

SOUTH BURDEKIN COMMUNITY FINANCIAL SERVICES LIMITED

CHAIRMAN'S REMARKS, A G M 16 NOVEMBER 2007

Earlier in this meeting I have been pleased to present the Company's financial report for the period ended 30 June 2007. This report covered the second full trading year of banking operations from our opening on the 29 June 2005

As stated in last year's annual report we had a total of 15.9 million on our books and almost 600 accounts, I am now pleased to report that as at the end of October 2007 those numbers have increased to 26.5 million (an increase of 10.6 million) and we now have 847 accounts, an increase of 247 accounts. I believe that this increase in business activity is due to our community's acceptance of our Branch and the services that it now provides to our shareholders and customers.

In our C E O Karen's report you will have read that our ATM transactions now stand at around 2000 per mth. When we did the initial figures on our ATM we estimated on 750 transactions per month to make it pay for itself. So far the ATM has been a great investment to our Branch.

We currently have 2 billboards on the highway promoting Bendigo Bank, our Branch, and our ATM. The Company pays the rental on 1 of those billboards and the other has currently been placed at various positions around the Burdekin district for free by Paradise Advertising as a gesture of goodwill to our Branch and to promote their community involvement. Shortly one of those signs will change and it will have a photo of Branch manager Karen McKaig on it as the face of our **Community Bank(R)**.

I acknowledge with appreciation the efforts of our staff Karen, Maria, Debbie and Christine. They are the people at the front of our business and I thank them for their constant dedication and commitment to the objectives of our **Community Bank(R) Branch**. I would also like to recognise with appreciation our partner Bendigo Bank Ltd who through Libby Gleeson, Gus Cole, Angelo Rigano and Michelle Gosper continue to assist and guide us and our staff along the Bendigo way

Thank you.

Darern West
Director / Chairman