

Bendigo Community Telco
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10 December 2012

Mr Jeff Dodd
Trading and Settlement Officer
National Stock Exchange
PO Box 283
NEWCASTLE NSW 2300

Dear Jeff

Price Query - Bendigo Community Telco (BCT)

We refer to your letter dated 6 December 2012 in relation to a trade on the company's shares that occurred on 5 December 2012.

In response to your question we advise that:

1. The company is not aware of any price information concerning it that has not been announced and may have an influence on price sensitive activity.
2. The company continues to be in compliance with the listing rules and, in particular, listing rule 3.1.

With respect to the variations in the price that the shares have traded we consider that these variations arise as a result of the thin volume for trading of the BCT stock. The previous sale occurred on 10 August 2012 for 3,000 shares which sold for \$1.05.

Prior to this transaction there was a Bid to Buy 17,475 shares at \$0.80 and there was an Offer to Sell 2,000 shares at \$1.05. The Seller reduced their Offer to \$0.95 and subsequently further reduced the price to \$0.80 to achieve the sale.

We consider that the last sale price at \$0.80 may be a result of a vendor who had a poor appreciation of the value of the stock or may have been in a position where they had a need to dispose of their holding.

We note that the past two fully franked dividends paid by the company were 5 cents in March 2012 and 7 cents in October. On the basis of the dividend yield a share price of \$1.00 or higher is well supported.

Please contact me should you require further details.

Yours faithfully



Ken Belfrage
Company Secretary