

6 March 2015

Ms Stephanie So  
Senior Adviser, Listings Compliance  
ASX  
Exchange Centre  
Level 6, 20 Bridge Street  
Sydney, NSW 2000

Dear Stephanie,

**Appendix 3Y – Change of Director's Interest**

Attached is an Appendix 3Y for Mr Brian Benari, Chief Executive Officer, for:

- the transfer of 416,666 Challenger shares to him upon vesting of Hurdled Performance Rights pursuant to the Challenger Performance Plan Rules; and
- the on-market sale of those shares.

The shares transferred to Mr Benari relate to the vesting of tranche 2 of the 2012 Hurdled Performance Rights upon satisfaction of relevant performance hurdles and other vesting conditions. The grant of 2012 Hurdled Performance Rights to Mr Benari was the subject of shareholder approval at an Extraordinary General Meeting held on 28 February 2012.

Yours sincerely,



Michael Vardanega  
**Company Secretary**

# Appendix 3Y

## Change of Director's Interest Notice

*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 30/09/01 Amended 01/01/11

<b>Name of entity</b>	<b>Challenger Limited</b>
<b>ABN</b>	<b>85 106 842 371</b>

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

<b>Name of Director</b>	Brian Benari
<b>Date of last notice</b>	22 September 2014

### Part 1 - Change of director's relevant interests in securities

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Direct or indirect interest</b>	Direct and Indirect
<b>Nature of indirect interest (including registered holder)</b> <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Indirect held via Benari Superannuation Fund
<b>Date of change</b>	27 February 2015 (allocation of vested shares) 27 February – 4 March 2015 (on-market sale)
<b>No. of securities held prior to change</b>	1,000,000 shares (including 350,000 shares held by Benari Superannuation Fund)
<b>Class</b>	Ordinary shares
<b>Number acquired</b>	416,666 (allocation of vested shares)
<b>Number disposed</b>	416,666 (on-market sale)
<b>Value/Consideration</b> <small>Note: If consideration is non-cash, provide details and estimated valuation</small>	\$7.02 per share (value on allocation) \$7.00 per share (proceeds of sale)
<b>No. of securities held after change</b>	1,000,000 shares (including 350,000 shares held by Benari Superannuation Fund).

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+ See chapter 19 for defined terms.

## Appendix 3Y

### Change of Director's Interest Notice

<b>Nature of change</b> <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	Allocation of a portion of 2012 Hurdled Performance Rights pursuant to the Challenger Performance Plan Rules.  On-market sale of shares.
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## Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

<b>Detail of contract</b>	As previously disclosed, Mr Benari held 2,741,020 Performance Rights under the Challenger Performance Plan comprising: <ul style="list-style-type: none"> <li>• 438,597 Deferred Performance Rights; and</li> <li>• 2,302,423 Hurdled Performance Rights.</li> </ul>
<b>Nature of interest</b>	n/a
<b>Name of registered holder (if issued securities)</b>	n/a
<b>Date of change</b>	27 February 2015 for allocation of a portion of the 2012 Hurdled Performance Rights from long term incentive.
<b>No. and class of securities to which interest related prior to change</b> <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	n/a
<b>Interest acquired</b>	n/a
<b>Interest disposed</b>	416,666 Hurdled Performance Rights.
<b>Value/Consideration</b> <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	\$7.02 per share
<b>Interest after change</b>	2,324,354 Performance Rights comprising: <ul style="list-style-type: none"> <li>• 438,597 Deferred Performance Rights; and</li> <li>• 1,885,757 Hurdled Performance Rights.</li> </ul>

+ See chapter 19 for defined terms.

**Part 3 – <sup>+</sup>Closed period**

Were the interests in the securities or contracts detailed above traded during a <sup>+</sup> closed period where prior written clearance was required?	no
If so, was prior written clearance provided to allow the trade to proceed during this period?	n/a
If prior written clearance was provided, on what date was this provided?	n/a

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<sup>+</sup> See chapter 19 for defined terms.