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Notice of Annual General Meeting 2005

Notice is given that the Annual General Meeting of Bendigo Bank Limited (ABN 11 068 049 178) will be held at The Capital Theatre, 50 View Street, Bendigo on Monday, 31 October 2005 at 11.00 am.

ORDINARY BUSINESS

1. Accounts and Reports

To receive and consider the Company's financial report, directors' report and report by the auditor for the year ended 30 June 2005.

2. Remuneration Report

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

"The Remuneration Report for the Company for the year ended 30 June 2005 be adopted".

3. Re-election of Mr N Axelby as a Director

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

"Mr N Axelby, who retires from office under Rule 67 of the Company's Constitution, be re-elected as a director of the Company."

4. Re-election of Mr R Johanson as a Director

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

"Mr R Johanson, who retires from office under Rule 67 of the Company's Constitution, be re-elected as a director of the Company."

5. Re-election of Mr T O'Dwyer as a Director

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

"Mr T O'Dwyer, who retires from office under Rule 67 of the Company's Constitution, be re-elected as a director of the Company."

Special Business

6. Increase to Non-Executive Director Fee Limit

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

"The maximum annual aggregate amount payable to non-executive directors by way of directors' fees be increased from \$900,000 to \$1,200,000."

Voting exclusion statement: In accordance with the Listing Rules, the Company will disregard any votes cast in respect of item 6 of special business by a director of the Company or any associate of a director of the Company. However, the Company need 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 person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides (provided that, in the latter case, the acknowledgement box on the Proxy Form in relation to resolution 6 is marked).

7. Renewal of Proportional Takeover Provisions of Constitution for a Further Three Years.

To consider, and if thought fit, pass the following as a special resolution:

"Rule 104, Approval of Partial Takeover Bids, forming part of the Company's Constitution, be reinstated and renewed for a period of three years until 31 October 2008."

VOTING INFORMATION

Attending the Meeting

All shareholders may attend the Annual General Meeting.

In the case of joint shareholders, all holders may attend the meeting. If only one holder attends the meeting, that shareholder may vote at the meeting in respect of the relevant shares (including by proxy) as if that holder were solely entitled to them. If more than one joint holder is present (including by proxy), the joint holder whose name appears first in the register in respect of the relevant shares is entitled to vote in respect of them.

A corporate shareholder may appoint one or more persons to act as its representative under section 250D of the Corporations Act 2001 (Cth) (the Corporations Act), but only one representative may exercise the corporate shareholder's powers at any one time. The Company requires written evidence of a representative's appointment to be lodged with or presented to the Company before the meeting.

Not attending the Meeting

Shareholders entitled to vote at the meeting, but not attending, are encouraged to appoint a proxy to vote on their behalf, using the attached Proxy Form. The person appointed as the member's proxy may be an individual or a body corporate. A proxy need not be a member of the Company.

A shareholder who is entitled to cast two or more votes at the meeting may appoint two proxies and specify on the Proxy Form the proportion or number of votes each proxy is appointed to exercise.

A Proxy Form (and any power of attorney under which it is signed) must be received by the Company by no later than 11.00am on 29th October 2005 and may be returned by post using the enclosed reply paid envelope, sent to the Company's Share Registry at Level 2, Fountain Court, Bendigo, Victoria, 3550 or sent by facsimile to (03) 5433 9029.

For more information on appointing a proxy please refer to the section entitled "Information for shareholders appointing a proxy" on the reverse side of the Proxy Form.

Voting Rights

For the purpose of voting at the meeting, the directors have determined that all shares of the Company that are quoted securities at 10.00 pm (AEST) on 29th October 2005 are taken to be held by the persons who held them at that time. The entitlement of members to vote at the meeting will be determined by reference to that time.

By Order of the Board
David Oatway
Company Secretary
13 September 2005

EXPLANATORY NOTES

This information has been included to assist you in making an informed decision about the resolutions to be proposed at the meeting.

1. Accounts and Reports

The Bank's financial report and other items referred to in item 1 will be laid before the meeting in accordance with the Corporations Act. There is no requirement for shareholders to approve those reports.

However, the Chairman will allow a reasonable opportunity for members as a whole at the meeting to ask questions about or make comments on the management of the Bank. The Chairman will also allow a reasonable opportunity for members as a whole at the meeting to ask the auditor or the auditor's representative questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Bank in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

Written questions to the Bank's auditor, about the content of the auditor's report to be considered at the meeting and the conduct of the audit of the annual financial report to be considered at the meeting may be submitted up to five business days before the meeting to:

The Company Secretary
Bendigo Bank Limited
PO Box 480
Bendigo Vic 3552

Facsimile: (03) 5433 9471
Email: share.register@bendigobank.com.au

The questions will be passed on to the auditor. The auditor is required to prepare a document setting out the questions that are relevant to the above matters and give a copy of the question list to the Bank. At or before the start of the meeting, copies of the question list will be made available to shareholders attending the AGM.

In addition, a reasonable opportunity will be allowed at the meeting for the auditor or their representative to answer the questions that have been submitted.

2. Remuneration Report

The Concise Annual Report for the year ended 30 June 2005 contains a Remuneration Report which sets out the remuneration policies applicable to the Group and reports the remuneration arrangements that were in place for the Bank's non-executive directors, the group managing director and the five named executive officers of the Group (being the executives who have the greatest authority for managing the group, and who are also the five most highly remunerated executives of the Group) for the 2005 financial year.

A copy of the report is set out on pages 46 to 53 of the Concise Annual Report and can also be found on the Bank's website at www.bendigobank.com.au.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting before members are asked to vote on resolution 2, to adopt the Remuneration Report. However, the vote on this resolution is advisory only and does not serve to bind the Bank or its directors. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Bank.

Recommendation: Your Board recommends that shareholders vote in favour of adopting the 2005 Remuneration Report.

3. Re-election of Mr N Axelby as a Director

Mr Axelby, aged 55 years, has been a director of the Company since 2000, and stands for re-election at this year's Annual General Meeting. Mr Axelby is a member of the risk committee, credit committee and governance committee and a director of the Company's subsidiary, Sunstate Lenders Mortgage Insurance Pty Ltd. Mr Axelby is the former chairman of First Australian Building Society Ltd, acquired by the Company in 2000. He had 15 years of experience as an employee and director in the finance industry before joining the Board and has 21 years of senior management experience in the private sector.

Further details of Mr Axelby's qualifications, experience and information relevant to the re-election are provided in the Directors' Report and Corporate Governance Section of the 2005 Concise Annual Report.

Recommendation: The other directors recommend that shareholders vote in favour of Mr Axelby's re-election.

4. Re-election of Mr R Johanson as a Director

Mr Johanson, aged 54 years, has been a director of the Company since 1987, and stands for re-election at this year's Annual General Meeting. Mr Johanson is a member of the IT strategy committee and chairs the risk committee. Mr Johanson is also a director of Elders Rural Bank Ltd, Homesafe Solutions Pty Ltd and a number of group subsidiaries. Mr Johanson has particular expertise in the areas of corporate strategy, capital and risk management.

Further details of Mr Johanson's qualifications, experience and information relevant to the re-election are provided in the Directors' Report and Corporate Governance Section of the 2005 Concise Annual Report.

Recommendation: The other directors recommend that shareholders vote in favour of Mr Johanson's re-election.

5. Re-election of Mr T O'Dwyer as a Director

Mr O'Dwyer, aged 55 years, has been a director of the Company since 2000, and stands for re-election at this year's Annual General Meeting. Mr O'Dwyer is a member of the audit committee, risk committee and chairs the IT strategy committee. Mr O'Dwyer is also a director of the Company's subsidiary, Sunstate Lenders Mortgage Insurance Pty Ltd. Mr O'Dwyer is a director of Metal Storm Ltd, MFS Ltd, Brumby's Bakeries Holdings Ltd and a former director of First Australian Building Society Ltd, acquired by the Company in 2000. Mr O'Dwyer was a partner for 27 years with the corporate finance division of chartered accounting firm BDO Kendalls. Mr O'Dwyer is the current chair of BDO Kendalls.

Further details of Mr O'Dwyer's qualifications, experience and information relevant to the re-election are provided in the Directors' Report and Corporate Governance Section of the 2005 Concise Annual Report.

Recommendation: The other directors recommend that shareholders vote in favour of Mr O'Dwyer's re-election.

Special Business

6. Increase to Non-Executive Director Fee Limit

The proposal before the meeting is to increase the maximum aggregate amount available for non-executive directors' fees by \$300,000, from \$900,000 per annum to \$1,200,000 per annum. Approval for the increase is required under Australian Stock Exchange Limited ('ASX') Listing Rule 10.17 and Rule 55 of the Company's Constitution.

It is the Board's objective that the fees payable to non-executive directors should accord with market relativities and the responsibilities of the directors, and should be set at a level that enables the Board to attract and retain appropriately qualified and experienced directors. The proposed increase in the maximum amount payable to non-executive directors takes into account the increased responsibilities and time commitments of directors (as a result of the increased focus on corporate governance, increased regulation and business expansion), independent advice obtained from a remuneration consultant on appropriate fee levels, an increase in base directors' fees to compensate for the Board's decision to wind-up the Bank's current non-executive retirement benefit arrangement, and provides flexibility for the Bank to appoint additional directors.

The current maximum of \$900,000, which was approved by shareholders in 2000, includes superannuation and fees paid to non-executive directors for their service on Board committees and subsidiary company boards. Non-executive directors' retirement benefits were accrued in addition to this amount.

A retirement benefit arrangement for non-executive directors has been in place since before Bank conversion in 1995. In December 2003, the Board decided to grandfather the existing retirement benefit arrangement for current Board members. Following a further review of options available and market practice, the Board has now decided that the non-executive retirement benefit entitlements will be crystallised as at 31 August 2005.

If resolution 6 is passed, it is proposed that directors' fees will initially be increased by 20% from the current base fee (including superannuation guarantee charge payments), and that separate committee fees and subsidiary board fees will no longer be paid.

Your directors do not make any recommendation in respect of this resolution given the interest of the non-executive directors in the resolution. The Chairman and directors intend to vote undirected proxies in favour of this resolution.

7. Renewal of Proportional Takeover Provisions of Constitution for a Further Three Years

The Corporations Act permits a company to include in its constitution provisions prohibiting the registration of a transfer of shares resulting from acceptance of an offer made under a proportional takeover bid (ie where a takeover offer is made to acquire less than 100% of the company's issued shares under an offer for a specified proportion of the holding of each shareholder), unless shareholders in a general meeting approve the bid.

The Company's constitution currently contains provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act. The provisions are designed to make sure that shareholders have a proper opportunity to consider the merits of a proportional takeover bid and to assist shareholders to receive maximum value for their shares if a proportional takeover bid for shares in the Company is made.

It is a requirement of the Corporations Act that such provisions in a company's constitution apply for a maximum period of three years, unless renewed. The Company's proportional takeover approval provision, Rule 104, was last adopted by shareholders at the Annual General Meeting of the Company held in 2002 and accordingly will expire this year. If renewed, the proportional takeover provisions in Rule 104 of the Constitution will be in exactly the same terms as the existing provisions of Rule 104, and will have effect until 31 October 2008, unless further renewed.

The Corporations Act requires that the following information be provided to shareholders when they are considering the inclusion of proportional takeover provisions in a constitution.

Effect of the Proportional Takeover Approval Rule

If a company's constitution includes a proportional takeover rule and if a proportional takeover offer is made, directors must hold a meeting of the shareholders of the class of shares for which the bid has been made to vote on a resolution to approve the bid. To be effective in approving the bid, the resolution must be voted on before the 14th day before the end of the bid period. Rule 104 provides that, for a resolution to be approved, it must be passed by a majority of votes at the meeting, excluding votes by the offeror and its associates. If no such resolution is voted on by that deadline, a resolution approving the bid is taken to have been passed.

If a resolution to approve the offer is rejected, binding acceptances are required to be rescinded, and all unaccepted offers and offers failing to result in binding contracts are taken to have been withdrawn.

If the offer is approved or taken to have been approved, the transfers resulting from the bid may be registered provided they comply with other provisions of the Corporations Act and the Company's constitution.

The proportional takeover approval rule does not apply to full takeover offers (being offers for all the shares in a particular class).

Rule 104 will expire three years after the date it is approved, unless renewed by shareholders by special resolution.

Reasons for Proposing the Resolution

Your directors consider that the renewal of Rule 104 is in the interests of all shareholders of the Company. Without the proportional takeover approval rule, an offer can be used to acquire control of the Company without shareholders being given the opportunity to dispose of all of their shares in the Company to the offeror. Shareholders may be exposed to the risk of being left as a minority in the Company and to the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their shares.

Rule 104 allows shareholders to decide whether a proportional takeover bid should be permitted to proceed.

Present Acquisition Proposals

As at the date of this notice, no director of the Company is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Review of Previous Operation of Proportional Takeover Provisions

The Corporations Act requires that members be given a statement which retrospectively examines the advantages and disadvantages, for directors and shareholders, of the proportional takeover approval rule proposed to be renewed for the period during which rule has been in effect.

During the period the proportional takeover approval rule has been in effect there have been no takeover offers for the Company, either proportional or otherwise. As a result, there are no specific examples against which to review the advantages or disadvantages of the existing proportional takeover approval rule for the directors and members of the Company. The directors are not aware of any potential takeover offer that was discouraged by Rule 104.

Review of Potential Advantages and Disadvantages

The Corporations Act also requires that shareholders be given a statement of the potential future advantages and disadvantages of the proportional takeover approval rule for the shareholders and directors.

Potential Advantages

For shareholders, the rule will enable shareholders to have an opportunity to consider, discuss in general meeting and vote on whether any proportional takeover offer should be approved. This means that shareholders will have an opportunity to present their views in respect to any potential change in ownership and control of the Company, and have an opportunity to vote against a proportional takeover offer which may result in a situation arising in which shareholders may be locked in as a powerless minority. A majority of shares voted at the meeting in favour of the offer, excluding the shares of the offeror and its associates, is required to approve an offer.

This will enable shareholders to prevent a proportional takeover offer proceeding if they believe that control of the Company should not be permitted to change under the offer. Directors believe that this will assist in making sure that the terms of any proportional offer are structured so as to be attractive and fairly priced to a majority of shareholders. Rule 104 may also discourage the making of a proportional offer that might be considered opportunistic.

For the directors, the rule enables directors to ascertain the views of shareholders on a proportional takeover offer.

Potential Disadvantages

For shareholders, it may be argued that the rule reduces the possibility of a successful proportional takeover offer for shares in the Company and, as a result, any proportional takeover offers for the Company will be discouraged. This, in turn, may reduce the opportunities which shareholders may have to sell their shares at an acceptable price (or premium) to persons seeking control of the Company. It may also be argued that the rule reduces “takeover speculation” in respect to the Company and the share price may be potentially decreased. In addition, the provisions of the rule constitute a restriction on the ability of individual shareholders to deal freely with their shares, as an individual shareholder who wishes to accept a proportional takeover offer will be unable to do so unless a majority of shareholders are in favour of the proportional takeover. The rule may also reduce the likelihood of a proportional takeover being successful and, if a proportional takeover offer is made, the Company will incur the cost of calling a shareholders’ meeting.

For the directors, there are no specific disadvantages following from renewal of the rule.

Recommendation: Your directors consider that the renewal of the proportional takeover approval rule for a further three years is in the best interests of shareholders and unanimously recommend that shareholders vote in favour of this item of special business.



Bendigo Bank Limited
ABN 11 068 049 178

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Bendigo, Victoria 3550
Telephone: (03) 5433 9339
Facsimile: (03) 5433 9680
Email: email@bendigobank.com.au

Customer/Shareholder inquiries

Customer Help Centre
1300 361 911 (local call)
8.30am - 6.30pm AEST
Mondays to Fridays

Bendigo Bank OnCall
1300 366 666 (local call)
8.00am - 8.00pm AEST weekdays,
9.00am - 4.00pm AEST Saturdays,
10.00am - 4.00pm AEST Sundays

24-hour Phone Banking
1300 366 666 (local call)

24-hour e-banking
www.bendigobank.com.au

Website:
www.bendigobank.com.au

Securities Registry:
1800 646 042