

29 June 2006

Dear Shareholder

**FOR YOUR INFORMATION: NO ACTION REQUIRED**

Mackay Permanent Building Society Limited ("Mackay") recently presented a conditional proposal to Pioneer regarding a potential offer for shares in Pioneer. After careful consideration, the full Board rejected the conditional proposal. At this stage there is no formal takeover offer by Mackay. We will keep you informed of any material developments.

We further advise that our application for listing on the ASX is well advanced. Whilst we have had discussions with the ASX on a possible listing date, a firm date has not yet been set. At this stage we expect our shares will commence trading on the ASX towards the end of July 2006. There will be a period of around ten working days between when our shares will cease trading on the NSX and commence trading on the ASX. Full details will be provided when available.

As the current financial year draws to a close, it is pleasing to report that the Society should have another year in which both lending and deposits have experienced steady growth.

If you have any queries in relation to the above, please do not hesitate to contact our Company Secretary, Larry Voltz, on (07) 4957 0827.

Yours faithfully

**Clifford Flor**  
Chairman