

ASX Announcement & Media Release

MDS Financial Group Limited

ACN 091 744 884

Level 37
Rialto South Tower
525 Collins Street
Melbourne VIC 3000
T: +61 3 9617 0600
F: +61 3 9617 0699
asx@mdsfinancial.com.au

Directors

Sean Rothsey

Chairman and Director

Damian Isbister

Executive Director and
CEO – Corporate & Trading

Richard Symon

Executive Director and CEO - Software

Jamie Khoo

Independent Non-Executive Director

Secretary

Tony Iremonger

Company Secretary and CFO

ASX Code: MWS

www.mdsfinancial.com.au

Acquisition of Assets of MINC Financial Services Pty Ltd

MDS Financial Group Limited (ASX: MWS) ("the company") announces that an agreement ("Agreement") has been reached this morning between MINC Financial Services Pty Ltd (administrator appointed) (MINC) and MDS Financial for the acquisition of certain assets of MINC.

The agreement provides for the acquisition of the online trading business of MINC in its entirety including its current national client lists, the private client business and advisors in Townsville, Bunbury, Gold Coast and Melbourne.

The acquisition does not include MINC's debts, liabilities and infrastructure.

This acquisition will ensure continuity for MINC clients, all trades in place will be able to be settled and open positions will be closed with clients able to resume trading as normal.

The Company will be working closely with Penson Financial Services Australia Pty Ltd to ensure minimal disruption to clients during the transition period.

This acquisition marks another exciting step forward for MDS Financial following the recent purchase of stockbroker D2MX, cementing its role as a genuine competitor in both the wholesale stock broking and online trading spaces. D2MX recently entered into a 5 year exclusive agreement with Penson to provide clearing services for equities and exchange traded options with Penson and this relationship has enabled all stakeholders to work together to provide the best solution in what was a critical environment.

"This acquisition continues MDS's push into the share broking industry and introduces some very capable people to the MDS business," said Mr Damian Isbister, CEO Corporate and Trading. "We have the experience to handle the integration of this purchase with our existing broking business to provide the existing clients of MINC with a similar or even better trading experience."

With this agreement MDS Financial also achieves another strategic target of client acquisition and revenue generation through low-risk inorganic growth.

"We believe the MINC business units will quickly yield revenue exceeding the costs of the acquisition."

CEO of Software and Head of Compliance Richard Symon noted "MDS Financial Services Pty Ltd currently holds an AFSL covering general advice only and we are working with the Australian Securities and Investment Commission (ASIC) to ensure advisors can continue to assist their clients".

Chairman Sean Rothsey added "The critical nature of events surrounding the administration of a financial services business, particularly one involving trading, and specifically execution and clearing puts unusual and urgent demands on all involved. Complicated issues such as unsettled trades, licensing, trading and data and communications infrastructure, management, staff, leases, statutory issues of the administrators etc all make for a very pressured environment. MDS are cognisant of our evolving role as an aggregator of businesses and pay special regard to all affected by these unfortunate events to ensure that we protect as many stakeholders involved in the MINC collapse as possible, whilst in turn contributing to the growth of our business. Having had key executive and staff involved in the successful rescue of the Trader Dealer Online and subsequent integration into our business in 2008, and the recent D2MX acquisition we were well equipped to handle the exceptional issues."

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“We look forward to integrating the aspects of the MINC business that we were able to acquire into our own and acknowledge the efforts of our executive, staff and the key stakeholders of the MINC business which facilitates a solution for MINC clients as well as protecting the integrity and perception of independent on line traders generally.”

Further information will be available on our websites, and those of MINC as soon as possible this morning and we shall make a further announcement as soon as circumstance dictate.

ABOUT MDS FINANCIAL GROUP LIMITED

MDS Financial Group Ltd is one of Australia’s premier suppliers of online trading, charting and analysis software, share market data, wholesale trading and corporate advisory services.

www.mdsfinancial.com.au
www.traderdealer.com.au
www.boursedata.com.au
www.marketmood.com.au

ABOUT MINC FINANCIAL GROUP

MINC Financial Services was a full service financial advisory and stockbroking firm offering personal financial advice, online trading and wealth management solutions.

www.thinkminc.com.au
www.minctrading.com.au

ABOUT PENSON WORLDWIDE: www.penson.com

With approximately 430 correspondents globally, the Penson Worldwide group of companies provides execution, clearing, custody, settlement and technology infrastructure products and services to financial services firms and others servicing the global financial services industry. The Penson Worldwide group of companies includes Penson Financial Services, Inc., Penson Financial Services Canada Inc., Penson Financial Services Ltd., Nexa Technologies, Inc., Penson Futures, Penson Asia Limited, and Penson Financial Services Australia Pty Ltd., among other companies. Headquartered in Dallas, Texas, Penson has served the clearing needs of the global financial services industry since 1995.

Penson’s independent, third party clearing model is gathering momentum in the global market and is enabling correspondents like D2MX to focus on their core strengths to grow their businesses more efficiently.

D2MX and Penson announced a 5-year exclusive agreement to provide clearing services for equities and exchange traded options for D2MX in February 2010.

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April 19 2011



Sean Rothsey
Chairman

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For more information please contact:

Damian Isbister
Executive Director and CEO - Corporate & Trading
MDS Financial Group Limited
Phone: +61 3 9617 0605
Mobile: +61 404 028 114

For operational enquiries please contact:

Yvonne Sclater
Marketing Manager
Phone: +61 3 9617 0663
Mobile: +61 404 197 496

Donna Hudson
Junior Analyst
Phone: +61 3 9617 0662