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Company Announcements Office  
Australian Securities Exchange Limited

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**Prime Financial Group Ltd (Prime – ASX code PFG)  
Capital Reduction - Prime Accounting & Wealth Management Pty Ltd (PWM) a  
Prime Subsidiary Company**

Prime today announces that PWM, a Prime subsidiary company set up in conjunction with an Institutional Partner, is undertaking a Capital reduction of \$3,506,313 which will facilitate the cancellation of Prime shares in PWM for \$960,235 and the cancellation of the remaining shares held by the Institutional Partner for \$2,546,078. The amount payable to the Institutional Partner is equal to the original cost of its shares, with the proposed completion date being 30 June 2019.

On completion of the transaction, the put option liability to the Institutional Partner of \$3,182,598 stated in Prime's Half-Year Financial Report dated 31 December 2018 will be removed.

The capital reduction will not materially impact on Prime's debt position as the payment to the Institutional Partner is to be funded by excess funds predominately generated from the sale (announced on 30 April 2019) of the remaining assets in PWM being the interest held in Rundles Prime Pty Ltd (RP), a Melbourne based Accounting Firm, plus the 10% interest in Rundles Financial Planning Pty Ltd (RFP). The amount receivable by Prime from the Capital reduction will substantially be applied towards acquiring PWM's remaining 40% interest in RFP.

This transaction brings to an end the minority equity interest investment strategy in Accounting Firms for Prime. Prime intends to continue to focus its attention on two key areas: its own integrated advice strategy across Accounting & Business Advisory, Wealth Management (including SMSF) and Capital in Melbourne, Sydney and Brisbane, as well as, supporting its Joint Venture partners (30+) in Wealth Management (including SMSF) and Capital.

**About Prime Financial Group**

Prime is an Integrated Accounting, Wealth Management and Capital Advisory firm that operates a direct client advice model and a partnership model with Accounting and Advisory firms. Prime's goal is for clients to receive complete Accounting, Wealth Management and Capital Advice.

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