



**NOTIFICATION OF CANCELLATION OF COMMON SHARES
BY CANACCORD CAPITAL INC.**

VANCOUVER, July 7, 2005 – Pursuant to a normal course issuer bid by Canaccord Capital Inc. (CCI: TSX & AIM) which commenced on December 29, 2004, CCI purchased 13,000 common shares in CCI on June 30, 2005, and 3,500 common shares in CCI on July 4, 2005. These common shares (16,500 in total) will be cancelled effective the day of their purchase and have been cancelled from trading on the Toronto Stock Exchange ("TSX") and AIM.

Normal Course Issuer Bid

A normal course issuer bid is a purchase by a TSX listed company of its own shares through the facilities of the TSX in accordance with its rules.

The purchase of common shares under the normal course issuer bid enables CCI to acquire common shares for resale to new employees, existing employees, and clients of CCI and CCI affiliates, and also to cancel common shares.

The terms of the normal course issuer bid provide for up to 2,306,463 of CCI's common shares to be purchased by CCI. Of this number CCI has purchased for resale or cancellation 239,048 common shares between December 29, 2004 and July 4, 2005. Therefore the number of remaining common shares that may be purchased pursuant to the normal issuer bid is 2,067,415. Such purchases may continue until December 28, 2005 under the terms of the normal issuer bid. The amount and timing of any such purchases will be determined by CCI.

ABOUT CANACCORD CAPITAL INC.:

Canaccord Capital Inc. is a leading independent full service investment dealer, publicly traded on both the Toronto Stock Exchange and the Alternative Investment Market, a market operated by the London Stock Exchange. Canaccord has operations in two of the principal segments of the securities industry: Private Client Services and Global Capital Markets. Together, these operations offer a wide range of complementary investment products, brokerage services and investment banking services to Canaccord's retail, institutional and corporate clients. Canaccord has approximately 1,260 employees worldwide, including Investment Advisors located in 25 offices across Canada, and Global Capital Markets professionals based in Vancouver, Calgary, Toronto, Montreal, Chicago (US) and London (UK).

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