

East Ivanhoe
Community Corporation Limited

27 March, 2007



Dear Shareholder,

Bendigo Bank receives conditional merger proposal from Bank of Queensland

As you will probably be aware, Bendigo Bank was this week presented with a conditional merger proposal from Bank of Queensland. Under this proposal, Bendigo Bank shareholders would be offered 0.748 Bank of Queensland shares plus \$5.50 cash for each of their Bendigo shares.

We understand that this may cause some uncertainty for shareholders of East Ivanhoe Community Corporation Ltd and wish to provide you with the following information.

Bendigo Bank will now engage with Bank of Queensland to obtain more detail about its proposal and to evaluate whether it is in the best interests of Bendigo shareholders.

The current proposal from Bank of Queensland is subject to a number of conditions, including the unequivocal support of the Bendigo Bank Board, Bendigo Bank shareholder approval, the arrangement of finance by Bank of Queensland and satisfactory due diligence by each party on the other. Even if Bendigo's Board recommends the proposal, it is likely to be some months before it could be submitted to Bendigo shareholders.

In evaluating the Bank of Queensland proposal, Bendigo Bank's Board has said it is mindful of the significant value and potential that has been created by its current strategy.

Bendigo Bank's Board has said it acknowledges that the success of its business has resulted from balancing the needs of all stakeholders, including its shareholders, staff, customers, **Community Bank®** partners, alliance partners, communities and other stakeholders. Bendigo said it will take into account the interests of all stakeholders in considering the proposal.

Your board welcomes this commitment from Bendigo and we are confident that our interests will be given proper consideration. Bendigo has also committed to keep us as informed as possible during this process and we are pleased to say this is happening.

Your shareholding with East Ivanhoe Community Corporation Ltd is not directly impacted by this development. Our Company has a contract to run a locally owned branch of Bendigo Bank. We note, too, that Bank of Queensland has provided assurance that it would continue to run the network should its proposal succeed. In its media release, Bank of Queensland said: "No **Community Bank®** brancheswill be closed" (19 March)

In the meantime, it is business as usual for your community company and **Community Bank®** branch. East Ivanhoe **Community Bank®** Branch will continue its service to customers and commitment to our community while Bendigo Bank evaluates this proposal.

We will continue to keep you informed of developments.

Yours sincerely,

Nancy L Caple
Chairman
East Ivanhoe Community Corporation Ltd

All correspondence addressed to:
East Ivanhoe Community Corporation Limited
233 - 235 Lower Heidelberg Road, East Ivanhoe, VIC 3079
East Ivanhoe Community Corporation Limited ABN 62 005 312 744.
Franchisee of Bendigo Bank Limited, Fountain Court, Bendigo, VIC 3550
ABN 11 068 049 178. AFSL No. 237 879.