered	Not applicable
14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable

+ See chapter 19 for defined terms.

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20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable

+ See chapter 19 for defined terms.

- | | | |
|----|--|----------------|
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | Not applicable |
| 33 | +Issue date | Not applicable |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☒ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☒ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of ⁺ securities for which ⁺ quotation is sought	Not applicable					
39	⁺ Class of ⁺ securities for which quotation is sought	Not applicable					
40	<p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Not applicable					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)</p>	Not applicable					
42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in clause 38)	<table border="1"> <tr> <th>Number</th> <th>⁺Class</th> </tr> <tr> <td>Not applicable</td> <td>Not applicable</td> </tr> </table>	Number	⁺ Class	Not applicable	Not applicable	
Number	⁺ Class						
Not applicable	Not applicable						

⁺ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
2017
(~~Director~~/Company secretary)

Date: 13 December

Print name: WILLIAM GERARD CONLAN
== == == == ==

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	
Add the following: <ul style="list-style-type: none">• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval• Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none">• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i>• <i>It may be useful to set out issues of securities on different dates as separate line items</i>	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	
Total [“A” x 0.15] – “C”	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	
<p>Total [“A” x 0.10] – “E”</p>	<p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.