

ASX Announcement & Media Release

MDS Financial Group Limited

ACN 091 744 884

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525 Collins Street
Melbourne VIC 3000
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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

286.3 million listed shares
75.1 million unlisted options

www.mdsfinancial.com.au

Share Purchase Plan (SPP)

AN OPPORTUNITY FOR ALL ELIGIBLE SHAREHOLDERS TO PARTICIPATE IN FUTURE GROWTH OF THE COMPANY

The Directors are pleased to provide eligible Shareholders with the opportunity to participate in the Company's Share Purchase Plan (SPP Offer) by subscribing for up to \$15,000 of new fully paid ordinary shares in MDS Financial Group (Shares), without incurring brokerage and subject to the Terms and Conditions detailed in this booklet.

The SPP will be made to all eligible shareholders registered at 7:00pm AEDST on 9 March 2011 ("Record Date") with a registered address in either Australia or New Zealand ("Eligible Shareholders").

The subscription price for each Share will be 2 cents. The Company has set the price of 2 cents to allow retail investors to participate at the same rate as the placement to sophisticated and professional investors, which was completed on 28 February 2011.

Monies raised by this offer will be used to pursue the Company's growth strategy in the stockbroking market by way of a new wholesale offering, organic and/or growth by acquisition in all aspects of the Company's businesses, to facilitate corporate transactions and to fund the Company's working capital requirements. The new shares issued pursuant to the SPP contemplated are also anticipated to provide better liquidity for existing Shareholders.

A written offer document containing all relevant information will be mailed to Eligible Shareholders no later than three business days after the Record Date and a copy of that written offer document is attached to this announcement.

ASX Announcement & Media Release

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.



Sean Rothsey
Chairman

END

For more information please contact:

Tony Iremonger
Company Secretary
MDS Financial Group Limited
Phone: +61 3 9617 0658
Mobile: +61 409 256 615

Yvonne Sclater
Marketing Manager
MDS Financial Group Limited
Phone: +61 3 9617 0663

SHARE PURCHASE PLAN (SPP) – TERMS AND CONDITIONS

1. SPP Offer

- 1.1. Under the SPP, Eligible Shareholders have the opportunity to participate in the SPP Offer by subscribing for up to \$15,000 of New Shares without incurring brokerage and subject to the following Terms and Conditions.
- 1.2 Please read these Terms and Conditions relating to the SPP Offer carefully, as you will be bound by them by participating in the SPP.
- 1.3 All New Shares issued under the SPP Offer will rank equally with existing MDS Financial Group Shares from the date of issue, and carry the same voting rights, dividend rights and other entitlements as existing shares.
- 1.4 All amounts referred to in these Terms and Conditions are in Australian dollars.

2. SPP Offer Key Dates

Event	Date
Record Date	Wednesday 9 March, 2011 (7.00pm AEDST)
SPP Offer opens	Thursday 10 March, 2011 (5.00pm AEDST)
SPP Offer Closes (closing date)	Wednesday 30 March 2011. (5.00pm AEDST)
Allotment of New Shares	Friday 15 April, 2011
Despatch of allotment confirmations	Wednesday 20 April, 2011

MDS reserves the right to vary the timetable for the SPP Offer, including the Closing Date of the SPP Offer.

3. Eligible Shareholders

- 3.1. You are eligible to participate in the SPP Offer (an **Eligible Shareholder**) if:
 - a) You were registered on the MDS share register as a holder of MDS Shares at 7.00pm (AEDST) on 9th March, 2011 (**Record Date**); and
 - b) You have a registered address in either Australia or New Zealand at that time, unless you are, or are acting for the account or benefit of a U.S. Person (as defined in regulation S under the U.S. Securities Act).
- 3.2. MDS has determined that it is not practical for holders of MDS Shares with addresses on the share register in other jurisdictions to participate in the SPP Offer. Shares to be allocated under the SPP have not been and will not be registered under the U.S. Securities Act and may not be offered, sold or delivered, directly or indirectly, in or to persons in, the United States.
- 3.3. Eligible Shareholders can only apply for a maximum of \$15,000 worth of New Shares in aggregate under the SPP (unless you are applying as a Custodian). This limitation applies even if eligible Shareholders receive more than one Application form due to multiple holdings, or if they hold MDS Shares in more than one capacity

such as if they are a sole Eligible Shareholder with more than one holding under a separate account or designation.

- 3.4. Eligible Shareholders who hold MDS Shares as a custodian, trustee or nominee (**Custodian**) (defined below) may participate on behalf of each Beneficiary (defined below) on whose behalf the Custodian is holding MDS Shares. An Eligible shareholder is deemed to be a Custodian under ASIC Class Order (CO 09/425) if:
 - a) It holds an Australian financial services license that:
 - i. Covers the provision of a custodial or depository services; or
 - ii. Includes a condition requiring the holder to comply with the requirements of ASIC Class Order (CO 02/294); or
 - b) It is exempt under:
 - i. Paragraph 7.6.01(1)(k) of the Corporations Regulation 2001; or
 - ii. ASIC Class Order (CO 05/1270) to the extent that it relates to ASIC Class Order (CO 03/184)
 - c) It is a trustee of a self-managed superannuation fund or a superannuation master trust; or
 - d) It is the responsible entity of a IDPS-like scheme (as defined by ASIC Class Order (CO/02/296); or
 - e) It is the registered holder of MDS Shares and is noted on the MDS register of members as holding MDS Shares on account of another person.

A '**Beneficiary**' is a client of a Custodian or Downstream Custodian on whose behalf the Custodian or Downstream Custodian held MDS Shares on the Record Date.

To the extent that a Custodian holds MDS Shares on behalf of a Beneficiary resident outside Australia and New Zealand, it is the responsibility of the Custodian to ensure that any acceptance complies with all acceptable foreign laws.

- 3.5. If you hold MDS Shares as a custodian, trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.
- 3.6. If you choose not to participate in the SPP Offer, your right to participate lapses at the Closing Date.

4. Joint holders/joint beneficiaries

If two or more persons are registered on the MDS share register as jointly holding MDS Shares, they are taken to be a single registered holder of MDS Shares and a certification given by any of them is taken to be certification given by all of them.

5. Application procedure for New Shares

- 5.1. The SPP Offer opens on 10th March 2011.
- 5.2. Eligible Shareholders may apply for a maximum of \$15,000 worth of New Shares under the SPP. The

SHARE PURCHASE PLAN (SPP) – TERMS AND CONDITIONS

following options to acquire New Shares under the SPP are available.

Option	Dollar Value of New Shares
1	\$5,000
2	\$7,500
3	\$10,000
4	\$15,000

- 5.3. The number of New Shares is rounded up to the nearest whole number after dividing the dollar amount by the issue price.
- 5.4. If you don't wish to accept the SPP Offer, you do not need to do anything and the SPP Offer will lapse on the Closing Date.
- 5.5. If you wish to apply for New Shares under the SPP Offer, Eligible Shareholders must complete the enclosed Application Slip and forward it with a cheque bank draft or money order to MDS Financial Group, PO Box 274, Collins Street West, Melbourne, VIC 8007 drawn on an Australian bank and in Australian dollars for the correct amount so that it is received prior to the close of the offer on the Closing Date. Do not forward cash. Receipts for payments will not be issued. Alternatively you may pay by electronic funds transfer directly into our Bank account, in which case please forward the receipt or indicate this with or on the Application.
- 5.6. Any application money received in excess of the amount required for the number of New Shares you successfully apply for will be refunded to you without interest. If the amount received is less than \$5,000, MDS will not allot any New Shares to you and the money received from you will be refunded without interest.
- 5.7. MDS reserves the right to reject any application for New Shares under the SPP Offer that it believes does not comply with these Terms and Conditions.

6. Issue Price

- 6.1. The issue price for New Shares will be 2 cents. You should note that MDS's share price may rise or fall between the date of this offer and the date when New Shares are allotted and issued to you under the SPP Offer. This means that the price you pay per New Share pursuant to this offer may be either higher or lower than the MDS Share price at the time of the offer or at the time the New Shares are issued and allotted to you under the SPP Offer. Please refer to the information under "Participation is optional" about how to monitor current trading prices of MDS Shares.
- 6.2. The number of New Shares issued to an application will be determined by dividing the value of the New Shares applied for by the issue price. If this calculation produces a fractional number, the number of New Shares issued will be rounded up to the nearest whole New Share.

7. Participation is optional

Participation in the SPP Offer is entirely optional (subject to the eligibility criteria set out in these Terms and Conditions). The offer to acquire New Shares is not a recommendation. If you are in any doubt about the SPP Offer, whether you should participate in the SPP Offer or how participation will affect you, you should consider

seeking independent financial and taxation advice before making a decision as to whether or not to accept this offer. MDS also recommends that you monitor the MDS share price which can be found on MDS Financial Group's website www.mdsfinancial.com.au, in the financial pages of major Australian metropolitan newspapers, or on the Australian Securities Exchange (ASX) website at www.asx.com.au (ASX CODE: MWS). MDS also recommends that you monitor via the above mentioned websites any MDS announcements made to the ASX.

8. Issue date

- 8.1. The New Shares will be issued on or around 15 April 2011 or as soon as possible after the date.
- 8.2. You will receive an allotment confirmation notice followed by an end of month holding statement. You should confirm your holding before trading in any New Shares you believe have been allotted to you under the SPP Offer.

9. No transfer

The SPP Offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase New Shares under the SPP Offer to a third party.

10. Brokerage and transaction costs

No brokerage or other transaction costs will apply to the acquisition of New Shares under the SPP. The only cost to you is the issue price of the New Shares.

11. Quotation

MDS will apply for New Shares issued under the SPP to be quoted on the ASX.

12. Class Order compliance

The SPP Offer of New Shares is made in accordance with ASIC Class Order (CO 09/425), which grants relief from the requirements to prepare a prospectus for the SPP Offer of New Shares.

13. Dispute resolution

- 13.1. MDS may settle, in any manner it deems, any difficulties, anomalies, or disputes which may arise in connection with the operation of this SPP whether generally or in relation to any participant or any application for New Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.
- 13.2. MDS reserves the right to waive strict compliance with any provision of these Terms and Conditions.
- 13.3. The powers of MDS under these Terms and Conditions may be exercised by its Directors or any delegate or representative of the Directors.

SHARE PURCHASE PLAN (SPP) – TERMS AND CONDITIONS

14. Scale Back of offer

- 14.1. If applications for New Shares under the SPP Offer exceed \$1.5 million, MDS may, in its absolute discretion, allocate to you less than the number of New Shares you have applied for (**Scale Back**). If there is a Scale Back, MDS may in its absolute discretion determine to apply the Scale Back to the extent and in the manner that it sees fit.
- 14.2. If the Scale Back produces a fractional number of New Shares when applied to your issue of New Shares, the number of New Shares issued will be rounded up to the nearest whole New Share.
- 14.3. If there is a Scale Back, your application money may be greater than the value of the New Shares you will be issued. In that event, the excess application money will be refunded to you without interest as soon as practicable after the date of issue of New Shares, being on or around 15 April 2011. Any application monies refunded by MDS will be paid by cheque or direct credit by electronic funds transfer (the payment method will be determined by MDS in its absolute discretion) in Australian currency. By applying for New Shares, each shareholder authorises MDS to pay any monies to be refunded by using the payment instructions of the shareholder recorded in MDS's share registry if MDS should elect to pay in this manner.

15. Variation and termination

- 15.1. MDS reserves the right to amend or vary these Terms and Conditions and to suspend or terminate the SPP at any time.
- 15.2. Failure to notify shareholders of a change to or termination of the SPP Offer or the non-receipt of notice will not invalidate the change or termination.
- 15.3. MDS reserves the right not to issue New Shares or to issue fewer New Shares than that applied for under the SPP by an eligible shareholder (including a Custodian applying on behalf of its Beneficiaries) if MDS believes that the issue of those New Shares would contravene any law or the ASX Listing Rules.
- 15.4. In the event that the SPP is terminated prior to the issue of New Shares, all application monies will be refunded. No interest will be paid on any monies returned to you.

16. Acknowledgements

By returning an Application Slip or Custodian application form, you certify, acknowledge, warrant and represent as true, correct and not misleading to MDS that:

- a. You have read and accepted the Terms and Conditions in full;
- b. You declare that all details and statements in your application are true and complete and not misleading;
- c. Your application, on the Terms and Conditions of the SPP set out in this booklet (including the Application Form and Custodian application form), will be irrevocable and unconditional (that is, it cannot be withdrawn);
- d. As at the Record Date, you were recorded on MDS's share register as being a registered holder of MDS

Shares and having an address in Australia and New Zealand.

- e. If you have a registered address in New Zealand, you continued to hold MDS Shares as at the opening of the SPP Offer on 30th March 2011;
- f. You and each person for whose account or benefit you are acting is not in the United States and is not a U.S. Person, or acting for the account or benefit of a U.S. Person;
- g. You acknowledge that the New Shares have not, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and the New Shares may not be offered, sold or otherwise transferred unless an exemption from the registration requirements of the U.S. Securities Act is available;
- h. You represent that you have not, and you agree that you will not, send any materials relating to the SPP to any person in the United States or to any person who is, or is acting for the account or benefit of a U.S. Person;
- i. If you are applying on your own behalf (and not as a Custodian), you are not applying for New Shares with an aggregate application price, which when aggregated with the application price for any MDS Shares issued to you or a Custodian on your behalf under the SPP Offer or similar arrangement in the 12 months prior to your application, of more than \$15,000 under the SPP Offer (including by instructing a Custodian to acquire New Shares on your behalf under the SPP Offer), and you are complying with the limitations detailed in clause 3.3 of the SPP Terms and Conditions;
- j. If you are a Custodian and are applying on behalf of a Beneficiary on whose behalf you hold MDS Shares:
 - I. You are a Custodian (as that term is defined in ASIC Class Order CO 09/425));
 - II. Either or both of the following apply (as applicable):
 - i. That on the Record Date you held MDS Shares on behalf of one or more other persons (each a Beneficiary) that are not Custodians;
 - ii. That on the Record Date another Custodian (Downstream Custodian) held beneficial interest in MDS Shares on behalf of one or more persons (each a Beneficiary), and you hold the shares to which those beneficial interests relate on behalf of the Downstream Custodian;
 - III. Each Beneficiary has subsequently instructed either you or the Downstream Custodian (as applicable) to apply for shares on their behalf under the SPP;
 - IV. Details of the number of Beneficiaries instructing you to participate, the name and address of each Beneficiary and in respect of each such beneficiary:
 - i. The number of MDS Shares that you hold on behalf of the Beneficiary; and

SHARE PURCHASE PLAN (SPP) – TERMS AND CONDITIONS

- ii. The dollar amount of New Shares that the Beneficiary, or its agent, has instructed you to accept on behalf of the Beneficiary;
 - iii. As set out in the Application Form or the custodian Certificate and Schedule, is true and correct;
- V. There are no Beneficiaries in respect of whom the total of the application price for (a) the MDS Shares applied for by you under the SPP Offer on their behalf; and (b) for any other MDS Shares issued to you in the 12 months before the application as a result of an instruction given by the Beneficiary to you or a Downstream Custodian to apply for MDS Shares on their behalf under an arrangement similar to the SPP, exceeds \$15,000; and
- VI. A copy of this offer document was given to each Beneficiary;
- k. You may be offered New Shares pursuant to the SPP in accordance with all applicable laws, and any acceptance by you on your own behalf or in respect of any person for which you are acting complies with all applicable laws;
- l. You accept the risk associated with any refund that may be despatched to you by direct credit by electronic funds transfer or cheque to your address shown on MDS's register;
- m. You are responsible for any dishonour fees or other costs MDS may incur in presenting a cheque for payment which is dishonoured;
- n. You agree to be bound by the provisions of the Constitution of MDS (as amended and as it may be amended from time to time in the future);
- o. You authorise MDS and its affiliates, officers and representatives to do anything on your behalf necessary for New Shares to be issued to you in accordance with these Terms and Conditions;
- p. You authorise MDS (and its officers and agents) to correct minor or easily rectified errors in, or omission from, your application and to complete the application by the insertion of any missing minor detail; and
- q. MDS may at any time irrevocably determine that your application is valid in accordance with these Terms and Conditions, even if the application is incomplete, contains errors or is otherwise defective.

17. Governing Law

These Terms and Conditions are governed by the laws in force in Victoria.

SHARE PURCHASE PLAN (SPP) – TERMS AND CONDITIONS

THIS DOCUMENT IS IMPORTANT. If you do not understand how to deal with it, you should consult your stockbroker or financial advisor without delay.



MDS Financial Group Limited
ABN 90 091 744 884
Postal Address: PO Box 274, Collins Street West, Melbourne, VIC 8007
Registered Address: Level 37, Rialto South Tower, 525 Collins Street,
Melbourne, VIC 3000
Telephone: 03 9617 0600, Fax: 03 9617 0699

**OFFER CLOSES 5.00PM
MELBOURNE TIME ON
30 MARCH 2011
(Closing Date)**

SHARE PURCHASE PLAN APPLICATION FORM

Pursuant to the Terms and Conditions of the MDS Share Purchase plan (SPP), MDS Financial Group (MDS) offers Eligible Shareholders the opportunity to purchase New Shares in MDS up to a maximum value of \$15,000 with the option to acquire \$5,000, \$7,500, \$10,000, or \$15,000 worth of New Shares, subject to scale back. Eligible Shareholders are persons who are eligible to apply for New Shares in accordance with the Terms and Conditions of the SPP Offer. Capitalisation terms in the Application Form have the meaning set out in the Terms and Conditions of the SPP Offer.

ISSUE PRICE

The issue price per New Share under the SPP Offer is 2 cents.

PAYMENT CONDITIONS

By making your payment, you agree to be bound by MDS's constitution and the Terms and Conditions of this SPP Offer, and that your application is irrevocable. In addition, you certify that the aggregate application value (refer paragraph 3.3 of the Terms and Conditions) paid by you for the New Shares applied for by you under this SPP or any other MDS SPP or similar arrangement in the 12 months prior to the close of this SPP; and any New Shares which you have instructed a Custodian to acquire on your behalf under this SPP or any other MDS SPP or similar arrangement in the 12 months prior to the close of this SPP; does not exceed \$15,000.

METHOD OF ACCEPTANCE

You can apply for New Shares and make your payment using one of the payment options on the back of this Application Form.

CUSTODIANS / TRUSTEES / NOMINEES

Custodians wishing to participate on behalf of one Beneficiary should complete the Application Slip below and return it to MDS's share registry with payment.

Please see overleaf for payment options

MDS Financial Group Limited
ABN 90 091 744 884

**APPLICATION
SLIP**

Detach here &
return with your
payment.

Please indicate which parcel size of New Shares you wish to apply for by marking one box only:

\$,5000 or \$7,500 or \$10,000 or \$15,000

PAYMENT DETAILS – please complete and ensure that the amount payable is correct			
Drawer	Bank	Branch/BSB	Total Amount
			\$

CUSTODIANS / TRUSTEES / NOMINEES APPLICATIONS IF ON BEHALF OF ONE BENEFICIARY	
Name and Address of Beneficiary if different to a/c name	

Please supply a contact name and telephone number where we may contact you during business hours in the event that the Share Registry has a query regarding the application.

Contact name: Telephone number:

SHARE PURCHASE PLAN (SPP) – TERMS AND CONDITIONS

HOW TO APPLY FOR NEW SHARES UNDER THE SHARE PURCHASE PLAN OFFER

LODGEMENT OF APPLICATION AND PAYMENT DETAILS

You can apply for New Shares and pay by completing and returning the Application Slip overleaf together with your payment by cheque, bank draft, EFT or money order in accordance with the instructions set out in the SPP Terms and Conditions as enclosed with this form.

You may pay by direct credit by electronic funds transfer directly into our bank account (indicated later in this application), in which case please forward the receipt or indicate this with or on the Application. Alternatively your cheque, bank draft or money order should be made payable to MDS Financial Group in Australian dollars and crossed Not Negotiable. Your cheque or bank draft must be drawn on an Australian branch of a bank or financial institution. Please ensure you submit the correct amount. We are unable to accept payments by cash, credit card or direct debit from your bank account. Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your application being rejected. Pin (do not staple) your cheque, bank draft or money order to the Application Slip overleaf, where indicated, a receipt for payment will not be forwarded. If paying by cheque, bank draft or money order, enter the name of a contact person and telephone number on the Application Slip. These details will only be used in the event that the Share Registry has a query regarding the application.

Your Application Slip and your payment must be received by MDS Financial Group Limited, PO Box 274, Collins Street West, Melbourne, VIC 8007 by no later than 5.00pm Melbourne time on the Closing Date. You should allow sufficient time for this to occur. Payments by direct credit to our bank account by Electronic Fund Transfer must also be received by our bank no later than 5.00pm Melbourne time on the Closing Date.

By making your payment by cheque, bank draft or money order, you confirm that you agree to all the SPP Terms and Conditions and you make the representations and certifications specified in the SPP Terms and Conditions.

If you are a Custodian within the definition of ASIC Class Order (CO 09/425) you must submit a Custodian Certificate and Schedule to MDS if you are applying for New Shares on behalf of more than one Beneficiary. If you need further information regarding this documentation, or to determine whether you are a Custodian, see the SPP Terms and Conditions that accompanied this Application Form.

By returning this Application Slip you represent and warrant that you are not in the United States or a U.S. Person (as defined in Regulation S under the U.S. Securities Act) and are not for the account or benefit of a U.S. person.

If you have any enquiries concerning this Application Form or the SPP, please contact the MDS Financial Group Limited share registry on 03 9617 0658.

CHANGE OF ADDRESS NOTIFICATION

1. For issuer sponsored shareholders, please forward a signed letter advising your new address to the Share Registry, MDS Financial Group Limited, PO Box 274, Collins Street West, Melbourne, VIC 8007.
2. For broker sponsored ("CHESS") shareholders, please contact your sponsoring broker to update your new address details via the "CHESS" sub-register.

PAYMENT

Please complete the Application Slip and post with your cheque, bank draft or money order in favour of MDS Financial Group Limited to:

MDS Financial Group Limited, PO Box 274, Collins Street West, Melbourne, VIC 8007

You may pay by direct credit by electronic funds transfer directly into our bank account (indicated later in this application), in which case please forward the receipt or indicate this with or on the Application.

BANKING DETAILS FOR SUBSCRIPTIONS

Domestic by EFT

Bank: National Australia Bank Ltd
Branch: 330 Collins Street Melbourne, Vic, Australia
Account Name: MDS Financial Group Limited
BSB: 083-004
Account No.: 82-905-6153
Quoting: Capital – “Shareholder Name”

International by PRIORITY SWIFT

Bank: National Australia Bank Ltd
Branch: 330 Collins Street Melbourne, Vic, Australia
Account Name of beneficiary: MDS Financial Group Limited
Beneficiary address: Level 37, Rialto South Tower, 525 Collins Street, Melbourne
Victoria 3000, Australia
PO Box 274, Collins Street West, Melbourne Victoria 8007, Australia
P: +61 3 9617 0617 | F: +61 3 9617 0699
Account No: 083-004 82-905-6153
SWIFT code: NATAAU3303M
Quoting: Capital – “Shareholder Name”

In every instance please email your application and details of remittance – including SWIFT TRN No and corresponding bank or preferably the SWIFT confirmation from your bank, or a copy of the domestic EFT to directors@mdsfinancial.com.au.