



NEWS RELEASE

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***FIRST RESOURCE BANK ANNOUNCES
FIRST QUARTER RESULTS***

EXTON, PA - First Resource Bank (OTC Bulletin Board: FRSB), announced today its first quarter results as of March 31, 2006 was a net loss of \$202,000. These results favorably compare to a net loss of \$232,000 for the fourth quarter, \$306,000 for the third quarter and an operating loss of \$378,000 for the first two months of operations ending June 30, 2005. June 30, 2005 results also included \$450,000 in pre-opening expenses incurred with the formation of the Bank, bringing the net loss for the two months ended June 30, 2005 to \$828,000. The Bank opened for business on May 2, 2005.

Cash income (loss), defined as net income (loss) less depreciation, stock option expenses, the provision for loan losses and other non-cash charges, is an important tool that management uses to measure progress. In particular, the provision for loan losses to date has strictly been a

function of strong loan growth which has long term benefits to the Bank, but causes a short term strain on earnings.

Below is a table reconciling net loss to cash loss:

	Quarter Ended Mar. 31, 2006	Quarter Ended Dec. 31, 2005	Quarter Ended Sept. 30, 2005	2 Months Ended June 30, 2005
Net loss	\$(202,000)	\$ (232,000)	\$ (306,000)	\$(828,000)
Depreciation	36,000	35,000	36,000	22,000
Provision for loan losses	123,000	48,000	119,000	160,000
Stock option expenses	18,000	-	-	-
Other non cash charges	-	66,000	-	-
Cash loss	<u>\$ (25,000)</u>	<u>\$ (83,000)</u>	<u>\$ (151,000)</u>	<u>\$ (646,000)</u>

President & CEO, Glenn B. Marshall, stated "Our first quarter results demonstrate management's commitment to control overhead expenses and come one step closer to profitability. This quarter's results are the fourth quarter in a row of decreased losses and I am pleased to report that March 2006 was the first month of positive cash earnings."

Management adopted Financial Accounting Standards Board No. 123(R), "Accounting for Share Based Compensation" effective January 1, 2006. This rule was adopted using the modified prospective approach which expenses the fair value of all unvested stock options starting January 1, 2006 through the vesting date. The adoption of this standard caused an additional \$18,000 in expenses during the first quarter and these expenses will continue to impact the income statement through mid 2008. Any new stock option grants will be expensed as well.

Net interest income for the first quarter of \$410,000 was 25.8% higher than the previous quarter. This increase in net interest income is a result of continued strong loan growth.

The loan portfolio grew \$10.4 million, or 36%, during the first quarter to \$39.3 million at March 31, 2006. This loan growth was experienced in all products of the loan portfolio.

The allowance for loan losses to total loans was 1.14% at March 31, 2006 as compared to 1.13% at December 31, 2005. Credit quality has remained strong with no non-performing loans or charge-offs 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 \$9 million, or 40%, during the first quarter to a total of \$31.6 million at March 31, 2006. The majority of this deposit growth was in money market deposit accounts and certificates of deposit.

A 5% stock dividend was declared and paid to all shareholders of record as of January 30, 2006. Glenn B.

Marshall, President & CEO commented, "This stock dividend was declared by the Board of Directors to increase shareholder value and thank those investors that helped the Bank open and achieve the strong results to date."

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:

	Mar. 31, 2006	Dec. 31, 2005	Sept. 30, 2005	June 30, 2005
Investments	\$20,101,000	\$25,100,000	\$27,045,000	\$ 9,647,000
Loans	39,315,000	28,933,000	20,767,000	10,618,000
Allowance for loan losses	449,000	326,000	279,000	160,000
Total assets	60,310,000	55,192,000	48,963,000	21,502,000
Deposits	31,641,000	22,609,000	16,690,000	10,239,000
Borrowings	19,925,000	23,657,000	23,236,000	1,995,000
Equity	\$8,495,000	\$ 8,679,000	\$ 8,891,000	\$9,197,000
	Quarter Ended Mar. 31, 2006	Quarter Ended Dec. 31, 2005	Quarter Ended Sept. 30, 2005	2 Months Ended June 30, 2005
Interest income	\$ 691,000	\$ 540,000	\$ 337,000	\$ 98,000
Interest expense	281,000	214,000	116,000	13,000
Net interest income	<u>410,000</u>	<u>326,000</u>	<u>221,000</u>	<u>85,000</u>
Provision for loan losses	123,000	48,000	119,000	160,000
Other income	11,000	16,000	5,000	-
Other expenses	500,000	526,000	413,000	303,000
Operating loss	<u>(202,000)</u>	<u>(232,000)</u>	<u>(306,000)</u>	<u>(378,000)</u>
Pre-opening expenses	-	-	-	(450,000)
Net loss	<u>(202,000)</u>	<u>\$ (232,000)</u>	<u>\$ (306,000)</u>	<u>\$ (828,000)</u>

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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.

Note: This press release contains financial information determined by methods other than in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). First Resource Bank's management uses the non-GAAP measure of Cash Income (Loss) in their analysis of the company's performance. This measure, as used by First Resource Bank, adjusts net income (loss) determined in accordance with GAAP to exclude the effects of non-cash items including depreciation, stock option charges, the provision for loan losses and other non cash charges. These disclosures should not be viewed as a substitute for net income (loss) determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.