

9 October 2020

Ormond-McKinnon Community Enterprises Limited enters into conditional Purchase Agreement

The Board of Ormond-McKinnon Community Enterprises Limited (OMCEL) - operator of Community Bank Ormond-McKinnon - has received an offer, in the form of a Purchase Agreement, from Murrumbeena Community Financial Services Limited (MCFSL) - operator of Community Bank Murrumbeena - to acquire OMCEL's rights in relation to the revenue from OMCEL's loans, deposits and other revenue-generating business.

Having consulted with Bendigo Bank and OMCEL's independent advisors, the Board has entered into the conditional Purchase Agreement, which is subject to OMCEL shareholder approval. The transaction will be put to a shareholder vote at the OMCEL 2020 AGM.

If OMCEL shareholders approve the transaction, it is the intention of the parties that:

- OMCEL's loans, deposits and other revenue-generating business will be transferred to MCFSL's Murrumbeena Community Bank Branch,
- the Ormond-McKinnon North Road branch will close, and
- Bendigo Bank and OMCEL will terminate their Franchise Agreement by mutual agreement.

MCFSL has committed to continuing to support the Ormond and McKinnon communities and customers following the transaction.

The transaction is subject to a number of pre-conditions being satisfied or waived. If these conditions are met, including receiving the necessary shareholder approval, completion is expected to occur in late 2020, and the net sale proceeds would be distributed to OMCEL shareholders after OMCEL's other liabilities and obligations are met or provisioned for.

For further information, please contact:

Irena Peoples (Company Secretary)

OMCommunityBank@gmail.com

0403 456 543