Findlay Securities Limited

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MARKET ANNOUNCEMENT

5th May 2008

Findlay Securities Limited

Earnings and Balance Sheet Update

Findlay Securities has improved its balance sheet with the completion of a 15% capital raising at 10 cents per share, raising $848,000 and the consolidation and reduction of client debts. Client debts of approximately $6.8 million owed by two listed companies have been secured by deed and a repayment schedule and reduced to $1.9 million. The balance is expected to be eliminated by no later than the end of September this year. A further $1.7 million is owed by a substantial media company, which is close to final settlement. A further $1.4 million is owed by a group of clients and is proceeding to litigation. All these debts are supported by personal guarantees of the dealers involved. Your directors regard the chance of full recovery of all of these debts as high and currently see no reason for a provision to be made.

Commission levels for the month of April are running at some 30.87% below the month of October 07. Corporate business has turned up with Sponsoring Broker/Manager roles for the Adventure Learning and Iron Road IPOs and The CircleCom underwritten rights issue. Another Underwritten rights issue and an IPO are in train. The Fairstar takeover of Golden West continues without a resolution to date.

Ivor Findlay
Director