

CONTINUOUS DISCLOSURE NOTICE

The Directors of Bidgee Finance Limited ("the Company") advise that irregularities in relation to some loans written prior to this financial year have been detected and the matter has been referred to the police.

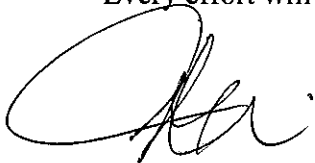
The Directors advise that \$659,000 has been misappropriated in a series of systematic transactions over a number of years. An additional \$575,000 of interest has accrued in relation to these transactions over that period. This makes a total of \$1,234,000 from the first inception of the loans to the present.

In accordance with Australian Accounting Standards approximately \$140,000 of the above total will be written off against the current year's result. A further amount will be written off against last year's result with any remaining unrecovered amount written off against retained earning from previous years.

The anomaly has been identified in the course of the Company's reviews and investigations confirm that depositor funds are in no way affected. Changes already made to the Company's internal controls in recent years such as the introduction of a credit cell and an internal audit function substantially reduce the likelihood of a recurrence of these irregularities.

No current employees are involved in this matter and the Company's ongoing profitability and liquidity is not expected to be affected.

Every effort will be made to recover all misappropriated amounts.



Martin Hill
Managing Director