

BSX Market Announcement

Chairman's Address

Logan Community Financial Services Limited Annual General Meeting 2006

My address to you today is one on a positive and enthusiastic note.

As you have read in my Chairman's Report, our Company still wish to focus on the Triple Bottom Line, (namely PPP) People, Profit and Planet. There is no need to go into any detail on this as you will have read it in your Annual Report. What I would like to do today is focus on our future and where we are at now.

Firstly, in reference to my letter that accompanied the Annual Report, you will note that your Board is extremely pleased with the recent performance of all Branches. Trading in all Branches since June 2006 has exceeded our expectations and currently is providing a cash positive result. If this trend continues we are confident that a Dividend will be forthcoming during the early part of 2007.

From previous history you will recall our original forecast regarding any Dividends was a four to six year plan and we are only now approaching our 4th year so I am very excited that we are currently ahead of original expectations.

This has been achieved with hard and dedicated work from all our Managers and Bank Staff. Also the added support from, you, the Shareholders over the past year has contributed immensely. This deserves a big Thank You.

With the all important profit objective currently being achieved. We now need to continue with strong stability, sustained growth and Community interaction. Hence such projects as the 'Big Day Out' and 'Logan's League of Little Heroes' will continue. What we also need to consider are projects that will embrace all of the Community of Logan and your Board and Managers will be spending several days in early December discussing and implementing future projects.

We have also been able to stabilise our team of Managers, in order to sustain positive continuity.

Unfortunately during the past financial year we have said goodbye to one of our Managers and several Board Members. I wish to thank all of them for their contribution and wish them well. In particular may I mention the

enormous contribution from two of our founding Directors, Cathleen Wallis and Patrick Simonis, thank you to both of you.

On a lighter note. I wish to welcome our current team of Managers, Heather Scofield, Donna Lawrence, Drue Hutchinson, Morris Fowke. Also Darren Cahill previous Manager of Loganholme, now newly appointed Area Manager. These Managers obviously are part of the overall Bank Team that make our future together.

Earlier in our Meeting you voted our most recent Director, Ian Pynor onto our Board and I wish to welcome Ian as the newest member of our Board. Ian also assumes the role of Company Secretary and has had much past experience at a corporate level.

In closing I would like to thank those organisations and people, who have contributed over and above to the Community Bank movement in Logan.

- The unpaid Directors of the Company, (both current and former).
- The people at Bendigo Bank who are always available to assist.
- Community Leaders throughout our City.
- The Logan City Council, in particular Mayor Graham Able.
- And too many local Business people and residents to mention by name.
- Finally, I thank you, our Shareholders, for your support.
- For your business.
- I wish to also thank you, for your queries and challenges to us which raise the bar on our performance and make us stronger.

I urge you to strengthen your Company further through introducing customers, families, friends and associates to the Community Bank as customers. Thereby ensuring the success of your company, and the enrichment of your Community.

We certainly do have some exiting times ahead.

THANK YOU

Colin Nelson

Chairman