



**CANACCORD FINANCIAL INC. COMPLETES  
ACQUISITION OF THE BALLOCH GROUP**

*Canaccord launches operations in China as Canaccord Genuity Asia*

**TORONTO, January 17, 2011** – Canaccord Financial Inc. (“Canaccord”, TSX: CF, AIM: CF.) is pleased to announce the completion of its acquisition of The Balloch Group and certain of its affiliates (“TBG”), a leading boutique investment bank in China. The business will begin operating as Canaccord Genuity Asia effective immediately.

“I am very pleased to welcome our new China-based colleagues to Canaccord,” noted Paul Reynolds, President and CEO of Canaccord Financial Inc. “Our expansion into Asia represents a significant milestone for Canaccord, as we further grow our global platform and build on our existing strength in many key sectors of the global economy.”

As previously disclosed, Canaccord agreed to purchase TBG for C\$4.0 million, and has established an equity incentive plan for its principal employees that will provide for an additional payout of up to 1,187,847 Canaccord common shares (C\$13.5 million based on an issue price of \$11.3651). These shares will be earned over five years in proportion to meeting revenue targets totaling C\$100 million for Canaccord’s operations in Asia.

Upon closing, Canaccord Financial Inc. welcomed Howard Balloch to its board of directors. Mr. Balloch will also serve as Chairman of Canaccord Genuity Asia.

**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 41 offices worldwide, including 30 Wealth Management offices located across Canada. Canaccord Genuity, the international capital markets division, operates in Canada, the U.S., the U.K., China 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.

**FOR FURTHER INFORMATION CONTACT:**

**North America media:**

Scott Davidson

Managing Director, Global Head of Marketing & Communications

Phone: 416-869-3875, email: scott.davidson@canaccord.com

**For investor relations inquiries contact:**

Jamie Kokoska

Manager, Investor Relations & Communications

Phone: 416-869-3891, email: jamie.kokoska@canaccord.com

**London media:**

Bobby Morse or Ben Romney

Buchanan Communications (London)

Phone: +44 (0) 207 466 5000, email: bobbym@buchanan.uk.com

**Nominated Adviser and Joint Broker:**

Marc Milmo or Carl Holmes

Charles Stanley Securities

Phone: +44 020 7149 6764, email: marc.milmo@csysecurities.com

**Joint Broker:**

Oliver Hearsey or Nick Triggs

Keefe, Bruyette & Woods Limited

Phone: +44 (0) 20 7663 5400, email: ohearsey@kbw.com