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The Manager
Market Announcements Office
Australian Securities Exchange
Level 5, 20 Bridge Street
SYDNEY NSW 2000
By electronic lodgement

COMPANY UPDATE

Highlights

- Planned Acquisition of Financial Planning Company \$12M funds under management and fast growing
- Existing management remain with the company
- Expands BIR product suite and introduces new clients to Pulse Markets ECM operations.
- Acquisition price \$400,000 and 14,000,000 BIR shares

BIR Financial Limited (ASX:BIR) (**BIR** or **Company**) is pleased to announce that it has negotiated terms to acquire Capital Financial Planning WA Pty Ltd (AFSL #523344) ABN 26 113 391 334 (**CFP**).

The acquisition will reinitiate BIRs retail operations presence in the financial services market.

The impact of this acquisition will result in reduced divisional compliance costs as BIR will enjoy the benefits of economies of scale with one compliance team across the existing wholesale and the new retail division.

The reduced costs will enable BIR to provide a more attractive offer to wholesale Corporate Authorised Representatives whilst also providing the existing resources of the Company's wholly owned subsidiary Pulse Markets Pty Ltd (**PM**).

The team involved with CFP has raised over \$50M in funds under management (**FUM**) to date this year of which \$12M is managed by CFP.

The acquisition of CFP results in BIR adding the experience of a fast developing and dynamic team while they are still in the early stages of their next growth phase.

CFP comes complete with a solid foundation of \$12M FUM which alleviates any overheads and allows the team to focus on development and the future growth of the business. Expansion of the team will be facilitated by experienced individuals who have a strong track record in scaling financial services companies.

The leadership team have more than 20 years combined retail financial service experience and have agreed to continue to build the retail financial planning business under the BIR diversified financial umbrella.

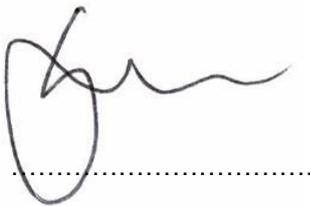
CFP will form a separate business unit under BIR. While developing its retail financial planning business, the CFP team will also assist in Equity Capital Markets generation for the PM wholesale business with its existing and expanding data base.

Compensation of key team members will be through small retainers plus performance driven bonuses. This will represent no drain on current BIR cash flow whilst adding to the overall profit of BIR.

The purchase price will be \$400,000 in cash and 14,000,000 BIR shares. The acquisition is conditional on the finalisation of due diligence enquiries by BIR, finalisation of the transaction documents, BIR raising further finance and all necessary shareholder and regulatory approvals.

BIR is also in the process of negotiating the acquisition of a marketing services organisation with an existing large client database. The objective of this acquisition will be to introduce new business to the group given its expanding operational capability.

Authorised for release by the board of BIR Financial Limited



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Greg Starr
Company Secretary
BIR Financial Limited