

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

Name of entity Challenger Limited
ABN 85 106 842 371

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.

Name of Director	Brian Benari
Date of last notice	23 March 2012

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.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	n/a
Date of change	1 September 2012
No. of securities held prior to change	1,377,664 ordinary shares 583,333 options
Class	Ordinary shares
Number acquired	92,161 shares
Number disposed	n/a
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	\$317,725
No. of securities held after change	1,469,825 ordinary shares 583,333 options

+ See chapter 19 for defined terms.

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Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Shares acquired on vesting of performance rights pursuant to Challenger Performance Plans rules.
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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.

Detail of contract	As previously disclosed, Mr Benari held 2,508,517 performance rights under the Challenger Performance plan.
Nature of interest	n/a
Name of registered holder (if issued securities)	n/a
Date of change	1 September 2012 for vesting of 92,161 performance rights
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	n/a
Interest acquired	n/a
Interest disposed	92,161 performance rights
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	n/a
Interest after change	2,416,356 performance rights As previously disclosed, interests under Funding and Collar Arrangements in respect of 300,000 ordinary shares in Challenger Limited.

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +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

+ See chapter 19 for defined terms.