



## **CERVUS OBTAINS APPROVAL AND VESTING ORDER**

TORONTO, June 16, 2006 – Cervus Financial Group Inc. (“Cervus” or the “Company”), (CFG:TSX), announced that yesterday it obtained an Approval and Vesting Order from the Superior Court of Justice (Ontario) under the *Companies Creditor Arrangement Act* (“CCAA”). As previously disclosed, the Company filed for protection under the CCAA on June 8, 2006 and entered into an agreement (the “Agreement”) with a wholly-owned subsidiary of Macquarie Bank Limited (“Macquarie Bank”) whereby Macquarie Bank will acquire the business of Cervus. Macquarie has established a first priority \$4 million debtor-in-possession operating facility with the operating subsidiary of the Company, Cervus Financial Corp. A \$5 million letter of credit was previously provided by Macquarie to the Company’s bank to support its warehouse credit facility and other banking arrangements.

The Agreement provides for the transfer of certain assets from the Company to its wholly-owned subsidiary, Cervus Financial Corp., and then the sale of all of the shares of Cervus Financial Corp. to Macquarie Bank for aggregate cash consideration of \$12,500,000, subject to certain purchase price adjustments including a reduction for all amounts owing under the DIP Financing on the closing date. Both the Company and Macquarie intend to complete the sale as soon as practicable after all conditions have been satisfied.

A copy of the Approval and Vesting Order, supporting affidavits and the Monitor’s report are available on [www.kpmg.ca/cervus](http://www.kpmg.ca/cervus).

After the completion of the transaction, the Company intends to change its name to “CFG Holdings Inc.”. The shares of the Company have been suspended for trading by the Toronto Stock Exchange indefinitely because the Company does not meet its continued listing requirements. After payment of known unsecured creditor claims against the Company (creditor claims against Cervus Financial Corp. continuing uncompromised), the estimated distribution to shareholders is between \$0.00 and \$0.10 per share. However, this amount may vary significantly due to the use of the proposed operating facility, delays in completing the transaction, resolution of creditors' claims and the fees and costs of completing the proposed sale to Macquarie Bank and the completion of the CCAA process.

### **About Macquarie Bank**

Macquarie Bank is a diversified international financial services organization, listed on the Australian Stock Exchange (ASX:MBL) and headquartered in Sydney, Australia. Macquarie Bank’s market capitalization is approximately \$A15 billion, with total assets under management of \$A140 billion (at March 31, 2006). Macquarie Bank is rated P1/A2 by Moody’s Investors Services and A1/A by Standard & Poor’s and employs almost 8,300 people in 26 countries.

### **About Cervus**

Cervus Financial Group Inc. is a Canadian financial services company created as an industry initiative with leading mortgage broker companies and fixed income investment banks to become a high-yield residential mortgage producer.

Cervus works on the basis of a “*Customer for Life*” model, where the borrower is the client of the mortgage broker and Cervus is effectively the “Back Office – Servicer” between borrowers and investors. Cervus is focused on funding and servicing insurable conventional and high ratio insured residential mortgages originated through mortgage brokers. Cervus is currently licensed under Ontario, Quebec, British Columbia and Alberta mortgage broker/lender legislation and is seeking similar regulatory approvals in other Canadian Provinces as required. Cervus’ head office and Ontario operations centre is located in Toronto, with additional sales offices in Vancouver, Calgary and in Montreal. Cervus Financial Group Inc. conducts all lending operations through its wholly-owned subsidiary, Cervus Financial Corp.



### **Forward-looking (safe harbour) statement**

Statements made in this news release that relate to future plans, events or performances are forward-looking statements. Any statement containing words such as “believes,” “plans,” “expects” or “intends” and other statements which are not historical facts contained in this release are forward-looking, and these statements involve risks and uncertainties and are based on current expectations. Consequently, actual results could differ materially from the expectations expressed in these forward-looking statements.

Additional information about Cervus is available on SEDAR ([www.sedar.com](http://www.sedar.com)).

The TSX does not accept responsibility for the adequacy or accuracy of this release.

For further information, please contact:

Cervus Financial Group Inc.  
Peter Williams  
Chief Executive Officer  
416-861-1315 ext 275  
[pwilliams@cervus.com](mailto:pwilliams@cervus.com)