

BANK OF QUEENSLAND LIMITED SHARE PURCHASE PLAN OFFER 2004 OFFER DOCUMENT

Bank of
Queensland

bank different

2 November 2004

Dear Shareholder

As part of our commitment to actively manage the Bank's capital base and in response to demand from our retail investors, the Bank is pleased to announce a new Share Purchase Plan offer.

The Bank of Queensland Share Purchase Plan (the 'Plan') gives you the opportunity to acquire further ordinary shares in Bank of Queensland ('new shares') at an issue price discounted to the market price on the Australian Stock Exchange ('ASX'). No brokerage or other charges will apply to shares acquired under this Plan.

Funds raised will be used to assist in financing the Bank's growth.

This Offer Document sets out the terms and conditions of the offer under the Plan. By applying for new shares under the Plan, you will have agreed to be bound by the terms and conditions set out in this Offer Document.

Applications to acquire new shares under the Plan must be made on the Application Form which accompanies this Offer Document. Applications and payment for new shares must be received by the share registry by 5.00pm (Brisbane time) on **6 December 2004**.

Participation

Participation in the Plan is open to all shareholders registered as holders of ordinary shares of Bank of Queensland at 7.00pm Brisbane time on **8 November 2004** and whose address in Bank of Queensland's share register is in Australia or New Zealand.

The Board of Bank of Queensland has determined it is not lawful or practical for shareholders in other jurisdictions to participate in the Plan.

Participation is entirely at the option of shareholders.

Offers made under the Plan are not renounceable. **This means that only the shareholder whose name is recorded on the register of shareholders may accept the offer under the Plan.** Shareholders cannot transfer their right to acquire shares under this offer to another person.

Each registered shareholder may apply for up to \$5,000¹ worth of new shares. The minimum application amount is \$1,000.

Larger amounts may be subscribed up to the maximum \$5,000 in multiples of \$100.

The Application Form includes pre-printed details of your name, as it is recorded on the register.

Each registered shareholder may only participate once in the offer up to the maximum limit of \$5,000. Joint holders may apply even if one or more of them have applied for new shares in their own right in respect of a separate holding.

If you have more than one registered holding and you hold shares in one or more of those holdings as trustee for a specified beneficiary, you may apply once on behalf of each specified beneficiary.

Some examples are given at the end of this Offer Document.

The Application Form includes a certification by the applicant, which is required by law, that the amount subscribed under this offer, together with amounts subscribed in any similar plan offer by Bank of Queensland in the last 12 months by the applicant, does not exceed \$5,000.

Each applicant should be able to make the certification because 12 months has elapsed since the Bank's last Share Purchase Plan offer (unless an applicant subscribes under this offer for more than \$5,000 of new shares in breach of the terms of the offer).

Bank of Queensland reserves the right to reject any application where the maximum application limit or any other term of the Plan has not been complied with.

Pricing

The price per share for each new share issued under this offer ('issue price') is an amount equal to the **lesser** of:

- (a) \$10.37, being the Volume Weighted Average Price ('VWAP') over the 5 business days² before 2 November 2004 less a 2.5% discount; and
- (b) the VWAP over the 5 business days after the closing date for the offer on which shares are traded ('pricing period') less a discount of 2.5%.

If there is at any time during the pricing period, a trading halt in, or suspension from quotation of, Bank of Queensland shares on ASX, then the Board may extend the pricing period by one business day for each day on which such a halt or suspension occurs (even if the halt or suspension was for less than the whole business day).

We will announce the final issue price to ASX as soon as it is able to be calculated.

The number of new shares to be issued to each applicant will be calculated by dividing the amount subscribed and accepted by the Bank by the issue price (fractions will be rounded up to the nearest whole share).

The market price of shares in Bank of Queensland may rise or fall between the date of this offer and the date that the shares are issued to you. This means that the number of new shares you receive may be more or less than the number you might calculate using the market price of the shares on the date you decide to apply. Shareholders should be aware that the issue price will not be more than the maximum price of \$10.37.

We recommend that you obtain your own financial advice in relation to this offer and consider price movements of shares in Bank of Queensland before accepting this offer.

¹ All references to currency are to Australian dollars.

² 'Business day' has the same meaning as in the ASX Listing Rules.

Allocation of shares

Bank of Queensland is seeking to raise up to \$40 million from the Plan offer. This is not a minimum amount. Shares will be issued to applicants whether or not \$40 million is raised.

If more than \$40 million is raised from the offer, the Board reserves the right to either accept over subscriptions or scale back applications received to a total of \$40 million or to such greater amount as the Board decides.

The Board may decide to issue to any person fewer shares than that person applied for under the Plan if the issue of those shares, either alone or in conjunction with the issue of shares under other applications received by Bank of Queensland, would contravene any law or the Listing Rules of ASX.

If a scale back is required for any reason, the Board of Bank of Queensland may reduce the number of new shares which any shareholder, or any group of shareholders, is entitled to apply for under the Plan in any manner it considers appropriate in its absolute discretion.

The Board of Bank of Queensland reserves the right at its discretion to cancel the Plan at any time up to the time of issue of new shares under the Plan, or to extend the closing date.

If the Plan is cancelled, all application money received from shareholders will be returned to shareholders. If Bank of Queensland issues a lesser number of new shares than a shareholder applied for, excess application money will be refunded to the shareholder, without interest. Any interest received on application money may be retained by Bank of Queensland whether or not new shares are issued under the Plan.

Bank of Queensland may make offers under the Plan in future years. However, at this time, the Board has not decided to make any offer other than the offer in this Offer Document.

Issue of shares

Shares to be issued under the Plan will be issued within 12 business days after the closing date. Holding statements or continuation advices setting out the number of shares allocated to you should be received shortly after that date.

New shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in Bank of Queensland on the date of issue.

Bank of Queensland will, promptly after issue of shares under this Plan, make application for the shares to be listed for quotation on the official list of the Australian Stock Exchange Limited.

Costs of Participation

No brokerage, commissions or other transaction costs will be payable by participants in respect of the application for, and issue of, shares under the Plan.

Disputes

Bank of Queensland may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant or application, and the decision of Bank of Queensland will be conclusive and binding on all participants and other persons to whom the determination relates.

Bank of Queensland reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of Bank of Queensland under these conditions may be exercised by the Directors or any delegate of the Directors.

Application Instructions

To apply for new shares under this offer, please return the enclosed Application Form in accordance with the instructions on the form by 5.00pm on **6 December 2004**.

If you have any enquiries concerning the offer please contact Bank of Queensland's share registry (Computershare Investor Services Pty Limited) on 1800 779 639 within Australia or +61 3 9615 5970 for New Zealand callers.

Examples of permitted applications

Registered Name recorded in Share Register	Who can apply for new shares?	Maximum dollar value of new shares
Jane Citizen	Jane Citizen	\$5,000
Michael Citizen and Jane Citizen	Michael Citizen and Jane Citizen, jointly	\$5,000
Michael Citizen as trustee for Mary Citizen	Michael Citizen as trustee for Mary Citizen	\$5,000
ABC Pty Ltd as trustee for Citizen Super Fund	ABC Pty Ltd as trustee for Citizen Super Fund	\$5,000
ABC Pty Ltd as trustee for Jane Citizen	ABC Pty Ltd may not apply for shares if Jane Citizen has already applied for new shares	Nil
XYZ Nominees Ltd (Client Account)	XYZ Nominees Ltd (Client Account)	\$5,000
XYZ Nominees Ltd as trustee for XYZ Investment Fund	XYZ Nominees Ltd as trustee for XYZ Investment Fund	\$5,000
XYZ Nominees Ltd	XYZ Nominees Ltd may not apply if it has applied for its Client Account holding (see above)	Nil