



NEWS RELEASE

For Immediate Release
March 7, 2006

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**FIRST RESOURCE BANK ANNOUNCES
FOURTH QUARTER RESULTS**

Quarterly loss narrows by 24%.

EXTON, PA - First Resource Bank (OTC Bulletin Board: FRSB), announced today its fourth quarter results as of December 31, 2005 was a net loss of \$232,000. These results favorably compare to an operating loss of \$306,000 for the third quarter and \$378,000 for the first two months of operations ending June 30, 2005. The Bank previously incurred \$450,000 in pre-opening costs over the 8 month start-up phase, resulting in a year-to-date total net loss of \$1,366,000. The Bank opened for business on May 2, 2005.

Net interest income for the fourth quarter of \$326,000 was 47.5% higher than the previous quarter. This increase in net interest income is a result of strong loan growth coupled with controlled deposit expenses. In addition, the Bank's strategy of raising deposits as loans are funded eliminates the negative interest spread associated with excess deposits.

The loan portfolio grew \$9.5 million, or 46%, to \$28.9 million at December 31, 2005. Most of this loan growth was experienced in the commercial real estate and consumer home equity loan portfolios.

Due to the diversification that has evolved in the loan portfolio, during the fourth quarter the reserve methodology was revised to specifically allocate risk to loan types rather than use a generic reserve rate for all categories of loans. The allowance for loan losses to total loans was 1.13% at December 31, 2005 as compared to 1.34% at September 30, 2005. Credit quality has remained strong with no non-performing loans to date.

Investments at each quarter end consisted of U.S. Government agency securities with maturities less than 30 days. These investments were strategically made at each quarter end as part of the Bank's tax planning strategy. The investment purchases were funded through short term borrowings including federal funds purchased and reverse repurchase agreements with the same maturities as the underlying investments.

Deposits grew \$5.9 million, or 35%, during the fourth quarter to a total of \$22.6 million at December 31, 2005. The majority of this deposit growth was in certificates of deposit.

President & CEO, Glenn B. Marshall, stated "First Resource Bank is building a solid foundation in its loan

and deposit base. We continue to be excited about the progress that the bank has made over our first eight months of operations."

First Resource Bank, a full-service community bank offers a full array of depository products and customized lending products to help customers achieve their personal and business financial goals. The Bank's initial branch and corporate headquarters is a full-service banking facility at the corner of Route 100 and Marchwood Road, in Exton, PA.

Selected Financial Data:

	Dec. 31, 2005	Sept. 30, 2005	June 30, 2005
Investments	\$25,100,000	\$27,045,000	\$ 9,647,000
Loans	28,933,000	20,767,000	10,618,000
Allowance for loan losses	326,000	279,000	160,000
Total assets	55,192,000	48,963,000	21,502,000
Deposits	22,609,000	16,690,000	10,239,000
Borrowings	23,657,000	23,236,000	1,995,000
Equity	\$ 8,679,000	\$ 8,891,000	9,197,000

	Quarter Ended Dec. 31, 2005	Quarter Ended Sept. 30, 2005	2 Months Ended June 30, 2005
Interest income	\$ 540,000	\$ 337,000	\$ 98,000
Interest expense	214,000	116,000	13,000
Net interest income	326,000	221,000	85,000
Provision for loan losses	48,000	119,000	160,000
Other income	16,000	5,000	-
Other expenses	526,000	413,000	303,000
Operating loss	(232,000)	(306,000)	(378,000)
Pre-opening expenses	-	-	(450,000)
Net loss	\$ (232,000)	\$ (306,000)	\$ (828,000)

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About First Resource Bank

First Resource Bank is a locally owned and operated Pennsylvania state-chartered bank, serving the banking needs of businesses, professionals and individuals in Chester County, Pennsylvania. The Bank offers a full range of deposit and credit services with a high level of personalized service. First Resource Bank also offers a broad range of traditional financial services and products, competitively priced and delivered in

a responsive manner to small businesses, professionals and residents in the local market. Member FDIC.