



***NEWS RELEASE***

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

**EXTON, PA** - First Resource Bank (OTC Bulletin Board: FRSB), announced today its third quarter results as of September 30, 2006 was a net loss of \$47,000. These results favorably compare to a net loss of \$99,000 for the second quarter and \$202,000 for the first quarter.

President & CEO, Glenn B. Marshall, stated "We are pleased that the net loss this quarter was again cut in half. We are quickly approaching profitability with income now covering all expenses with the exception of the provision for loan losses, which is strictly a function of growth in the loan portfolio."

Net interest income for the third quarter of \$607,000 was 12.8% higher than the previous quarter. This increase in net interest income is a result of continued strong loan growth.

The loan portfolio grew \$6.8 million, or 14.0%, during the third quarter to \$55.1 million at September 30, 2006. The

majority of this loan growth was in the commercial real estate portfolio.

President & CEO, Glenn B. Marshall, stated "Asset quality is at the forefront of every credit decision made. The loan portfolio has grown tremendously but not at the expense of asset quality."

The allowance for loan losses to total loans was 1.11% at September 30, 2006 as compared to 1.13% at June 30, 2006 and 1.13% at December 31, 2005. There have been no non-performing loans or charge-offs to date.

Investments at quarter end consisted of U.S. Government agency securities that were strategically made as part of the Bank's tax planning strategy. The investment purchases were funded through overnight federal funds purchased. The investment leverage strategy, which has been executed at each quarter-end since the Bank opened, was scaled down this quarter to \$5 million as compared to \$20 million in prior quarters because the strategy has less of an impact on the Bank's tax position due to overall growth in the balance sheet.

Deposits grew \$7.3 million, or 17.5%, during the third quarter to a total of \$49.0 million at September 30, 2006. The majority of this deposit growth was in money market accounts and certificates of deposit.

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:

	Sept. 30, 2006	June 30, 2006	Mar. 31, 2006	Dec. 31, 2005	Sept. 30, 2005	June 30, 2005
Investments	\$ 5,698,000	\$20,621,000	\$20,101,000	\$25,100,000	\$27,045,000	\$ 9,647,000
Loans	55,104,000	48,327,000	39,315,000	28,933,000	20,767,000	10,618,000
Allowance for loan losses	614,000	544,000	449,000	326,000	279,000	160,000
Total assets	62,664,000	71,027,000	60,310,000	55,192,000	48,963,000	21,502,000
Deposits	48,989,000	41,677,000	31,641,000	22,609,000	16,690,000	10,239,000
Borrowings	5,000,000	20,695,000	19,925,000	23,657,000	23,236,000	1,995,000
Equity	\$ 8,385,000	\$ 8,411,000	\$ 8,495,000	\$ 8,679,000	\$ 8,891,000	9,197,000

	Qtr Ended Sept 30, 2006	Qtr Ended June 30, 2006	Qtr Ended Mar 31, 2006	Qtr Ended Dec 31, 2005	Qtr Ended Sept 30, 2005	2 Months Ended June 30, 2005
Interest income	\$1,158,000	\$ 969,000	\$ 691,000	\$ 540,000	\$ 337,000	\$ 98,000
Interest expense	551,000	431,000	281,000	214,000	116,000	13,000
Net interest income	607,000	538,000	410,000	326,000	221,000	85,000
Provision for loan losses	70,000	95,000	123,000	48,000	119,000	160,000
Other income	9,000	11,000	11,000	16,000	5,000	-
Other expenses	593,000	553,000	500,000	526,000	413,000	303,000
Operating loss	\$ (47,000)	\$ (99,000)	\$ (202,000)	\$ (232,000)	\$ (306,000)	\$ (378,000)
Pre-opening expenses	-	-	-	-	-	(450,000)
Cash income loss	\$ (47,000)	\$ ( 99,000)	\$ (202,000)	\$ (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.