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Release to the Australian Stock Exchange Ltd

Wide Bay increases offer for Pioneer to \$4.55 per share

Regional building society Wide Bay Australia Ltd (**Wide Bay**) [ASX:WBB] ("Wide Bay") today announced its intention to increase its cash offer for all of the shares in Pioneer Permanent Building Society Limited [NSX:PBS] (**Pioneer**) to \$4.55 per share.

Wide Bay's offer is the highest offer made to Pioneer shareholders, valuing Pioneer at approximately \$47.2 million, and is for 100% of the shares in Pioneer. In contrast, the total value of the offer by FirstMac Limited (**FirstMac**) is just under \$7 million and is for only 14.9% of Pioneer on a potentially unfair "first-come first-served basis".

"The offer by FirstMac of \$4.50 per share, is an attempt to prevent Wide Bay's bid for Pioneer proceeding thereby preventing Pioneer's shareholders from receiving the significant premium being offered by Wide Bay," Managing Director, Ron Hancock said.

"At the end of the day, this is all about the best interests of Pioneer's shareholders," Mr Hancock, said. "In this regard, Wide Bay has the highest offer at \$4.55 cash per share and, importantly, our offer is for 100% of Pioneer. Accordingly, all Pioneer shareholders have the certainty of knowing they may participate equally for all their Pioneer shares during our four week offer period, as against the considerable uncertainty associated with FirstMac's lower first-come first-served offer."

Wide Bay's Bidder's Statement was lodged on 26 July 2006 and is expected to be dispatched to Pioneer shareholders in the second week of August. Wide Bay's offer is subject to the same conditions it has previously disclosed to the market.

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