

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

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 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Bank of Queensland Limited (BOQ)

ABN

32 009 656 740

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Wholesale Capital Notes (Notes) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 15,000 Wholesale Capital Notes |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p>Please refer to the notice lodged with ASX under section 708A(12G)(e) of the Corporations Act on 26 May 2015 (Notice). The terms of issue of the Wholesale Capital Notes (Terms) are set out in full in pages 33 to 77 of the Schedule to the Notice.</p> <p>This summary should not be relied upon in substitution for the terms set out in the Notice. Capitalised terms have the meaning set out in the Notice and the Terms.</p> <p>The Wholesale Capital Notes are fully paid, perpetual, subordinated, unsecured debt obligations of BOQ with a notional face value of A\$10,000 per instrument, with a minimum subscription amount of \$500,000 or otherwise in a manner which does not require disclosure in accordance with Part 6D.2 or Part 7 of the Corporations Act.</p> |

Distributions are discretionary, semi-annual and based on a floating rate (six month BBSW + margin adjusted to reflect franking credits attached to each distribution (subject to availability)).

The Wholesale Capital Notes are subject to mandatory conversion on 26 May 2022 or any subsequent Distribution Payment Date, subject to certain Mandatory Conversion Conditions being met.

BOQ may elect to Convert, Redeem or Resell on 26 May 2020 or earlier if particular events occur, subject to certain conditions being met and receiving APRA's prior written approval.

If a Capital Trigger Event or Non-Viability Trigger Event occurs, some or all Wholesale Capital Notes may be required to be Converted (or where BOQ is unable for any reason to Convert any Wholesale Capital Notes, those Wholesale Capital Notes will be Written-off). If Converted or Written-off, BOQ's obligation to pay the Face Value and any distributions under the Wholesale Capital Notes will cease and all rights of Holders will have no rights to recover any unpaid amounts.

- 4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

The Wholesale Capital Notes rank equally with BOQ CPS and any other Equal Ranking Instruments in respect of Distributions and for payment in a winding up of BOQ.

The Wholesale Capital Notes carry no rights to vote at any meeting of shareholders of BOQ.

The Ordinary Shares held as a result of any Conversion of Wholesale Capital Notes will, following Conversion, rank equally with existing Ordinary Shares.

- 5 Issue price or consideration

\$10,000 per Wholesale Capital Note

- 6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)

For general corporate purposes and for the Wholesale Capital Notes to qualify as Additional Tier 1 Capital.

+ See chapter 19 for defined terms.

6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	N/A
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A

7 +Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

26 May 2015

8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
370,768,776	Fully paid ordinary shares
3,000,000	CPS

9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
15,000	Wholesale Capital Notes
763,132	Performance Award Rights vesting October 2017 and expiring on 16 December 2024
597,243	Deferred Award Rights expiring on 16 December 2024
113,109	Performance Award Rights vesting October 2017 and expiring 7 August 2019
703,873	Performance Award Rights vesting October 2016 and expiring 16 December 2018
311,040	Deferred Award Rights expiring 16 December 2018
24,237	Performance Award Rights vesting October 2016 and expiring 18 December 2018
13,492	Deferred Award Rights expiring 20 May 2018
473,410	Performance Award Rights vesting October 2015 and expiring 18 December 2017
176,545	Deferred Award Rights expiring 18 December 2017
380,118	Performance Award Rights vesting October 2015 and expiring 16 December 2017
2,432	Performance Award Rights vested October 2014 and expiring 16 December 2016

+ See chapter 19 for defined terms.

26,747	Deferred Award Rights expiring 16 December 2016
7,379	Deferred Award Rights expiring 29 November 2015

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Wholesale Capital Notes are scheduled to pay half-yearly, floating rate Distributions in arrears on 26 November and 26 May commencing on 26 November 2015 unless Converted, Redeemed, Resold or Written-Off.

Distributions are expected to be franked at the same rate as the Issuer's Ordinary Shares. The rate of franking depends on, among other requirements including the availability of profits, the Issuer's level of available franking credits. The level of franking may vary over time and Distributions may be partially, fully or not franked.

Payment of Distributions is in the absolute discretion of the Issuer and subject to no Payment Condition existing in respect of the Distribution Payment Date.

If a Distribution is not paid in full on a Distribution Payment Date, then subject to certain exclusions BOQ must not without the approval of Holders by a Special Resolution declare, determine to pay or pay a dividend on its Ordinary Shares, or buy-back or reduce capital on any of its Ordinary Shares, until and including the next Distribution Payment Date (unless the relevant Distribution is paid in full within 3 Business Days of the relevant Distribution Payment Date).

Distributions are non-cumulative, which means that if a Distribution is not paid on a particular Distribution Payment Date, the Issuer has no obligation to pay it on a future Distribution Payment Date.

Part 2 - Pro rata issue

11 Is security holder approval required?

N/A

12 Is the issue renounceable or non-renounceable?

N/A

13 Ratio in which the ⁺securities will be offered

N/A

14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A

+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	*Issue date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

N/A

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	N/A	N/A

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

Company secretary

Date: 27 May 2015

Print name: Stacey Hester

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+ See chapter 19 for defined terms.