

Notice of Extraordinary General Meeting

Warburton Community Financial Services Limited

A.B.N. 54 090 252 627

To be held at 7.30pm on 24 October 2007
at Warburton Millgrove Sports Club

Special Business

1. Change of Company Name

To consider, and if thought fit, pass the following resolution as a special resolution:

That the name of the Company be changed to **Upper Yarra Community Enterprise Ltd**

Explanatory Notes

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

During the past 12 months the Yarra Junction Community Bank® Steering Committee has been working through the various stages of their campaign to open a Community Bank® branch in Yarra Junction.

The committee's campaign has been very successful, raising in excess of \$750,000 in indicative pledges and completing a feasibility study indicating sufficient business to sustain a Community Bank® branch.

Since the completion of that study, the steering committee, with the support of Bendigo Bank has approached our company with a view to exploring a partnership.

With due consideration, the directors of Warburton Community Financial Services (WCFS) Ltd believe the proposal offers significant value for shareholders and ongoing sustainability and opportunity for the company's long term future.

Under the proposal WCFS Ltd would be expanded to operate the two branches under one company structure, therefore eliminating duplicated costs. Whilst the individual branches will be maintained as autonomous profit centres, various efficiency gains are possible under one parent company.

The directors therefore propose to issue additional shares in WCFS Ltd to raise the start-up capital required to open a branch in Yarra Junction.

It is anticipated that these additional shares will be purchased predominantly by members of the Yarra Junction community, ensuring one of the most essential elements of the Community Bank® model – local ownership.

The projected start-up capital required to launch the Yarra Junction branch is in the range of \$600,000 to \$800,000, the final figure will depend on lease negotiations currently underway. To this end, the directors propose to make available between 600,000 and 800,000 additional shares at a par value of \$1.00 per share.

To ensure existing shareholders are not disadvantaged by this process, WCFS Ltd is currently undertaking an independent valuation to determine the current worth of existing shares. Any difference between the current worth of existing shares and the \$1.00 price of the new shares issued will be balanced by either a bonus share issue or payment of a bonus dividend to existing shareholders.

To better reflect the broader geographical area in which the Company will conduct its business, the Directors have proposed a name change to **Upper Yarra Community Enterprise Ltd**. Warburton Community Bank® Branch will retain its existing name.

The Board of Directors is extremely enthusiastic about this opportunity for expansion of our community's own enterprise.

Any further queries should be directed to our Shareholder Liaison Officer Geoff Vickers -
Phone (03)5966 9028 or email geoffvickers@warburtons.own.net.au

Agenda Item 1: Change of Company Name

The Board has decided that the Company should change its name. The proposal to change the Company's name is based on the decision taken by the Company to open a second Community Bank Branch at Yarra Junction.

The proposed change of Company name better reflects the Community in which the business of the Company will be conducted. The name will recognise the whole area in which the Company will conduct its business.

