



BGF EQUITIES AND CANACCORD FINANCIAL INC. COMPLETE TRANSACTION TO FORM CANACCORD BGF

MELBOURNE, November 3, 2011 – BGF Equities and Canaccord Financial Inc. (“Canaccord”) are pleased to announce that they have completed the equity transaction outlined in a news release dated August 1, 2011. Under the terms of the transaction, Canaccord Financial Inc. has acquired a 50% interest in the parent company of BGF Equities and the new business has been rebranded Canaccord BGF.

Canaccord is a leading independent investment bank listed on the Toronto Stock Exchange (TSX) and the AIM exchange, with 49 offices worldwide including Canaccord BGF locations. The company offers investment banking, M&A and advisory, sales and trading, and wealth management services to clients through offices in Canada, the United States, the United Kingdom, and China. The formation of Canaccord BGF expands the group’s operations in the Asia-Pacific region with offices in Sydney, Melbourne and Hong Kong.

BGF Equities has grown rapidly since its inception in 2007 and its relationship with Canaccord positions the business well for its next phase of growth as Canaccord BGF. The company’s corporate, institutional and private clients will benefit from an expanded service offering, as the business leverages Canaccord’s global platform and extensive distribution capabilities. Canaccord BGF is extremely well positioned to execute on its growth strategy which will involve selective personnel additions across all areas of the business.

Paul Reynolds, President and CEO of Canaccord Financial Inc. said, “We are pleased to welcome our new partners from Canaccord BGF to our global platform. The addition of offices in Sydney, Melbourne and Hong Kong allows us to better serve our clients with world class distribution capabilities in five geographies.”

Marcus Freeman, Managing Director of BGF Equities said: “We are very pleased to be joining Canaccord to form Canaccord BGF, which represents the beginning of a new phase of development for the business. We’ve grown strongly since our inception in 2007 and this combination with Canaccord positions us well in our objective to provide enhanced services to our clients. We look forward to providing a more global perspective in research to institutional and private clients, and offering a substantially increased distribution capability to corporate clients.”

Under the terms of the transaction, Canaccord has acquired all of the shares held by passive shareholders of BGF and Canaccord now holds 50% of the equity in BGF, with the remaining 50% held by Canaccord BGF employees. The current BGF board comprising Warwick Grigor, Marcus Freeman and David Barlow will be expanded to six, with the inclusion of three Canaccord Financial Inc. non-executive appointments as follows:

Paul Reynolds (President and CEO, Canaccord Financial Inc.)
Brad Kotush (EVP and Chief Financial Officer, Canaccord Financial Inc.)
Terry Lyons (Lead Independent Director, Canaccord Financial Inc.)

Day to day management of the business will continue to reside with the current Canaccord BGF Executive Directors.

ABOUT CANACCORD FINANCIAL INC.:

Through its principal subsidiaries, Canaccord Financial Inc. is a leading independent, full-service financial services firm, with operations in two principal segments of the securities industry: wealth management and global capital markets. Since its establishment in 1950, Canaccord has been driven by an unwavering commitment to building lasting client relationships. We achieve this by generating value for our individual, institutional and corporate clients through comprehensive investment solutions, brokerage services and investment banking services. Canaccord has 49 offices worldwide, including 32 Wealth Management offices located across Canada. Canaccord Genuity, the international capital markets division, operates in Canada, the U.S., the U.K., China, Hong Kong, Australia and Barbados.

Canaccord Financial Inc. is publicly traded under the symbol CF on the TSX and the symbol CF. on AIM, a market operated by the London Stock Exchange. Canaccord's Series A Preferred Shares are listed on the TSX under the symbol CF.PR.A.

www.canaccordfinancial.com

ABOUT CANACCORD BGF:

Canaccord BGF is an Australian-based, securities advisory firm with offices in Melbourne, Sydney and Hong Kong. The company provides investment banking, sales & trading, research and wealth management services to clients in Australia, Asia and the UK. Canaccord BGF's expertise and services are focused on emerging companies and it has developed a proven track record of identifying high conviction investment opportunities across the metals, mining, energy and industrials sectors.

www.canaccordbgf.com

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements. These statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events including business and economic conditions and Canaccord's growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target", "intend" or the negative of these terms or other comparable terminology. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and a number of factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements. In evaluating these statements, readers should specifically consider various factors that may cause actual results to differ materially from any forward-looking statement. These factors include, but are not limited to market and general economic conditions, the nature of the financial services industry and other risks and uncertainties, including those detailed from time to time in Canaccord's interim and annual consolidated financial statements and its Annual Report and Annual Information Form filed under Canaccord Financial Inc.'s profile on the Canadian Securities Administrators' website at www.sedar.com. These forward-looking statements are made as of the date of this document, and will not be updated or revised, except as specifically required by applicable law.