

2 October 2014

Company Announcements Office
Australian Securities Exchange Limited

Completion of funding arrangement for next phase of growth

Prime Financial Group Ltd (**Prime**) is pleased to announce that it has completed a funding arrangement to support its growth plans in the Accounting and Wealth Management sector.

Prime has established a new subsidiary, Prime Accounting & Wealth Management Pty Ltd (**PWM**), for the purpose of pursuing future investment opportunities using Prime's Integrated Wealth Management model. Prime has been operating a successful Integrated Wealth Management model, featuring minority equity (non-controlling) interests in Accounting firms and their associated Wealth Management entities since 2006.

This funding arrangement will assist Prime in reaching its goal of becoming the premier provider of growth, succession and integrated wealth management for Accountants.

PWM incorporates the following elements:

- Prime holds 99.9% of the ordinary voting shares, which represents a 33.3% economic interest in PWM. A Financial Institution holds preference shares under a preferred dividend structure in PWM, which represents the remaining 66.7% economic interest
- Prime has the opportunity to increase its economic interest while the preference shareholder has a right to put its economic interest back to Prime
- Subject to the shareholders subscribing for shares, the initial available capital could be up to \$7.5m, of which \$2.5 million will be provided by Prime
- Prime will be responsible for identifying opportunities and will operate and manage the company

Prime

Prime is an Integrated Wealth Management Group providing Financial & Retirement Planning, Investment Advice, Life Insurance, Asset Protection Advice incorporating Legal Services, Superannuation including Self-Managed Superannuation and Accounting Services.

For more information on this announcement, please contact Simon Madder (Managing Director / CEO) on (03) 9827 6999.

Simon Madder (Managing Director/CEO)