



CANACCORD FINANCIAL INC. TO ISSUE \$100 MILLION OF PREFERRED SHARES

*NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR
DISSEMINATION TO THE UNITED STATES*

TORONTO, March 22, 2012 – Canaccord Financial Inc. (“Canaccord”, TSX: CF, AIM: CF.) is pleased to announce that it has agreed to issue 4,000,000 Cumulative 5-Year Rate Reset First Preferred Shares, Series C (the “Series C Preferred Shares”) to a syndicate of underwriters led by CIBC, Canaccord Genuity Corp. and RBC Capital Markets for distribution to the public. The Series C Preferred Shares will be issued at a price of \$25.00 per share for aggregate gross proceeds of \$100 million. Holders of the Series C Preferred Shares will be entitled to receive fixed, cumulative, preferential dividends payable quarterly, if, as and when declared by the board of directors of Canaccord, and yielding 5.75% annually for the initial period ending on June 30, 2017. Thereafter, the dividend rate will be reset every five years at a rate equal to the five year Government of Canada bond yield plus 4.03%.

Holders of Series C Preferred Shares will have the right, at their option, to convert any or all of their shares into an equal number of Cumulative Floating Rate First Preferred Shares, Series D (the “Series D Preferred Shares”), subject to certain conditions, on June 30, 2017 and on June 30th every five years thereafter. Holders of the Series D Preferred Shares will be entitled to receive floating rate, cumulative, preferential dividends payable quarterly, if, as and when declared by the board of directors of Canaccord, at a rate equal to the three-month Government of Canada Treasury Bill yield plus 4.03%.

Canaccord has also granted the underwriters an option to purchase up to an additional 600,000 Series C Preferred Shares, on the same terms and conditions as the offering, exercisable in whole or in part, for a period of 30 days from the closing date of the offering. If this option is exercised in full, the total gross proceeds to Canaccord will be \$115 million.

The net proceeds of the offering will be used to reduce outstanding borrowings under the \$150 million senior secured credit facility (the “Acquisition Credit Facility”) entered into by the Company, as borrower, and provided by Canadian Imperial Bank of Commerce, as lender. The Acquisition Credit Facility was entered in order to fund a portion of the cash consideration for the Company’s previously announced acquisition of Collins Stewart Hawkpoint plc, which closed on March 21, 2012. The offering is expected to close on or about April 10, 2012, subject to certain conditions, including Toronto Stock Exchange approval, as well as other conditions set forth in an underwriting agreement to be entered into between Canaccord and the underwriters.

The Series C Preferred Shares will be offered for sale to the public in each of the provinces and territories of Canada by way of a short form prospectus to be filed with Canadian securities regulatory authorities in all provinces of Canada.

The Series C Preferred Shares and Series D Preferred Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, absent registration or an applicable exemption from registration requirements. This press release does not constitute an

offer to sell or a solicitation of an offer to buy any security within the United States, and shall not constitute an offer, solicitation, or sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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: global capital markets and wealth management. Including the offices acquired through its acquisition of Collins Stewart Hawkpoint plc, Canaccord has 64 offices worldwide, including 42 wealth management offices located in Canada, the UK and Europe. Canaccord Genuity, the Company's international capital markets division, has operations in Canada, the United States, the United Kingdom, France, Germany, Ireland, China, Hong Kong, Singapore, 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.

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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 the risks and uncertainties detailed from time to time in Canaccord's interim and annual consolidated financial statements and its Annual Report and Annual Information Form filed on 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 may be required by applicable law.