

ASX Announcement & Media Release

MDS Financial Group Limited

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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

MDS Financial Group Limited signs non-binding term sheet with equity line of credit provider

MDS Financial Group (ASX: MWS) today announced it has signed a non binding term sheet to secure an equity line of credit facility with Pacific Alliance Asia Opportunity Fund L.P.

Within the term sheet the value of the facility is A\$20 million which can be drawn in 40 equal instalments of \$500,000 each.

Shares issued under this facility will be priced based on a formula that is related to the daily volume weighted average price (VWAP) of MDS Financial Group shares once an advance notice by MDS Financial has been given.

The shares issued will be ordinary shares and entitled to dividends – although there is currently no expectation that a dividend will be declared in respect of the current year.

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 transaction contemplated under the term sheet is also anticipated to provide better liquidity for existing Shareholders.

Growth strategies include increasing brand awareness promoting MDS Financial as a partner for a complete and improved trading experience in both the retail and wholesale trading markets, as well as development of a full retail broking desk and further expansion of the Company's online trading footprint through its subsidiary Trader Dealer Online.

Opportunities available in the wholesale broking space will be reviewed, and the corporate advisory division of the business will be further developed, completing the Company's positioning as a fully diversified financial services business.

Currently the wholesale and retail broking space is filled with cut price options which have taken innovation out of the industry, and led to a poor experience for traders. With an in house software development team and existing trading platforms MDS Financial believes it can offer a more complete trading experience for both brokers and trading clients whilst maintaining price competitiveness.

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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

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For more information please contact:

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