

Notice of Annual General Meeting 2007

Notice is hereby given that the Annual General Meeting of Shareholders of Bendigo Community Telco Limited (ACN 089 782 203) (the Company) will be held at the Conference Room (Upstairs), Café Au Lait, 20 Mitchell Street, Bendigo on Tuesday, 23 October 2007 at 6.00 pm.

AGENDA

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 2007.

2. Re-election of Mr G Bastian as a Director

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

"Mr G Bastian, who retires from office under Clause 58 of the Company's Constitution, be re-elected as a director of the Company"

3. Re-election of Mr G Michell as a Director

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

"Mr G Michell, who retires from office under Clause 58 of the Company's Constitution, be re-elected as a director of the Company"

4. Re-election of Ms M Spalding as a Director

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

"Ms M Spalding, who retires from office under Clause 56.2 of the Company's Constitution, be re-elected as a director of the Company"

5. Remuneration of Director

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

"That the maximum aggregate remuneration which may be paid by the Company to its Directors under Clause 61.1 of the Company's Constitution be a maximum of \$150,000."

VOTING RIGHTS

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 (Cwlth) (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 enclosed 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.

For an appointment of a proxy for the meeting of the Company's members to be effective, the following documents must be received by the Company at least 48 hours before the meeting being no later than 6.00pm Friday 19 October 2007.

1. The proxy's appointment
2. If the appointment is signed by the appointer's attorney – the authority under which the appointment was signed or a certified copy of the authority.

The Company receives the proxy documents when they are received at any of the following:

1. The Company's registered office at 23 McLaren Street, Bendigo, Victoria, 3550.
2. The fax number (03) 5454 1537

A proxy form accompanies this notice of meeting.

By Order of the Board

M B Campbell
Company Secretary
25 September 2007

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 Company'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 reasonable opportunity for members as a whole at the meeting to ask questions about or make comments on the management of the Company. The Chairman will also allow a reasonable opportunity for members 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 preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

2. Re-election of Mr G Bastian as a Director

Mr Bastian, aged 55, has been a Director of the Company since 2002, and stands for re-election at this year's Annual General Meeting. Mr Bastian is an Educational Consultant.

Other details including his qualifications, experience and information relevant to the re-election can be found in the Director's Report of the 2006/07 Financial Statements.

3. Re-election of Mr G Michell as a Director

Mr Michell, aged 56, has been a Director of the Company since 1999 and stands for re-election at this year's Annual General Meeting. Mr Michell is a member of the Audit Committee and the Remuneration Committee. Mr Michell is the Managing Director of Coliban Water.

Other details including his qualifications, experience and information relevant to the re-election can be found in the Director's Report of the 2006/07 Financial Statements.

4. Re-election of Ms M Spalding as a Director

Ms Spalding, aged 53, has been a Director of the Company since August 2007, and stands for re-election at this year's Annual General Meeting. Ms Spalding is a Director of Jimmy Possum Furniture and a member of Rotary Bendigo and VREG (Victorian Regional Executives Group). Ms Spalding has also served on the Board of Bendigo Regional Institute of TAFE (BRIT). Other achievements are being named the Telstra Australian Business Woman of the Year and National Winner of the Westpac Business Owner Award.

5. Remuneration of Directors

Since the inception of the Company and its incorporation in late 1999 the Directors have provided their services to the Company free of charge. It has also listed on the Bendigo Stock Exchange and has grown its balance sheet and activities.

Due to the growth and changes the workload and responsibilities of the Directors has increased significantly. The Board therefore considered that it is appropriate that they are paid Directors fees for providing their services.

The Board considered a survey of Director Remuneration for companies of various sizes and set their fees based on the lowest end of the Company survey.

The Board intends to appoint additional Directors to enhance the skills mix and competencies of the Board.

No individual Director will receive more than \$15,000 per annum in fees.