

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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Suncorp-Metway Limited ('Suncorp')

ABN

66 010 831 722

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	Convertible Preference Shares ('CPS')
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	350,000

⁺ See chapter 19 for defined terms.

3 Principal terms of the ⁺securities (eg, 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)

See section 1 of the Prospectus.

CPS are fully paid preference shares in the capital of Suncorp, which will, subject to satisfaction of the Mandatory Conversion Conditions, mandatorily Convert into a variable number of Ordinary Shares on the Mandatory Conversion Date. Upon Conversion, Holders will receive \$101.01 worth of Ordinary Shares per CPS (based on the VWAP of Ordinary Shares during the 20 Business Days before the Mandatory Conversion Date).

The Mandatory Conversion Date will be the earlier of 14 June 2013 and the first Dividend Payment Date after that date on which the Mandatory Conversion Conditions are satisfied.

Dividends on CPS are preferred, non-cumulative, based on a floating rate and expected to be fully franked. Dividends are scheduled to be paid quarterly in arrears on 14 December, 14 March, 14 June and 14 September in each year, subject to adjustments for Business Days, with the first Dividend Payment Date being 15 September 2008.

Suncorp may choose to Exchange, in certain circumstances subject to APRA's prior written approval, all CPS on issue after the occurrence of Tax Event or Regulatory Event.

Subject to APRA's prior written approval, Suncorp must Exchange all CPS on issue if an Acquisition Event occurs. If the Directors consider that APRA will not approve Exchange of CPS on occurrence of a recommended takeover or scheme of arrangement which would result in Acquisition Event, the Directors will use reasonable endeavours to procure equivalent takeover offers for Holders or that Holders are entitled to participate in the scheme of arrangement or similar transaction.

CPS Holders do not have voting rights, except in the limited circumstances provided in the Terms.

⁺ See chapter 19 for defined terms.

4 Do the ⁺securities rank equally in all respects from the date of allotment 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	Yes - see clauses 9.1 and 9.2 of the Terms in Appendix A of the Prospectus. CPS rank ahead of Ordinary Shares and rank for the payment of Dividends equal with Reset Preference Shares and any other equal ranking instruments. On a winding-up of Suncorp, CPS rank for payment ahead of Ordinary Shares, equal with Reset Preference Shares and any other equal ranking instruments, but behind all depositors, other creditors and Non-Participating Shares.										
5 Issue price or consideration	\$100 per CPS										
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The issue is being made as part of Suncorp's ongoing capital management strategy, with the proceeds being used to repay existing debt, finance new loans and for other general corporate purposes.										
7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates	18 June 2008										
8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)	<table> <tr> <th>Number</th><th>⁺Class</th></tr> <tr> <td>955,528,250</td><td>Fully paid Ordinary Shares.</td></tr> <tr> <td>1,698,008</td><td>Fully paid floating rate capital notes of \$100 each</td></tr> <tr> <td>1,440,628</td><td>Fully paid Reset Preference Shares of \$100 each</td></tr> <tr> <td>7,350,000</td><td>Fully paid Convertible Preference Shares</td></tr> </table>	Number	⁺ Class	955,528,250	Fully paid Ordinary Shares.	1,698,008	Fully paid floating rate capital notes of \$100 each	1,440,628	Fully paid Reset Preference Shares of \$100 each	7,350,000	Fully paid Convertible Preference Shares
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9 Number and ⁺class of all ⁺securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="694 199 997 241">Number</th><th data-bbox="997 199 1386 241">⁺Class</th></tr> </thead> <tbody> <tr> <td data-bbox="694 241 997 477">2000</td><td data-bbox="997 241 1386 477">Fully paid Non-Participating Shares</td></tr> </tbody> </table>	Number	⁺ Class	2000	Fully paid Non-Participating Shares
Number	⁺ Class				
2000	Fully paid Non-Participating Shares				
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Dividends on CPS are preferred, non-cumulative, based on a floating rate and expected to be fully franked.				

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the ⁺securities will be offered	
14 ⁺Class of ⁺securities to which the offer relates	
15 ⁺Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	
18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	

⁺ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
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	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the	

⁺ See chapter 19 for defined terms.

	balance?	
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	

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

⁺ See chapter 19 for defined terms.

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					
40	Do the +securities rank equally in all respects from the date of allotment 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					
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)					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> <tr> <td style="height: 80px;"></td> <td></td> </tr> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

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 not available now, 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:

Date: **4 June 2008**

C R Chuter
Company Secretary

⁺ See chapter 19 for defined terms.