

First Supplementary Bidder's Statement

1 Background

This document is the first supplementary bidder's statement ("**First Supplement**") to the Bidder's Statement dated 29 October 2007 issued by Wide Bay Australia Ltd (ABN 40 087 652 060) ("**Wide Bay**") and lodged at the Australian Securities and Investments Commission ("**ASIC**") on 29 October 2007.

The First Supplement is to be read together with the Bidder's Statement.

Unless the context requires otherwise, defined terms used in the Bidder's Statement have the same meaning in this First Supplement.

2 Changes to Bidder's Statement

This First Supplement contains changes to the Bidder's Statement (as set out in Annexure A to this First Supplement) which Wide Bay has agreed to make in response to a number of matters raised by MPBS in relation to the Bidder's Statement.

3 Lodgement with ASIC

A copy of this First Supplement was lodged with ASIC on 2 November 2007. Neither ASIC nor any of its officers takes any responsibility for the contents of this First Supplement.

4 Authorisation

This First Supplement has been approved by a unanimous resolution passed by the directors of Wide Bay on 2 November 2007.

Signed by Ronald Hancock of Wide Bay Australia Ltd in accordance with section 351 of the Corporations Act:



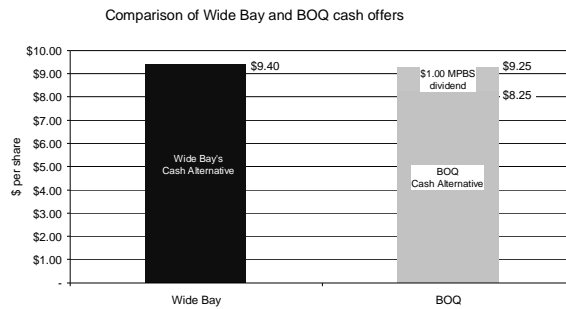
Ronald Hancock
Managing Director

Date: 2 November 2007

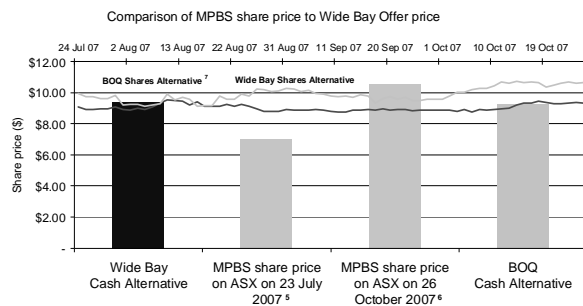
Annexure A - Changes to Bidder's Statement

- 1 Page 1, after the words "The Offer is dated", replace "12 November 2007" with "[13 November 2007]"
- 2 Page 1, after the words "will close at 7.00pm (AEDT) on", replace "12 December 2007" with "[14 December 2007]"
- 3 Page 2, after the words "Bidder's Statement lodged with ASIC", replace "29 October 2007" with "2 November 2007"
- 4 Page 2, after the words "Date of Offer", replace "12 November 2007" with "[13 November 2007]"
- 5 Page 2, after the words "Close of Offer Period (unless extended)", replace "12 December 2007" with "[14 December 2007]"
- 6 Page 2, beneath the heading "Important notice", insert the following paragraph:

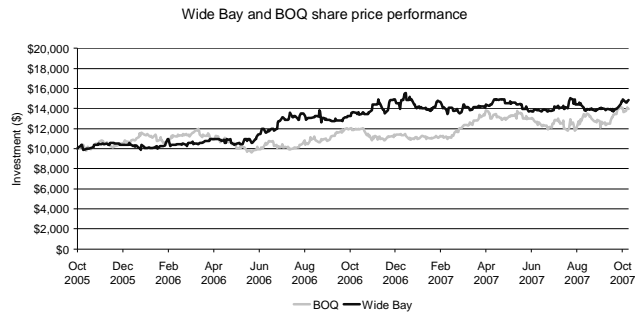
"This Replacement Bidder's Statement is dated 2 November 2007 and was lodged with ASIC and the ASX on that date. This Replacement Bidder's Statement replaces the bidder's statement lodged with ASIC on 29 October 2007. References to "Bidder's Statement" are to this Replacement Bidder's Statement."
- 7 Page 2, second paragraph beneath the heading "Important notice", delete "is dated 29 October 2007. It", and replace "12 November 2007" with "[13 November 2007]"
- 8 Page 2, third paragraph beneath the heading "Important notice", delete "A copy of this Bidder's Statement was lodged with the ASX and with ASIC on 29 October 2007."
- 9 Page 6, paragraph 6, delete
- 10 Page 6, paragraph 7, fourth dot point, after the words "dividend proposed" replace "under the BOQ Proposal" with "by MPBS"
- 11 Page 6, paragraph 7, fourth dot point, replace "at various stages since Wide Bay first announced its intention to acquire MPBS the reverse has been true" (and the footnote to that text) with "in the 69 trading days since the BOQ Proposal was announced, the implied value of Wide Bay's Shares Alternative has been higher than the implied value of the BOQ Shares Alternative (including the \$1.00 dividend proposed by MPBS) on 2 days, based on closing prices"
- 12 Page 8, second paragraph, replace "pre-bid MPBS share prices" with "MPBS's share price observed prior to Wide Bay's first announcement of its intention to acquire MPBS"
- 13 Page 8, third paragraph, delete sub-paragraph (v) (and the footnote to that text)
- 14 Page 9, Section 1.1, replace chart with the following chart:



- 15 Page 9, Section 1.1, after the word “Source:” insert “Information disclosed in the”
- 16 Page 9, Section 1.2, heading, replace “pre-bid MPBS share price” with “MPBS’s share price observed prior to Wide Bay’s first announcement of its intention to acquire MPBS”
- 17 Page 9, Section 1.2, replace chart with the following chart:



- 18 Page 9, Section 1.2, after the words “Source: IRESS Market Technology,” insert “information disclosed in the”
- 19 Page 9, footnote 6, replace “MPBS share price data is up to 23 July 2007, the last trading date before Wide Bay first announced an intention to acquire MPBS” with “MPBS share price on the last trading date before Wide Bay first announced an intention to acquire MPBS”
- 20 Page 9, footnote 7, replace “BOQ’s Shares Alternative has been adjusted to include the \$1.00 dividend that MPBS is proposing to pay MPBS under the BOQ proposal” with “MPBS share price on the last trading date before Wide Bay announced Offer for MPBS”
- 21 Page 10, Section 1.3(iii), after the words “Source: IRESS Market Technology,” insert “information disclosed in the”
- 22 Page 10, footnote 8, replace “Dividend yield has been calculated by dividing total dividends paid during the year by the volume weighted average share price of each company over the year” with “BOQ’s Shares Alternative has been adjusted to include the \$1.00 dividend that MPBS is proposing to pay MPBS Shareholders”
- 23 Page 11, Section 1.3(iv), replace chart with the following chart:



- 24 Page 11, Section 1.3(v), delete
- 25 Page 12, Section 1.4, first paragraph, replace “the date of this Bidder’s Statement” with “29 October 2007”
- 26 Page 12, Section 1.4, first paragraph, after the words “proposing to pay MPBS Shareholders” (in the third and sixth lines respectively) delete “under the BOQ Proposal”
- 27 Page 12, Section 1.4, second paragraph, after the words “proposing to pay MPBS Shareholders” delete “under the BOQ Proposal”
- 28 Page 12, Section 1.4, third paragraph, after the words “proposing to pay MPBS Shareholders” delete “under the BOQ Proposal”
- 29 Page 12, Section 1.4, after the words “Source: IRESS Market Technology,” insert “information disclosed in the”
- 30 Page 12, Section 1.5(i), at the start of the second sentence, insert “Like the BOQ Cash Alternative and the BOQ Shares Alternative,”
- 31 Page 13, Section 2.2, third paragraph, replace “are” with “were”, and delete “during the Offer Period”
- 32 Page 13, Section 2.3, replace “12 November 2007” with “[13 November 2007]” and replace “12 December 2007” with “[14 December 2007]”
- 33 Page 14, Section 2.5, paragraph (d), after the words “other than” insert “the \$1.00 dividend that MPBS is proposing to pay MPBS Shareholders and”
- 34 Page 16, insert a new Section 2.11, as contained in Annexure B to this First Supplement
- 35 Page 17, Section 3.3, first paragraph, replace “under the BOQ Proposal” with “by MPBS”
- 36 Page 17, Section 3.3, second paragraph, replace “under the BOQ Proposal” (in the third and sixth lines respectively) with “by MPBS”
- 37 Page 18, Section 3.7, paragraph (d), after the words “other than” insert “the \$1.00 dividend that MPBS is proposing to pay MPBS Shareholders and”
- 38 Page 18, Section 3.10, replace “12 December 2007” with “[14 December 2007]”
- 39 Page 20, insert a new Section 3.20, as contained in Annexure C to this First Supplement

- 40 Page 33, Section 4.14, first paragraph, replace “the date of this Bidder’s Statement” with “29 October 2007”
- 41 Page 33, Section 4.14, second paragraph, after the words “lodged with ASIC” insert “on October 29 2007”
- 42 Page 33, Section 4.14, third paragraph, after the words “lodged with ASIC” insert “on October 29 2007”
- 43 Page 33, Section 4.14, fourth paragraph, after the words “lodged with ASIC” insert “on October 29 2007”
- 44 Page 38, Section 5.4, first paragraph, replace “5,748,762” with “6,021,553, including 272,791 that were issued on the conversion of MPBS Converting Preference Shares”
- 45 Page 38, Section 5.4, second paragraph, delete “In addition”, replace “has” with “had”, replace “may convert” with “converted”, delete “within 30 days of the date of this Bidder’s Statement or”, before the words “1 November” insert “or about”, and replace “will convert” with “converted”
- 46 Page 39, Section 5.4, last paragraph before heading “Details of relevant interests in MPBS securities”, replace “the date of this Bidder’s Statement” with “29 October 2007”
- 47 Page 39, Section 5.4, replace first paragraph after heading “Details of relevant interests in MPBS securities” with the following paragraph:

“Wide Bay owns 1.51% of the MPBS Shares on issue. 63,371 of these MPBS Shares were acquired on market on 19 July 2007 for \$7.00 cash per MPBS Share and 27,746 of these MPBS Shares were acquired on market on 23 July 2007 for an average of approximately \$6.97 cash per MPBS Share.”

- 48 Page 39, Section 5.4, second paragraph after heading “Details of relevant interests in MPBS securities”, replace “14.07” with “13.43”
- 49 Page 39, Section 5.4, table beneath heading “Details of relevant interests in MPBS securities”, second column, replace “5,748,762” with “6,021,553”
- 50 Page 39, Section 5.4, table beneath heading “Details of relevant interests in MPBS securities”, third column, replace “15.65” with “14.94”
- 51 Page 39, Section 5.4, table beneath heading “Details of relevant interests in MPBS securities”, fourth column, replace “15.65” with “14.94”
- 52 Page 39, Section 5.4, first paragraph beneath heading “Details of voting power in MPBS”, replace “1.58” with “14.94”
- 53 Page 39, Section 5.4, second paragraph beneath heading “Details of voting power in MPBS”, replace “1.58” with “14.94”
- 54 Page 39, Section 5.4, beneath heading “Details of voting power in MPBS”, insert new third paragraph as follows:

“Notwithstanding Wide Bay’s voting power in MPBS as stated above, Wide Bay only has the power to exercise the right to vote attaching to 1.51% of the MPBS

Shares on issue because the terms of the option agreements do not permit Wide Bay to exercise the right to vote attaching to the MPBS Shares the subject of those option agreements.”

- 55 Page 39, Section 5.5, after the words “as set out in” insert “Section 5.4 of”
- 56 Page 41, Section 5.7, replace “the date of this Bidder’s Statement” with “29 October 2007”
- 57 Page 41, Section 5.8, replace “the date of this Bidder’s Statement” with “29 October 2007”
- 58 Page 47, Section 6.5, second paragraph, fourth dot point, after the words “transaction costs” insert “(including the break fee of \$0.56 million which may arise under the terms of the BOQ Proposal due to the acquisition of MPBS Shares by Wide Bay under the Offer)”
- 59 Page 48, Section 6.6(b), Pro forma balance sheet of Merged Group as at 30 June 2007 assuming 100% Shares Alternative consideration, amend fourth and fifth columns as follows:

Adjustment	Merged Group as at 30 June 2007	
(1.70)	61.58	
-	44.33	
-	94.35	Deleted: 36
-	1,840.04	
-	22.36	
<u>38.43</u>	<u>38.43</u>	Deleted: 45
-	12.55	Deleted: 45
<u>36.73</u>	<u>2,113.64</u>	Deleted: 75
		Deleted: 67
-	1,147.05	
-	-	
-	30.26	
-	758.39	
-	35.33	
-	<u>1,971.03</u>	
-	-	
<u>36.73</u>	<u>142.61</u>	Deleted: 75
		Deleted: 64
40.26	109.71	Deleted: 28
(2.38)	18.81	Deleted: 74
(1.15)	14.48	
-	(0.39)	
<u>36.73</u>	<u>142.61</u>	

- 60 Page 49, Section 6.6(c), third dot point, replace “6,024,452” with “6,021,553”, replace “275,690” with “272,791”, after the words “ordinary shares” insert “that were”, after the words “issued on” insert “or about 1 November 2007 on”, and replace “converting preference shares” with “Converting Preference Shares”
- 61 Page 49, Section 6.6(c), fourth dot point, delete
- 62 Page 49, Section 6.6(c), fifth dot point, replace “50.12” with “50.10”
- 63 Page 49, Section 6.6(c), sixth dot point, delete “under the BOQ Proposal”, and replace “are” with “were”
- 64 Page 49, Section 6.6(c), seventh dot point, replace “38.45” with “38.43”
- 65 Page 50, Section 6.6(c), tenth dot point, after the words “payable to BOQ” insert “of \$0.56 million which may arise under the terms of the BOQ Proposal due to the acquisition of MPBS Shares by Wide Bay under the Offer”
- 66 Page 51, Section 6.6(d), Pro forma balance sheet for Merged Group as at 30 June 2007 assuming alternative levels of offer consideration, amend second and third columns as follows:

	Scenario A	Scenario B	
	Assuming 100% of MPBS Shareholders elect Cash Alternative	Assuming 50% of MPBS Shareholders elect Cash Alternative	
	61.58	61.58	
	44.33	44.33	
	94.35	94.35	
	1,840.04	1,840.04	
	22.36	22.36	
	38.92	38.68	Deleted: 95
	12.55	12.55	Deleted: 70
	2,114.13	2,113.89	Deleted: 16
			Deleted: 91
	1,147.05	1,147.05	
	50.58	25.29	Deleted: 61
	30.26	30.26	Deleted: 30
	758.39	758.39	
	35.33	35.33	
	2,021.61	1,996.32	Deleted: 64
			Deleted: 33
	92.52	117.57	Deleted: 58
	59.62	84.67	Deleted: 68
	18.81	18.81	
	14.48	14.48	

(0.39)	(0.39)
92.52	117.57

Deleted: 58

- 67 Page 51, Section 6.7, replace “If the number of MPBS Shareholders who elect to receive the Cash Alternative as Consideration under the Offer exceeds Wide Bay’s expectation, Wide Bay may need to take measures to ensure that it is capitalised above minimum regulatory requirements (eg by undertaking a share placement)” with “Based on the number of MPBS Shares on issue as at the date of this Bidder’s Statement (refer to Section 5.4), the total maximum amount of cash that would be payable by Wide Bay under the Offer if every MPBS Shareholder accepted the Offer and elected to receive the Cash Alternative is approximately \$56.60 million. This cash outlay assumes that a \$1.00 dividend is not paid by MPBS, and the \$9.40 cash per share is funded from Wide Bay’s cash reserves. In these circumstances, Wide Bay is confident that, if required, it could raise \$30 million through a private placement in a relatively short period of time to ensure that it is capitalised above minimum regulatory requirements.”
- 68 Page 68, Section 9.2, after the last paragraph insert the following paragraph:
- “Wide Bay has relied on the modification to section 636(1)(j) of the Corporations Act set out in paragraph 10 of ASIC Class Order 01/1543 “Takeover Bids” to clarify the period during which securities (including MPBS Converting Preference Shares) can be converted into MPBS Shares to which the Offer applies.”
- 69 Page 70, Section 9.5, first paragraph under heading “Wide Bay Share Consideration”, replace “MPBS has 135,798 MPBS Converting Preference Shares on issue as at the date of this Bidder’s Statement that will convert into MPBS Shares within 30 days of the date of this Bidder’s Statement or on 1 November 2007 (refer to Section 5.4). If all MPBS Converting Preference Shares on issue at the date of this Bidder’s Statement had converted into MPBS Shares on 26 October 2007, then an additional 275,690 MPBS Shares would have been issued. If this additional number of MPBS Shares was to be issued” with “Based on the number of MPBS Shares on issue as at the date of this Bidder’s Statement (refer to Section 5.4)”, and replace “3,915,894” with “3,914,010”
- 70 Page 70, Section 9.5, paragraph under heading “Cash Consideration”, replace “MPBS has 135,798 MPBS Converting Preference Shares on issue as at the date of this Bidder’s Statement that will convert into MPBS Shares within 30 days of the date of this Bidder’s Statement or on 1 November 2007 (refer to Section 5.4). If all MPBS Converting Preference Shares on issue at the date of this Bidder’s Statement had converted into MPBS Shares on 26 October 2007, then an additional 275,690 MPBS Shares would have been issued. If this additional number of MPBS Shares was to be issued” with “Based on the number of MPBS Shares on issue as at the date of this Bidder’s Statement (refer to Section 5.4)”, replace “50.61” with “50.98”, and delete “This cash outlay assumes that a \$1.00 dividend is paid by MPBS.”
- 71 Page 75, insert new Section 9.12, as contained in Annexure D to this First Supplement
- 72 Page 76, definition of “Bidder’s Statement”, after the word “Offer” insert “and any supplementary or replacement Bidder’s Statement in relation to this document”
- 73 Page 78, definition of “Offer Period”, replace “12 November 2007” with “[13 November 2007]”, and replace “12 December 2007” with “[14 December 2007]”

- 74 Page 79, definition of “Register Date”, replace “29 October 2007” with “[29 October 2007]”
- 75 Page 82, Appendix 1, Clause 1, first paragraph, replace “are” with “were”, and delete “during the Offer Period”
- 76 Page 82, Appendix 1, Clause 3, replace “12 November 2007” with “[13 November 2007]”, and replace “12 December 2007” with “[14 December 2007]”
- 77 Page 87, Appendix 1, Clause 6.5, replace “5 December 2007” with “[5 December 2007]”
- 78 Page 90, Appendix 1, Clause 7, before the final paragraph insert the following paragraph:

“Wide Bay intends to vote any MPBS Shares in respect of which it receives acceptances under the Offer against any resolution in connection with the approval of the BOQ Proposal.”

- 79 Page 93, Appendix 2, paragraph (a), delete “acquired”
- 80 Page 94, Appendix 2, paragraph (d), after the words “except for” insert “the \$1.00 dividend that MPBS is proposing to pay MPBS Shareholders under the BOQ Proposal and”
- 81 Appendix 3, insert five new rows into the top of the table as follows:

Document date	Price sensitive	Headline	Pages
02/11/2007		MPB: ASX Release	1
30/10/2007		MPB: Letter to Shareholders	1
30/10/2007		Media Release - MPB Response to Wide Bay bid	1
29/10/2007		Bidder’s Statement for MPB	97
29/10/2007	Yes	Intention to Make Takeover Bid for MPB	3

- 82 Appendix 4, insert six new rows into the top of the table as follows:

Document date	Price sensitive	Headline	Pages
02/11/2007		ASX Release	1
01/11/2007	Yes	MPBPA - Suspension from Official Quotation	1
30/10/2007		Letter to Shareholders	1
30/10/2007		Media Release - Response to Wide Bay bid	1
29/10/2007		WBB: Bidder’s Statement	97
29/10/2007	Yes	WBB: Intention to Make Takeover Bid	3

Annexure B - New Section 2.11

2.11 Important note - effect of acceptance

Upon accepting the Offer, you will be deemed to have irrevocably appointed Wide Bay and each of its Directors from time to time severally as your agent and attorney on your behalf to take certain actions including:

- (a) attend and vote in respect of your MPBS Shares at all general meetings of MPBS;
and
- (b) withdraw any instrument appointing a person as your proxy in respect of your MPBS Shares in relation to any meeting in connection with the BOQ Proposal.

Wide Bay intends to vote any MPBS Shares in respect of which it receives acceptances under the Offer against any resolution in connection with the approval of the BOQ Proposal.

This is only a summary of two of the actions that may be taken on your behalf if you accept the Offer. A list of all actions is set out in full in Clause 7 of Appendix 1.

Annexure C - New Section 3.20

3.20 Will MPBS have to pay a break fee to BOQ?

Under the terms of the BOQ Proposal, the acquisition of MPBS Shares by Wide Bay under the Offer may give rise to an obligation on MPBS to pay BOQ a break fee of \$0.56 million as set out in the BOQ Scheme Booklet.

Annexure D - New Section 9.12

9.12 APRA approval

By instrument dated 24 August 2007, pursuant to subsection 14(1) of the Financial Sector (Shareholdings) Act 1998, the Treasurer approved the holding by Wide Bay of up to 100% of the MPBS Shares on the condition that Wide Bay must at all times maintain a minimum risk based capital ratio of 11%.