

Dear Securityholder,

Please find enclosed Notice of Auswide Bank Ltd's Annual General Meeting to be held in Brisbane on Wednesday 16 November 2016 at 11:00am (Brisbane time).

Full details of our 2015-2016 financial results are contained in our 2016 Financial Statements which have been lodged with the Australian Securities Exchange.

Our full 2016 Annual Report, including the Chairman's Report, has also been lodged with the Australian Securities Exchange and is now available on our website www.auswidebankltd.com.au under Shareholders - Annual Reports.

Printed copies of the 2016 Annual Report have been sent to Shareholders who have requested.

Should you have any queries in respect of the Annual General Meeting or information contained in the Annual Report, please contact our Company Secretary, Bill Schafer on 07 4150 4075.

Yours faithfully



M.J. BARRETT
Managing Director

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Notice is hereby given that the **Annual General Meeting ("Meeting")** of Auswide Bank Ltd ABN 40 087 652 060 ("**Company**") will be held at 11.00am (Brisbane time) on Wednesday, 16 November 2016 at King & Wood Mallesons, Level 33, Waterfront Place, 1 Eagle Street, Brisbane, Queensland, 4000.

ORDINARY BUSINESS:

Financial Statements and Reports

To receive and consider the financial statements and reports of the Directors and Auditor for the financial year ended 30 June 2016.

There is no requirement for shareholders to approve these reports or statements. Accordingly, there will be no vote on this item of business.

Resolution 1 – Remuneration Report

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

"That the Remuneration Report for the financial year ended 30 June 2016, as set out in the Company's 2016 Annual Report, be adopted."

The vote on this resolution is advisory only and does not bind the Directors of the Company or the Company.

A voting exclusion applies to this resolution. Please refer to the accompanying Explanatory Memorandum for more information.

Resolution 2 – Re-election of Director (Professor J S Humphrey)

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

"That Professor J S Humphrey, who retires by rotation in accordance with rule 13.6 of the Company's Constitution and being eligible, be re-elected as a Director of the Company."

Information about the candidate appears in the accompanying Explanatory Memorandum.

Resolution 3 – Re-election of Director (Mr B Dangerfield)

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

"That Mr B Dangerfield, who retires by rotation in accordance with rule 13.6 of the Company's Constitution and being eligible, be re-elected as a Director of the Company."

Information about the candidate appears in the accompanying Explanatory Memorandum.

Dated 14 October 2016

By order of the Board



William R Schafer
Company Secretary

ENTITLEMENT TO VOTE

Pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) and ASX Settlement Operating Rule 5.6.1, the Company has determined that for the purposes of the Meeting, all ordinary shares in the Company shall be taken to be held by the persons who are registered as shareholders of the Company as at 7.00pm (Sydney time) on Monday, 14 November 2016 ("**Entitlement Time**").

All holders of ordinary shares in the Company as at the Entitlement Time are entitled to attend and vote at the Meeting. Alternatively, holders of ordinary shares may appoint a proxy to attend the Meeting and vote on their behalf (for further information see 'Voting by Proxy', below).

ADMISSION TO THE MEETING

Shareholders who will be attending the Meeting and who will not be appointing a proxy are asked to bring the proxy form enclosed with this Notice of Meeting to the Meeting to help with registration.

VOTES OF ELIGIBLE SHAREHOLDERS

Subject to the Company's Constitution and to any rights or restrictions attaching to any class of shares:

- a) every person who is registered as a shareholder of the Company as at the Entitlement Time ("**Eligible Shareholder**") may vote;
- b) on a show of hands every Eligible Shareholder has one vote; and
- c) on a poll every Eligible Shareholder has for each fully paid share held by the Eligible Shareholder, one vote.

VOTING BY PROXY

An Eligible Shareholder who is entitled to attend and cast two or more votes at the Meeting may appoint not more than two proxies to attend and vote on the Eligible Shareholder's behalf at the Meeting. A proxy need not be a shareholder of the Company.

An Eligible Shareholder who appoints two proxies must specify the proportion or number of votes each proxy is appointed to exercise. If an Eligible Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Eligible Shareholder's votes each proxy may exercise, then each proxy may exercise half of the votes.

Shareholders should be aware that if one proxy is appointed to attend the Meeting and vote on behalf of the Eligible Shareholder that proxy may vote on a show of hands, but if two proxies are appointed, neither proxy may vote on a show of hands.

A proxy form, which includes further instructions, is enclosed with this Notice of Meeting. To be valid, the completed proxy form (together with, if applicable, the original or a certified copy of any Power of Attorney under which the proxy form is signed) must be received by the Company's share registry at the following address:

- Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Victoria 3001
Australia
- Or by fax:
Within Australia: 1800 783 447
Outside Australia: +61 3 9473 2555

Alternatively, you may lodge a proxy electronically, at **www.investorvote.com.au**.

To be effective, the completed proxy form must be received by the Company's share registry by 11.00am (Brisbane time) on Monday, 14 November 2016, being 48 hours before the commencement of the Meeting.

CHANGE OF ELECTION FOR SHAREHOLDER COMMUNICATIONS & ANNUAL REPORT

The Company's Annual Reports and Financial Statements are made available on-line at **www.auswidebankltd.com.au** under 'Shareholder Information'. Please note that the default option for receiving your 2016 Annual Report is via our website. You have the choice of receiving an email when the Company's 2016 Annual Report becomes available online or electing to receive a printed copy of the Company's 2016 Annual Report. To change your current Annual Report election, please update your details online by visiting **www.computershare.com.au/easyupdate/aba**. If you do not have internet access please call 1300 308 185 and follow the voice instructions.

Explanatory Memorandum

This Explanatory Memorandum has been prepared to assist shareholders and provides additional information on the resolutions to be considered at the **Annual General Meeting** ("**Meeting**") of Auswide Bank Ltd ABN 40 087 652 060 ("**Company**"), to be held at 11.00am (Brisbane time) on Wednesday, 16 November 2016 at King & Wood Mallesons, Level 33, Waterfront Place, 1 Eagle Street, Brisbane, Queensland, 4000 and forms part of the Notice of Meeting.

Ordinary Business:

Financial Statements and Reports

The *Corporations Act 2001* (Cth) ("**Corporations Act**") requires that the Directors' Report, the Auditor's Report and the Financial Statements of the Company for the financial year ended 30 June 2016 be laid before the Meeting. In addition, the Company's Constitution provides for these Reports and Financial Statements to be received and considered at the Meeting. Apart from the matters involving the remuneration of members of the Company's Key Management Personnel ("**KMP**") which are required to be voted upon, neither the Corporations Act nor the Company's Constitution require a vote of shareholders at the Meeting on such Reports or Financial Statements.

However, shareholders will be given a reasonable opportunity at the Meeting to ask the Company's Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the Financial Statements and the independence of the Auditor in relation to the conduct of the audit.

The Chairperson of the Meeting will also give shareholders a reasonable opportunity to ask questions about, or comment on, the management of the Company. In addition to taking questions at the Meeting, written questions to the Chairperson of the Meeting about the management of the Company may be submitted to:

The Company Secretary
Auswide Bank Ltd
Level 5, 16-20 Barolin Street
Bundaberg QLD 4670
Facsimile: +61 7 4152 3566
Email: auswide@auswidebank.com.au

and must be received by **5.00pm (Brisbane time) on Wednesday, 9 November 2016**.

There is no requirement for shareholders to approve these Reports or Financial Statements. Accordingly, there will be no vote on this item of business.

Resolution 1 – Remuneration Report

Shareholders are asked to adopt the Remuneration Report. The Remuneration Report is set out on pages 27 to 32 of the Company's 2016 Annual Report. The Chairperson of the Meeting will give shareholders a reasonable opportunity to ask questions about, and comment on, the Remuneration Report at the Meeting.

The vote on this resolution is advisory only and does not bind the Directors of the Company or the Company. The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report when reviewing the Company's remuneration policies.

While the resolution is not binding on the Company, under the Corporations Act, if the resolution on the Company's Remuneration Report receives votes against of 25% or more at two consecutive Annual General Meetings, a resolution must then be put to shareholders at the second Annual General Meeting as to whether another meeting should be held within 90 days at which all Directors of the Company (other than a Managing Director) who were in office at the date of approval of the applicable Directors' Report, must stand for re-election.

Voting Exclusion Statement:

In accordance with section 250R(4) of the Corporations Act, a vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of either a member of the KMP of the Company (which includes the Directors of the Company) whose remuneration details are included in the Remuneration Report, or a closely related party (such as close family members and any entities the KMP controls) of such a person, unless:

- (a) it is cast by the person who is appointed in writing as a proxy for a shareholder who is entitled to vote, and the proxy form specifies the way the proxy is to vote on the resolution; or
- (b) it is cast by the Chairperson of the Meeting as proxy for a shareholder who is entitled to vote, and the proxy form does not specify the way the proxy is to vote on the resolution and expressly authorises the Chairperson of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company.

If the Chairperson of the Meeting is your proxy and you fail to provide a voting direction in respect of Resolution 1 on the proxy form (which you may do by marking the 'For', 'Against' or 'Abstain' box opposite Resolution 1 on the proxy form), you are expressly authorising the Chairperson of the Meeting to vote in favour of Resolution 1, even if that resolution is connected directly or indirectly with the remuneration of Directors or members of the KMP of the Company. Subject to any applicable laws or voting exclusions, the Chairperson of the Meeting intends to vote all available proxies in favour of the resolutions in this Notice of Meeting (including Resolution 1).

Noting that each Director has a personal interest in their own remuneration from the Company, as described in the Remuneration Report, the Board of the Company recommends that shareholders vote in favour of Resolution 1.

Resolution 2 – Re-election of Director (Professor J S Humphrey)

Professor John S Humphrey LLB

Professor Humphrey was appointed to the Board on 19 February 2008, and was appointed Chairman following the 2009 Annual General Meeting. He was a senior partner in the Brisbane office of international law firm, King & Wood Mallesons (until 1 January 2013), where he specialised in commercial law and corporate mergers and acquisitions. He is now Executive Dean of the Faculty of Law at the Queensland University of Technology. He is currently a Non-Executive Director of Horizon Oil Limited and Downer-EDI Limited.

Professor Humphrey serves as Chairperson of the Board and is a member of the Audit Committee.

The Board of the Company considers that Professor Humphrey, if re-elected, will qualify as an independent Director of the Company.

The Board of the Company (with Professor Humphrey abstaining) recommends that shareholders vote in favour of Resolution 2.

Resolution 3 – Re-election of Director (Mr B Dangerfield)

Mr Barry Dangerfield

Mr Dangerfield was appointed to the Board on 22 November 2011. Mr Dangerfield has had a successful 39 year banking career with Westpac Banking Corporation having held positions across Queensland and the Northern Territory of Regional Manager Business Banking, Head of Commercial and Agribusiness and Regional General Manager Retail Banking. Mr Dangerfield is a Director of the Bundaberg Friendly Society Medical Institute which operates the Friendly Society Private Hospital and Pharmacies in Bundaberg and is Chairman of the Institute's Audit and Risk Committee.

Mr Dangerfield serves as Chairperson of the Group Board Remuneration Committee, is a member of the Audit Committee and is a member of the Risk Committee.

The Board of the Company considers that Mr Dangerfield, if re-elected, will qualify as an independent Director of the Company.

The Board of the Company (with Mr Dangerfield abstaining) recommends that shareholders vote in favour of Resolution 3.

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form



Vote and view the annual report online

Go to www.investorvote.com.au or scan the QR Code with your mobile device.
Follow the instructions on the secure website to vote.




Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 11.00am (Brisbane time) on Monday, 14 November 2016**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the 'For', 'Against' or 'Abstain' box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the securityholder is a company that has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the Meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Auswide Bank Ltd hereby appoint

☐ the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting ("**Meeting**") of Auswide Bank Ltd ("**Company**") to be held at **King & Wood Mallesons, Level 33, Waterfront Place, 1 Eagle Street, Brisbane, Queensland 4000 on Wednesday, 16 November 2016 at 11.00am (Brisbane time)** and at any adjournment or postponement of that Meeting.

If the Chairman of the Meeting is your proxy or becomes your proxy by default: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 1** (except where I/we have indicated a different voting intention below) even though **Item 1** is connected directly or indirectly with the remuneration of a member of key management personnel of the Company, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 1** by marking the appropriate box in step 2 below.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - Professor J S Humphrey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director - Mr B Dangerfield	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date

____/____/____