

Notice of Annual General Meeting

Hervey Bay & District Financial Services Limited
A.B.N. 46 116 567 072

**To be held at 7.30 pm on Wednesday 15 November 2006
at Hervey Bay Boat Club, Buccaneer Avenue, Urangan**

Ordinary Business

1. Receipt of Annual Report

To receive the Company's Financial Report, the Directors' Report and the Auditor's Report including the Remuneration Report for the year ended 30 June 2006.

2. Appointment of auditor

To consider, and if thought fit, pass the following resolution as an ordinary resolution.

That the appointment of David Hutchings as auditor of the Company be approved.

2. Remuneration Report

To consider, and if thought fit, pass the following resolution as an ordinary resolution.

That the remuneration report contained in the Annual Report be adopted.

Attending the meeting

All shareholders may attend the Annual General Meeting.

Joint holders: In the case of joint shareholders, all holders may attend the Meeting. If only one holder attends (including by proxy), that shareholder may vote at the Meeting as if that holder were solely entitled to the shares. If more than one joint holder is present (including by proxy), the joint holder whose name appears first in the register may vote.

Corporate shareholder: A corporate shareholder may appoint one or more persons to act as its representative under section 250D of the Corporations Act, but only one representative may exercise the corporate shareholder's powers at any one time. The Company requires written evidence of a representative's appointment to be given to the Company before the Meeting.

Proxy: If you are unable to attend the Meeting, you are entitled to appoint a proxy to attend and vote. See the attached Proxy Form for information on appointing a proxy.

Voting rights

Each shareholder is entitled to **one** vote.

For the purposes of voting at the Meeting, shares will be taken to be held by the persons who are registered as members as at 4.00pm on 16 October 2006.

By order of the board

Margaret Butler
Company Secretary
9 October 2006

A proxy form accompanies this Notice of Meeting. A member entitled to attend and vote at this meeting is entitled to appoint a proxy. The proxy need not be a member of the Company.

Explanatory Notes

This information has been included to assist you in making an informed decision about the resolutions proposed at the meeting.

Agenda item 2: Appointment of auditor

Item 2 is an ordinary resolution to seek your approval for the appointment of Mr David Hutchings of Andrew Frewin & Stewart as the Company's auditor.

The Board has received David Hutchings' consent to act and written notice of David Hutchings' nomination as auditor from a shareholder.

The appointment of David Hutchings requires approval of shareholders under the Corporations Act.

David Hutchings is a senior member of Andrew Frewin & Stewart in Bendigo, Victoria. He has sound experience in working with community banking companies around Australia. His experience in this area is highly considered by your directors.

Agenda item 3: Remuneration report

The Corporations Act requires a resolution that the remuneration report contained in the Company's annual report be adopted, be put to the vote. The resolution is advisory only and does not bind the directors of the Company.

Proxy Form

HERVEY BAY & DISTRICT FINANCIAL SERVICES LIMITED

ABN 46 116 567 072



Mark this box with an 'x' if you have made any changes to your address details (see reverse)

All correspondence to:

Hervey Bay & District Financial Services Limited]
PO Box 3089
Hervey Bay
QLD Australia
Enquiries 07 4124 1041
Facsimile 07 4124 5306

SAMPLE MEMBER
ADDRESS
ADDRESS
ADDRESS
SAMPLETOWN STATE POSTCODE

Appointment of proxy

I/We being a member/s of Hervey Bay & District Financial Services Limited and entitled to attend and vote appoint the person named below or, if no person is named below, the Chairman of the Meeting as my/our proxy to vote in accordance with directions set out below (with a discretion as to any business not referred to below) or, if no directions are given, as my/our proxy sees fit, at the Annual General Meeting of the Company to be held at Hervey Bay Boat Club, Hervey Bay on Wednesday 15 November 2006 at 7.30 pm and at any adjournment of that meeting.



the Chairman
of the Meeting
(mark with an 'X')

OR

Write here the name of the person you are appointing if this person is **someone other than** the Chairman of the Meeting.

Voting directions to your proxy – please mark



to indicate your directions

Ordinary Business

Item 1. Receipt of financial report, directors' report and auditor's report

Item 2. Appointment of Auditor

Item 3. To adopt the remuneration report contained in the Annual Report

For	Against	Abstain*
☐	☐	☐
☐	☐	☐
☐	☐	☐

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in working out the required majority on a poll.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Hervey Bay & District Financial Services Limited
A.B.N. 46 116 567 072
[Registered Office – Shop 9, 55 Main Street, Pialba, Qld, 4655]

How to complete the Proxy Form

1 Your name and address

This is your name and address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. **Please note, you cannot change ownership of your shares using this form.**

2 Appointment of a proxy

A member entitled to attend and vote at the Meeting may appoint one proxy. A proxy need not be a member of the Company. A proxy may be an individual or a company.

3 Identity of proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, the Chairman of the Meeting will act as your proxy.

4 Voting instructions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

5 Signing instructions

The Proxy Form must be signed in the spaces provided.

Individual: If the holding is in one name, the holder must sign.

Joint Holding: If the holding is in more than one name, any one holder may sign.

Power of Attorney: To sign under power of attorney, you must have already lodged this document with the Company or attach a certified copy of the power of attorney to this form when you return it.

Companies: If the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (under section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the Company is to attend the meeting, the appropriate "Certificate of Appointment of Corporate Representative" must be produced before admission to the meeting.

Lodging instructions

This Proxy Form (and any power of attorney under which it is signed) must be received by the Company not later than [2 business days] before the meeting (ie by 4.00pm on 13 November 2006). Any Proxy Form received after that time will not be valid for the scheduled meeting. Documents may be lodged in any of the following ways.

- By post or hand delivery to the Company's registered office at Shop 9, 55 Main Street, Pialba, 4655
- By facsimile 07 4124 5306