

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 | Convertible preference shares 3 ("CPS3") |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Approximately 2,000,000 CPS3 (may issue more or less) |

+ 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)	Convertible Preference Shares 3 Please refer to the Prospectus lodged with ASIC and ASX on 27 April 2015 (in particular, sections 1.2 and 2 and the full terms of issue of CPS₃ at Appendix A of the Prospectus). Capitalised terms in this Appendix 3B have the same meaning as set out in the Prospectus and the CPS₃ Terms. CPS₃ are fully paid, convertible, perpetual, non-cumulative, unsecured preference shares to be issued by Bendigo and Adelaide Bank Limited ("BEN"). CPS₃ will mandatorily convert into Ordinary Shares on the Mandatory Conversion Date, subject to the Mandatory Conversion Conditions being satisfied, unless CPS₃ are Exchanged earlier in accordance with the CPS₃ Terms. The Scheduled Mandatory Conversion Date is 15 June 2023. If any of the Mandatory Conversion Conditions are not satisfied on this date, then the Mandatory Conversion Date will be deferred until the next Dividend Payment Date on which the Mandatory Conversion Conditions are satisfied. Upon Conversion on a Mandatory Conversion Date, BEN CPS₃ Holders will receive a variable number of Ordinary Shares with a value of approximately \$101.01 per CPS₃ (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 CPS₃ on an Exchange Date following a Tax Event or a Regulatory Event; • all (but not some only) CPS₃ on an Exchange Date following an Acquisition Event; or • all or some CPS₃ on the Optional Exchange Date (15 June 2021). BEN must Convert all CPS₃ after a Change of Control Event. In addition, CPS₃ must Convert on the occurrence of a Capital Trigger Event or a Non-Viability Trigger Event. If, following a Capital Trigger Event or a Non-Viability Trigger Event, Conversion of CPS₃ has not been 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), those CPS₃ will not be Converted but instead Written Off (which means the rights of CPS₃ Holders in respect of the receipt of dividends or returns of capital on CPS₃ will be automatically varied in accordance with the CPS₃ Terms). Dividends on CPS₃ are preferred, discretionary, non-cumulative, floating rate payments which are expected to be fully franked. Dividends on CPS₃ are scheduled to be paid semi-annually in arrears and are subject to the satisfaction of the Dividend Payment Tests. CPS₃ do not carry voting rights except in limited circumstances described in the CPS₃ Terms.
+ See chapter 19 for defined terms.	

4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • 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	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 CPS₃ Terms. In respect of payment of dividends, CPS₃ rank: • in priority to Ordinary Shares; • equally and without preference among CPS₃; and • equally with all Equal Ranking Instruments and other securities and instruments that BEN has issued or may issue under the Constitution or that by their terms rank equally with respect to priority of payment of dividends (other than in a winding up). In a winding-up of BEN, CPS₃ Holders will be entitled to claim for the Liquidation Sum for each CPS₃. Holders will rank for payment of the Liquidation Sum in a winding-up of BEN: • in priority to Ordinary Shares; • equally and without preference among CPS₃; • 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 CPS₃ in a winding-up. Any return in a winding up may be adversely affected if Conversion is required on account of a Capital Trigger Event or a Non-Viability Trigger Event. The Ordinary Shares held as a result of any Conversion of CPS₃ will, following Conversion, rank equally with existing Ordinary Shares of BEN.
5 Issue price or consideration	\$100 per CPS₃
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 CPS₃ being eligible Additional Tier 1 Capital. The CPS₃ proceeds may be used to fund the redemption of existing BEN Bendigo Preference Shares ("BPS") and for BEN's general corporate purposes. The total expenses of the Offer will be paid out of the proceeds of the Offer.

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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
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

+ See chapter 19 for defined terms.

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+Issue dates

15 June 2015

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.

Cross reference: item 33 of Appendix 3B.

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Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)

Number	+Class
452,970,280	BEN
900,00	BENPB
2,688,703	BENPD
2,921,188	BENPE
210,853	BENHB
2,000,000 (more or less)	BENPF (CPS ₃)

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	
	6,310	BENAS
	611,259	BENAU
	621,374	BENAI
	476,030	BENAK
	100,000	BENAY
	300,000	BENAZ
	808,771	BENAA
	116,105	BENAB
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
		CPS ₃ are scheduled to pay preferred, discretionary, non-cumulative Dividends until all CPS ₃ 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 (to be determined by the Bookbuild), adjusted for BEN's tax rate and are expected to be fully franked. Dividends are scheduled to be paid semi-annually 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 unless the Dividend is paid in full within 3 Business Days of that date. For further details, see clause 3 of the CPS ₃ 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

+ See chapter 19 for defined terms.

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 Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable

+ See chapter 19 for defined terms.

Appendix 3B
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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	Do the ⁺ securities rank equally in all respects from the ⁺ issue date with an existing ⁺ class of quoted ⁺ securities? If the additional ⁺ securities do not rank equally, please state: • 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	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another ⁺ security, clearly identify that other ⁺ security)	Not applicable	
42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in clause 38)	Number Not applicable	⁺ Class 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:
(~~Director~~/Company secretary)

Date: .27 April 2015

Print name: WILLIAM GERARD CONLAN

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+ 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: • 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: • <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	
Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <i>Note:</i> • <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	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	
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: • <i>This applies to equity securities – 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>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</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	
“E”	

+ See chapter 19 for defined terms.

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

+ See chapter 19 for defined terms.