

CANACCORD FINANCIAL INC. ANNOUNCES ASIA EXPANSION

Acquisition of The Balloch Group and Strategic Agreement with the Export-Import Bank of China

TORONTO, November 22, 2010 – Canaccord Financial Inc. (“Canaccord” or “the Company”) announces today that it is expanding its operations into Asia with the acquisition of The Balloch Group, a leading boutique Chinese investment bank, and a strategic agreement with the Export-Import Bank of China (“China Eximbank”). Together, these initiatives represent an important entry into Asia for Canaccord that will add to its global capabilities and the services it provides clients, while leveraging the strength of the Company’s sector coverage, particularly in the mining, energy, clean technology and life sciences space.

Canaccord’s operations in China will be branded Canaccord Genuity Asia and will focus primarily on:

- Providing advisory services to businesses in the region,
- Advising Chinese companies on their outbound investment and international mergers and acquisitions,
- Advising international companies on entering Asian markets,
- Helping Asian companies raise capital on international markets, and,
- Facilitating Chinese financing for international projects.

“Canaccord Genuity Asia will combine the strength of our global platform and expertise in advising and raising capital for growth companies, with The Balloch Group’s strong client relationships and established investment banking presence in China,” noted Paul Reynolds, President and CEO of Canaccord Financial Inc. “We are committed to better serving our clients in this important growth market and growing Canaccord’s platform in Asia. Our new partners from The Balloch Group and our collaboration with the Export-Import Bank of China will anchor our expansion efforts in the region.”

ACQUISITION OF THE BALLOCH GROUP:

Canaccord has agreed to purchase The Balloch Group for C\$4.0 million, and is establishing 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 \$11.37). These shares will be earned over five years in proportion to meeting revenue targets totaling C\$100 million for Canaccord’s operations in Asia. The acquisition is expected to close on January 3, 2011. At that time, Canaccord intends to change the name of The Balloch Group to Canaccord Genuity Asia Limited and its operations will be fully integrated within Canaccord Genuity.

Howard Balloch, a distinguished industry executive who has built respected relationships with many key stakeholders in China, will become the Chairman of Canaccord Genuity Asia. Mr. Balloch was previously the Canadian Ambassador to China and has spent the last fifteen years in the country. Following the close of the acquisition, Mr. Balloch will also be appointed as a director on Canaccord Financial Inc.’s board of directors.

“I look forward to working with my new partners at Canaccord Genuity,” said Howard Balloch, President of The Balloch Group and incoming Chairman of Canaccord Genuity Asia. “By combining the strength of Canaccord’s global platform with our existing relationships in China, we will be able to identify even more opportunities for our clients and expand our service offering.”

The Balloch Group will add significant capabilities to Canaccord's global platform, while benefitting from the strength of Canaccord's focused sector coverage, advisory expertise, strong balance sheet and global client relationships. The firm was ranked as the number one boutique investment bank in China in 2008 and 2009 by China Venture.

STRATEGIC AGREEMENT WITH CHINA EXIMBANK:

Canaccord's new cooperative agreement with the Export-Import Bank of China will provide China-based clients with an enhanced ability to grow operations internationally, while also providing Canaccord's international clients with increased access to Chinese debt financing.

The agreement between Canaccord and China Eximbank is mutually beneficial, requires no financial commitment and provides substantial opportunity for the organizations to partner on projects in the energy, mining and infrastructure sectors.

The terms of the agreement will provide both parties with access to industry information and expertise when mutually beneficial opportunities arise. It will allow the organizations to better identify opportunities for clients by combining and comparing sector information.

"By partnering with Canaccord we can identify new opportunities to work with companies in sectors of strategic importance and help finance their growth initiatives," said Mr. Ruogu Li, Chairman and President of the Export-Import Bank of China. "We look forward to collaborating on new projects and investments within the energy, mining and infrastructure sectors."

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. The company achieves this by generating value for its individual, institutional and corporate clients through comprehensive investment solutions, brokerage services and investment banking services. Canaccord has 38 offices worldwide, including 30 Wealth Management offices located across Canada. Canaccord Genuity, the international capital markets division, operates in the U.S., U.K., Canada 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.

ABOUT THE BALLOCH GROUP:

The Balloch Group ("TBG") is a leading financial advisory and merchant banking firm in China, serving clients and investors throughout Asia and North America. TBG provides financial advisory services and capital raising solutions to its clients across a number of industries.

The Balloch Group was founded in 2001 by Howard Balloch (Canada's ambassador to China from 1996 to 2001). TBG provides its clients quality advice from bankers with decades of experience and a deep knowledge of China. TBG was ranked as the number one boutique investment bank in China in 2008 and 2009 by China Venture.

ABOUT THE EXPORT-IMPORT BANK OF CHINA:

The Export-Import Bank of China (China Eximbank) was established in 1994. Fully owned by the Chinese government and under the direct leadership of the State Council, China Eximbank is a government policy bank that enjoys the same international credit ratings as China's sovereign ratings.

Headquartered in Beijing, the Bank now has over ten domestic business branches and representative offices as well as three overseas representative offices in South Africa (Representative Office for Southern & Eastern Africa), Paris and St. Petersburg. The Bank has set up correspondent banking relationships with more than 300 banks overseas.

As an important force in promoting foreign trade and economy and a significant component of the financial system, China Eximbank has been acting as a key channel of policy financing for import and export of Chinese mechanic and electronic products, equipment, and high-and-new technology products, as well as the undertaking of offshore construction contracts and overseas investment projects by Chinese companies. The Bank is also a major onlending bank of foreign government loans and the only operating bank for Chinese Government Concessional Loans. By doing so, the Bank is playing a larger role in promoting the development of China's open and export-oriented economy.

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

Chinese media:

Ellen Liu

Executive Director, The Balloch Group

Phone: +86-10-8451-5559, ext 393; email: ellen@ballochgroup.com

Mr. Xu Meng

Spokesperson, China Eximbank

Phone: +86-10-8357-8342, email: xumeng@eximbank.gov.cn

London media:

Bobby Morse or Ben Romney

Buchanan Communications (London)

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

For investor relations inquiries contact:

Jamie Kokoska

Manager, Investor Relations & Communications

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