



## LISTED DEBENTURE STOCK PROSPECTUS NUMBER 9

ANGAS SECURITIES LIMITED ABN 50 091 942 728 AFS Lic No 232 479



## IMPORTANT NOTICE

This Prospectus is issued by Angas. It is dated 9th October 2008 which is the date on which it was lodged with ASIC. A number of words and terms used in this Prospectus have defined meanings. These appear in the Glossary on page 32 of this Prospectus. No Debentures may be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus. However, the Directors reserve the right to close the Prospectus at an earlier date. Investments will only be accepted on the Application Form attached to this Prospectus.

ASIC and its officers take no responsibility as to the contents of this Prospectus. Angas is not authorised under the Banking Act 1959 and the depositor protection provisions of that Act will not cover any investment in the debentures issued by the Company. The Australian Prudential Regulation Authority does not supervise Angas and debenture investments are not bank accounts. There is a risk that an investor in debentures issued by Angas may lose the whole or part of that investment.

The Trustee takes no responsibility for this Prospectus and has not authorised or caused its issue. The Trustee makes no representation or warranty concerning the truth or accuracy of the contents of this Prospectus. The Trustee does not make any representation or warranty regarding, or accept any responsibility for any statements in or omissions in or from any part of this Prospectus. Neither the Trustee nor any member of the Trust Group makes any representation as to the performance of the Debentures, the maintenance of capital, or any particular rate of return.

Application has been made for listing the debentures offered by this Prospectus on NSXA. The fact that NSXA may list the debentures is not to be taken in any way as an indication of the merits of Angas or the listed debentures.

NSXA takes no responsibility for the contents of this Prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this Prospectus.

The information in this Prospectus has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). Before deciding to invest in the Debentures, potential investors should read the entire Prospectus and should consider the risk factors that could affect the financial performance of Angas including the risk of loss of principal. Investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues). Investors should seek professional advice from an accountant, lawyer or licensed financial product adviser before deciding whether to invest.

Angas does not give financial product advice nor is it licensed to do so. No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by Angas in connection with the Offer.

The Offer contained in this Prospectus is made to Australian residents only. No action has been taken to register or qualify the Debentures or the Offer, or otherwise to permit a public offering of the Debentures, in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions.



### COVER IMAGE

George French ANGAS

Britain/Australia, 1822 - 1886

The City of Adelaide from Mr. Wilson's Section on the Torrens, June 1845.

1845, Adelaide

Watercolour on paper 25.4 x 32.8 cm

Gift of Miss E.M. Johnson 1972

Art Gallery of South Australia, Adelaide

# LISTED DEBENTURE STOCK

## PROSPECTUS NUMBER 9

PROSPECTUS FOR THE OFFER OF  
250 MILLION FIRST RANKING DEBENTURES  
AT AN ISSUE PRICE OF \$1.00 EACH  
PAYABLE IN FULL ON APPLICATION.

Interest paid Monthly or Reinvested  
Rated B+/Stable/B by Standard & Poor's  
Listed on the National Stock Exchange

INVESTOR SERVICE LINE 1800 827 143



## **DIRECTORS**

Andrew Luckhurst-Smith  
Matthew Hower  
Kimley Lyons  
Paul McCarthy

## **COMPANY SECRETARY**

Patricia Harkins-Burr

## **REGISTERED OFFICE**

Level 14, Angas Securities House  
26 Flinders Street  
Adelaide SA 5000

## **AUDITOR**

Deloitte Touche Tohmatsu  
Level 17, 11 Waymouth Street  
Adelaide SA 5000

## **RATING**

Standard & Poor's Rating Services  
Level 41, 120 Collins Street  
Melbourne VIC 3000

## **TRUSTEE**

Permanent Nominees (Aust.) Limited  
35 Clarence Street  
Sydney NSW 2000

## **STOCK EXCHANGE**

National Stock Exchange of Australia  
410 Collins Street  
Melbourne VIC 3000

## **DISPUTE RESOLUTION**

Financial Ombudsman Service  
GPO Box 3  
Melbourne VIC 3001

## **INVESTOR SERVICE LINE**

1800 827 143

## **WEBSITE**

[www.angassecurities.com](http://www.angassecurities.com)

## **ADELAIDE**

Level 14, 26 Flinders Street  
Adelaide SA 5000  
GPO Box 2948  
Adelaide SA 5001  
Ph (08) 8410 4343  
Fax (08) 8410 4355

## **PERTH**

338 Hay Street  
Subiaco WA 6008  
PO Box 1602  
Subiaco WA 6904  
Ph (08) 9380 4983  
Fax (08) 9380 4480

## **MELBOURNE**

Level 7, 1 Queens Road  
Melbourne VIC 3004  
GPO Box 7720  
Melbourne VIC 3004  
Ph (03) 9863 8460  
Fax (03) 9863 8463

## **DARWIN**

Level 3, 13 Cavenagh Street  
Darwin NT 0800  
GPO Box 4  
Darwin NT 0801  
Ph (08) 8942 2404  
Fax (08) 8942 2808

## **BRISBANE**

Level 2, 50 Marine Parade  
Southport QLD 4215  
PO Box 3377  
Southport QLD 4215  
Ph (07) 5539 7813  
Fax (07) 5539 7810



#### BOARD OF DIRECTORS

Standing: Matthew Hower. Seated: Kimley Lyons, Andrew Luckhurst-Smith and Paul McCarthy.

Angas specialises in fixed interest debentures and offer a reliable investment that is fully secured. Interest is paid at a fixed rate for the term of the investment. There are no entry or exit fees. Angas has a highly competent Board of Directors with broad experience in law, banking, finance and funds management.

The debenture funds are invested in fully secured first mortgage loans and other approved investments.

Lending by Angas:

- comprises a balanced spread of first mortgage loans;
- applies prudent credit criteria designed to maximise return and minimise risk; and
- adopts a focus on premium assets with particular emphasis on core markets where the offices of Angas are located.

Investor protection is of paramount importance to Angas which subscribes to rigorous lending and investment policies and to the highest standards of ethical behaviour and corporate governance. These financial statements are the subject of an annual audit and half year review by Deloitte Touche Tohmatsu. Corporate compliance is one of the strengths of Angas.

Angas holds AFS Licence No 232 479 issued by ASIC. The licence is to deal in a financial product being the issue of debentures. Angas debentures issued pursuant to this Prospectus are listed on NSXA.

This Prospectus contains information about the business and financial affairs of Angas, together with the details of the debenture issue. The issue of debenture stock is a well established financial method of funds investment.

The purpose of the debenture issue is to raise funds principally for investment by the Company in a range of quality first registered mortgage securities as well as for other approved investments including real property.

## INVESTING IN LISTED DEBENTURES PROVIDES RELIABLE INCOME WITH FIXED RATES OF RETURN.

The Debentures are secured by a charge to the Trustee over the mortgages and other assets of the Company. This is a first ranking charge which provides security to the Trustee for repayment of debentures. The Trustee holds that security for the benefit of debenture holders. All mortgages are carefully selected by Angas according to the prudent lending criteria detailed in this Prospectus. All real property must be valued by independent licensed valuers appointed by Angas before any loan is made. All loan investments are backed by a pool of first mortgages and chattel securities which meet all of the loan criteria. Angas is an asset based lender and places very strong emphasis upon the real estate security for each loan advance.

# KEY FEATURES OF THE ISSUE

## ISSUER

Angas Securities Limited ABN 50 091 942 728.

## SECURITY

Repayment of all investments and accrued interest is secured by a first ranking floating charge over the whole of the assets and undertaking of Angas. This includes the mortgages held and other approved investments made by Angas.

## TRUST DEED

The Debentures are issued pursuant to a Trust Deed which provides for the issue of debt securities comprising debentures. Investors are entitled to the benefit of and have notice of the provisions of the Trust Deed. Details of some of these provisions are set out in this Prospectus.

## TRUSTEE

Permanent Nominees (Aust.) Limited, a member of the Trust Group of Companies, is trustee of the trust established by the Trust Deed. Trust Company Limited is the parent company of the Trust Group of Companies. It is a listed public company and is one of Australia's largest corporate trustees to cash, equity, property and debenture trusts. Neither has been involved in preparation of this Prospectus or is responsible for any statements in this Prospectus. The Trustee holds on trust:

- the benefit of the Trust Deed for the Debentureholders;
- the charge securing repayment of the Debentures;
- all other monies payable from time to time to or at the direction of the Trustee.

## MAXIMUM CAPITAL RAISING

\$250 million

## SECURITIES TO BE ISSUED

Debentures

## APPLICATIONS

Can only be made on the Application Form contained in this Prospectus.

Minimum Application:	\$10,000
Maximum Application:	\$5 million unless otherwise permitted by the Board

## INTEREST RATE

The interest rate is fixed for the term of the Debenture and is specified on the Debenture Confirmation as the Coupon Rate. Details of the Issue Rate can be obtained by contacting Angas.

## PAYMENT OF DEBENTURE INTEREST

Interest is paid at the end of month in arrears (as adjusted by reference to the date of investment and redemption). Interest is paid by direct credit to the investor's bank account. Alternatively investors may elect to reinvest monthly interest to maturity of the debenture term at the reinvestment rate.

## REINVESTMENT OF INTEREST

Rather than receive interest monthly, investors may elect to reinvest the interest with Angas each month. Reinvested interest is held in a separate account and will accrue interest on the balance of the account. Rates of interest on reinvestment accounts may vary from time to time as published by Angas. The rules for allocation of reinvested interest applicable to debentures traded on NSXA are set out in this Prospectus.

## INVESTMENT TERMS

Debentures will be issued for 1 or 3 years. The term is nominated by the investor but must be approved by Angas. All debentures will terminate on the last day of the calendar month corresponding to the start of the investment.

## ENTRY FEES

There are no entry fees deducted from funds when invested.

## EXIT FEES

There are no exit fees deducted from funds which remain invested for the full term of the Debenture. However, a fee will apply to an early redemption approved by Angas.

## FEES AND CHARGES

Interest rates quoted are net to investors. No management fees are charged. Fees will apply to transfers or early redemption of debentures (if approved).

## MATURITY

The Company will notify investors approximately one month prior to maturity. Investors may choose to redeem their investment or have their funds re-invested at maturity.

## APPLICATION OF ISSUE PROCEEDS

The proceeds of this debenture issue will primarily be invested in a range of first mortgages and property holdings with the balance of the funds being held in bank deposits or other approved investments as more fully set out in the Trust Deed. Angas cannot depart from the investment criteria set out in this Prospectus.

## DEBENTURES TO BE LISTED

Angas will apply each month to list the Debentures for trading of each series on NSXA. Certain rules applying to listed debentures are set out in this Prospectus. If the Debentures are not listed for any reason then the Debentures would be subject to certain disclosure requirements of ASIC pertaining to unlisted debentures. Angas would have to lodge a Supplementary Prospectus addressing those matters. A copy of the Supplementary Prospectus would be provided to any debentureholder who had invested in Debentures that were not listed. Angas would permit that investor to redeem that Debenture by giving notice to Angas within one month. Application money and all interest accrued to the date of redemption would be paid.

## CHESS

Angas will apply for the listed debentures to participate in CHESS. Holders of listed debentures will be provided by Angas with details of HIN in the case of a holding on the CHESS sub-register or SRN in the case of a holding on the issuer sponsored sub-register. Investors will be required to quote a HIN or SRN as applicable in all dealings with a stockbroker or the Registry. Details of stockbrokers who trade on NSXA appear on the NSXA website.

## DEBENTURE REGISTRY

Angas will operate the Registry in-house.

## REAL PROPERTY SECURITY

The primary security for any real property loan must be a first registered mortgage over freehold or leasehold property. Additional security is often sought as collateral. Angas will never accept a second or subsequent mortgage as its primary security. As an asset based lender, Angas places primary reliance on the real property security that is held. Angas may accept pre-paid interest for the term of any loan.

## MAXIMUM LENDING RATIOS

First mortgage advances do not exceed maximum Loan to Valuation Ratios as follows:

Residential Land	70%
Industrial Land	70%
Commercial Land	70%
Rural Land	50%

Construction or Development up to 70% of the "as is" value of the development.

## VALUATION

Angas obtains a current valuation from a licensed valuer to determine the maximum loan amount to be advanced. Where appropriate, a report from a quantity surveyor may be obtained (under instructions from Angas).

## MORTGAGE INTEREST RATE POLICY

All loans are advanced by Angas to borrowers on a fixed term, fixed interest rate basis.

## NO RELATED PARTY LOANS

Angas does not lend to related parties and is precluded from doing so by the Trust Deed.

## PORTFOLIO BALANCE

A maximum single loan transaction will not exceed 10% of the total debenture funds. Angas may make more than one advance to a borrower or to parties related to a borrower and these will not constitute a single transaction for the purpose of the 10% limitation unless all of the supporting security that is held is precisely the same for the multiple advances.

## CONSTRUCTION LOANS

Construction loans require additional security comprising:

- deed of assignment of contractual rights in the project from the borrower;
- side deed with the builder for performance of the project;
- directors' guarantee.

Construction loans will comprise no more than 5% of the loan book. Construction or development loans are funded up to 70% of the "as is" value of the development. The loan amounts may increase as construction carried out leads to an increase in the value of the property.

## MORTGAGE TERM

In general, loans will not exceed one year but up to 20% of the loan book may be for loans of longer duration but for terms not exceeding three years.

## EQUIPMENT FINANCE

Angas may lend up to 10% of the total debenture funds on secure equipment finance transactions including commercial hire purchase and leasing.

## LIQUIDITY RESERVE

Angas must retain a Liquidity Reserve which comprises 5% of all debenture funds to be held in cash.

# INVESTMENT OF THE ISSUE PROCEEDS

The proceeds from the issue of debentures will be invested in accordance with the Trust Deed entered into between Angas and the Trustee. Angas will maintain its principal business being the provision of loan finance supported by the security of registered first mortgages over real property. Angas must maintain a minimum Liquidity Reserve of 5% in cash. This means that an amount equivalent to at least 5% of all funds raised pursuant to the debenture issue will be held in cash.

Subject to maintaining the Liquidity Reserve, Angas may invest funds raised by the debenture issue in those investments permitted by the Trust Deed. Permitted investments are:

1. First mortgage loans that meet the lending criteria disclosed in this Prospectus.
2. Investment in real property (up to a maximum of 10% of debenture funds).
3. Monies on deposit with, or invested in, one or more of the following:
  - An Australian bank, or ADI or a subsidiary of same;
  - A Public Authority;
  - Securities, promissory notes and bills of exchange which have a ready market;
  - A cash management trust;
  - A cash common fund within the meaning of the Trustee Companies Act (SA) 1988 or equivalent legislation.
4. Securities which have a credit rating issued by Standard & Poor's and its affiliates of "AA" or higher for long term securities or "A1+" or higher for short term securities, or an equivalent rating issued by another ratings agency.
5. Bonds, stocks or other securities issued by or guaranteed by the Government of the Commonwealth or of a State or Territory or a local government authority.
6. Secure equipment finance transactions (up to a maximum of 10% of debenture funds).

## COMMERCIAL LENDING OPERATIONS

Angas carries on business as a first mortgage lender. The primary security for any real property loan must be a first registered mortgage over freehold or leasehold property. Second or subsequent mortgages will never be accepted as prime security. Borrowers who take out secured loans from Angas are often those who do not deal with traditional lenders such as banks or who may not meet the lending criteria of such lenders. Business proprietors, self employed or investors in property which does not generate income are amongst the class of typical borrowers from Angas. Credit impairment will not necessarily be an impediment to Angas making a loan.

Angas has the resources, expertise and lending criteria to deal with such borrowers.

Some of the features of the lending business conducted by Angas are:

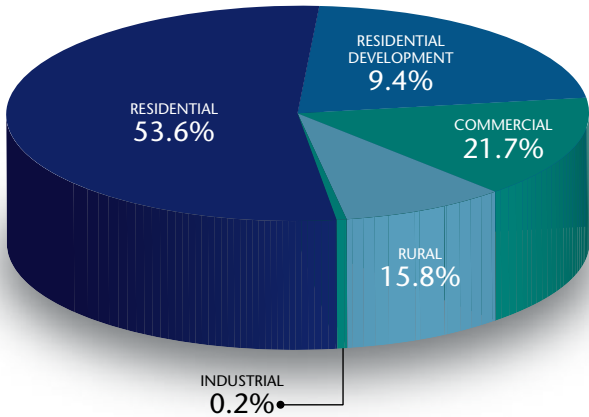
- As an asset based lender, Angas places primary reliance on the first mortgage security that is held. Angas can and does realise such security to obtain recovery of loan advances. This is done by Angas acting as mortgagee exercising power of sale.
- There are limits on the loan sums advanced known as the maximum LVRs. Details of the LVR spreads for the Angas loan book for 30 months up to 30 June 2008, are set out on the next page.
- Other credit support may be sometimes held by Angas in the form of collateral mortgages, guarantees and company charges. Such additional credit support is determined on a loan by loan basis.
- Loans are typically advanced for shorter periods than traditional lenders and loan terms are generally for one year and never for longer than three years. Details of the spreads of active loans for the Angas loan book since 2003 are set out on the next page.
- The nature of borrowers who obtain loans from Angas and the short terms for which loans are advanced can lead to loan defaults at a higher rate than those of traditional lenders. The occurrence and management of such defaults are an ordinary part of the lending business carried on by Angas.
- Loan defaults include failure by the borrower to pay interest when due, failure to repay the loan when the term expires or breach of loan covenants. Such defaults can lead to losses of loan principal or interest.
- Construction loans are limited to no more than five per cent of the Angas loan book. Angas may lend up to ten per cent of total debenture funds on secure equipment financing transactions.

The assessment of mortgage loan applications by Angas involves consideration of the real property that Angas will take as prime security together with any collateral security and an assessment of the credit worthiness of the borrower and any other transacting parties to the loan. Angas obtains current valuations, credit reference reports, undertakes general reference checking, reviews financial statements and assesses the impact of any other borrowings. This analysis is undertaken to determine the likelihood of recovering the loan advance that is to be made. The outcome of such analysis will determine whether or not Angas will make a loan at all, the amount of any such loan in terms of the maximum LVR, the length of the loan term and the necessary credit support such as collateral security of mortgage insurance. Associated with this analysis is a process of identity verification undertaken by Angas in accordance with statutory requirements.

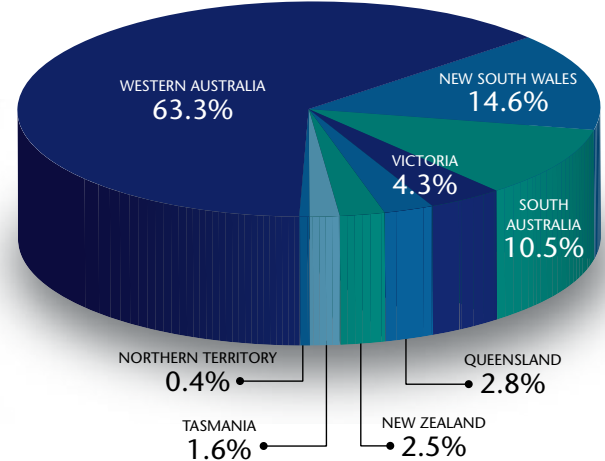
Another important risk mitigant of Angas commercial lending operations is for loan terms to generally co-incide with debenture investment terms. This is important for maintaining liquidity. In general, loans will not exceed 1 year for the initial term but may be extended subject to formal Credit Committee approval. Even if loans expire

and formal action is required, Angas will generally be able to recover the outstanding balance within a further period that conforms to the 1 and 3 year investment cycle of the Debenture terms. The chart below left sets out the actual period that commercial loans have been active during the period from 1 July 2003 to 31 August 2008.

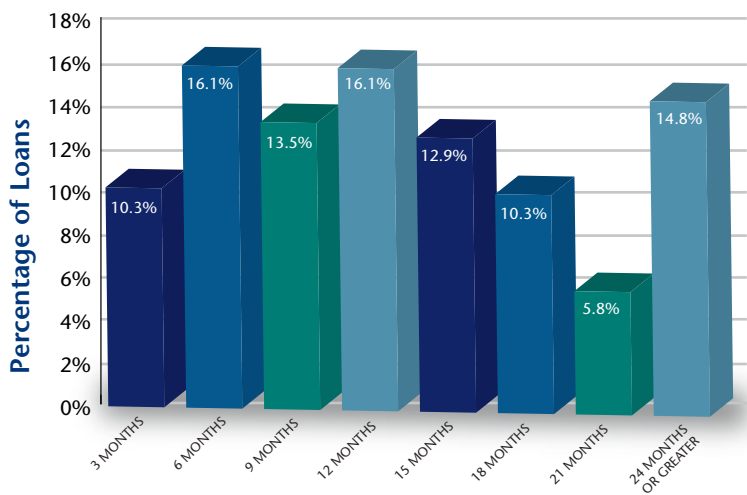
As at 30 June 2008, the loan assets of Angas were invested in the following proportions



As at 30 June 2008, the geographic spread of first mortgage loans



Months Loan is Active



The maximum LVRs applied by Angas are 70% other than rural land for which the maximum LVR is 50%. (As at 30 June 2008 only 15.8% of the Loan Book comprised loans over rural land). The table below sets out the weighted LVRs as at the last day of each calendar month since 1 January 2006. These ratios refer only to prime security held by Angas as first mortgagee and exclude any supporting assets held as collateral security. During 2006 the average of monthly LVRs was 56.33%. During 2007 the average was 58.20%. For the first six months of 2008 the average monthly LVR has been 56.18%.

Month 2006	Weighted LVR	Month 2006	Weighted LVR	Month 2007	Weighted LVR	Month 2007	Weighted LVR	Month 2008	Weighted LVR
Jan-06	58.00%	Jul-06	55.77%	Jan-07	58.06%	Jul-07	57.64%	Jan-08	55.79%
Feb-06	54.90%	Aug-06	56.90%	Feb-07	57.92%	Aug-07	58.17%	Feb-08	56.03%
Mar-06	55.43%	Sep-06	57.18%	Mar-07	58.41%	Sep-07	59.16%	Mar-08	55.86%
Apr-06	56.10%	Oct-06	56.74%	Apr-07	59.30%	Oct-07	58.08%	Apr-08	56.55%
May-06	56.56%	Nov-06	58.05%	May-07	58.70%	Nov-07	58.08%	May-08	56.80%
Jun-06	53.36%	Dec-06	56.97%	Jun-07	58.71%	Dec-07	56.20%	Jun-08	56.04%

## WHOLESALE FUNDING FACILITY – PROPOSED WAREHOUSE TRUST

In order to further develop the property lending business, Angas has obtained approval from an Australian Bank for a wholesale funding facility to be established. The facility is expected to have an initial limit of \$100,000,000. It is to be sourced and operated by means of a Settlement Warehouse Trust which is to be separate and distinct from the debenture funds. The wholesale funding facility will enhance the Angas commercial lending operations by providing diversified funding, flexibility within the lending capabilities of Angas and improved management of capital.

The wholesale funding facility may be used to make new loans or refinance loans already made by Angas. In each case, the loan and related mortgages are to be transferred to the Warehouse Trust and Angas will continue to manage the loans on behalf of the Warehouse Trust. Operationally this means that Angas will originate loans as it does currently. The Warehouse Trust can then acquire certain eligible loans. The Warehouse Trust will be principally funded by the issuance of Class A and Class B notes. The Class A notes are subscribed for by the Australian Bank up to \$100 million and the Class B notes will be subscribed for by Angas. Class B notes will constitute the greater of \$6m and 10% of the principal balance of all loans assigned to the Warehouse Trust.

There is a risk that losses will be incurred through lending activities in the Warehouse Trust. Losses could include balances outstanding and accrued interest and fees. In that event, any losses will be applied against reserve accounts. A reserve account will be initially funded to the minimum required amount by Angas and thereafter topped up by cashflow from the Warehouse Trust's lending activities. The losses are then applied to the Class B notes (until the Class B note level is zero) and then applied to the Class A notes.

To mitigate the risk of any loss, Angas will apply prudent lending practices in line with those already implemented in respect of debenture funds. First, all applications for new loans and any existing loans funded by debentures to be considered for assignment will be assessed by Angas lending staff and will then need to be approved by the Angas Credit Committee. Secondly, only those loans that meet eligible criteria can be funded or assigned by Angas to the Warehouse Trust. Eligibility criteria include inter alia:

- Maximum LVR: Residential Security 70% and Commercial/Industrial Security 70%
- Security: Only First Registered Mortgages over freehold land
- Valuation: Licensed valuations are to be undertaken for each loan and only by valuers approved by the Australian Bank
- Uniform Credit Code: Loans must be for business or investment purposes. No consumer lending will be provided.
- Maximum Loan Size: \$2.5M
- Maximum Obligor Concentration: \$3M
- No related party lending
- No construction lending

All loans to be funded by the wholesale funding facility (but not those funded by debentures) and the rights to cashflows under those loans are to be equitably assigned to the Warehouse Trust. The trustee of the Warehouse Trust will grant the security trustee a deed of charge over the assets of the Warehouse Trust for the benefit of all noteholders. The Notes may be used to repay any losses or operating fees resulting from non-payment of the loans made to borrowers under the facility, but it is not to be available to meet the ordinary cash needs of Angas. If refinanced by Angas, these loans and related mortgages will be transferred back to Angas and form part of the ordinary loan portfolio assets of Angas, and will be managed by Angas in the same manner as loans funded by the issue of debentures.

Finalisation of the establishment of the wholesale funding facility will be subject to consent of the Trustee for debenture holders. Draft documentation for the proposed Warehouse Trust has not been submitted to the Trustee, which has therefore not yet reviewed the proposed facility. The Trustee will need to be satisfied that the proposed facility will not adversely affect the existing first ranking securities in favour of the debentureholders.

## RETAIL LENDING OPERATIONS

On 31 May 2007 Angas purchased from API Home Loans Pty Ltd its retail mortgage management business, which Angas now conducts in its own right under the name "API Home Loans". This is a successful retail lending business which manages a loan book more than \$200 million. Angas acquired the API Home Loans business to diversify its product range and geographical reach, to enhance the ability to deal with competitors, to improve career paths and opportunities for employees and to improve financial returns. API Home Loans has successfully undertaken home loan origination for the last ten years.

Most of the home lending business has been sourced from members of API Leisure and Lifestyle. Traditionally these members were current and former employees of Australia Post and Telstra Corporation. More recently this membership base has expanded nationally to include employees of other corporations. The remaining business is sourced direct from the public via media advertising and the internet. Angas can maintain these referral sources going forward and proposes to increase the profile of the retail lending business.

The current API Home Loans mortgage book is comprised of high quality business with low risk borrowers sourced predominantly from the public sector work force. Going forward, Angas will continue to target the same group but will seek to build stronger interstate connections by use of the Angas offices in several states. Angas has built a strong brand name at the top end of the market for commercial property loans and scope exists to leverage prime lending business via this source. The home loans are funded externally. No debenture funds are applied to the retail lending operations. The role of Angas is that of manager which earns a fee for its service.



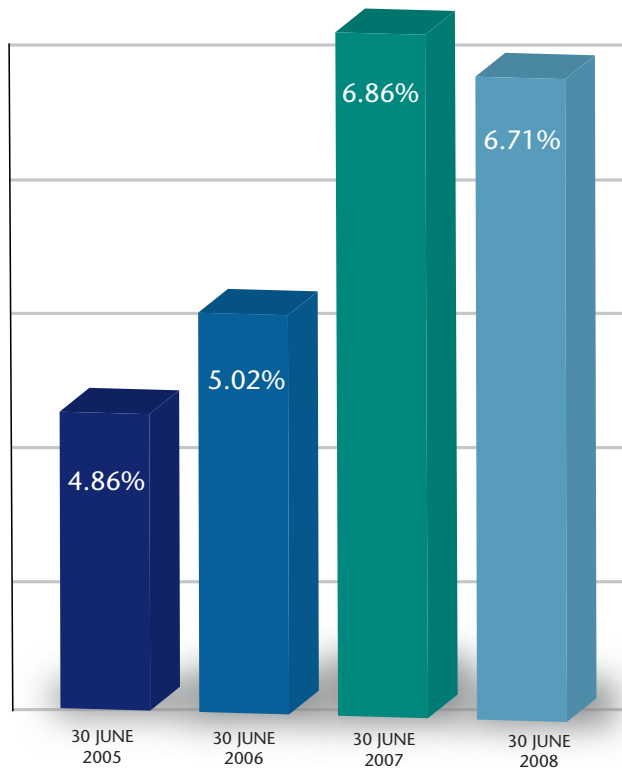
**REAL PROPERTY INVESTMENTS**

Up to ten percent of the proceeds of the debenture issue may be invested by Angas in real property. This is done either direct or by unit investment. The considerations in any property investment are the location of the property, its specific characteristics, the terms of any existing lease covenants, the susceptibility to prolonged vacancy, the ability to enhance the investment performance of the property and determination of the appropriate structure and period for ownership of the property. A property must have strong investment fundamentals such as its location and physical attributes as well as the financial strength of lease covenants. Taxation benefits such as depreciation are a relevant criterion.

In recognition of the cyclical nature of commercial property markets, Angas has regard to the possible impact of marketing timing. This involves either lease terms of sufficient length to carry through cyclical market conditions or properties whose re-letting prospects are considered to be superior. Angas places considerable

importance on an exit strategy. Criteria will include functionality and lettability of the property for alternative tenants or alternative uses, the underlying value of the land, the likelihood and potential magnitude of capital expenditure requirements and the fundamental characteristics which will influence specific sector demand. The chart sets out the proportion of debenture funds that have been invested in real property by Angas from time to time.

All current property investments are held in Angas Commercial Property Trust. The portfolio comprises three well located commercial properties which are fully let to single tenants with strong lease covenants including fixed rent increases. The tenants of the existing portfolio are Officeworks Superstores Pty Ltd, Priestley's Gourmet Foods Pty Ltd and Simon George & Son Pty Ltd. The graph on this page shows the percentage of debenture funds invested by Angas in commercial property. The Trust Deed imposes a maximum limit of 10% of debenture funds being invested in real property.



As of 30th June 2005	As of 30th June 2006	As of 30th June 2007	As of 30th June 2008
\$ 4,492,659	\$ 6,050,000	\$ 9,075,000	\$ 8,000,000
4.86%	5.02%	6.86%	6.71%



## MANAGEMENT OF THE INVESTMENT RISKS

Investors should read this Prospectus carefully and determine whether this investment is suited to their own circumstances and objectives. Investments in fixed interest debentures entail a degree of risk and are suitable for investors who fully understand the investment risk. There is no obligation on debentureholders to pay more than their original investment. If Angas is ever wound up or becomes insolvent then the debenture-holders will be under no liability to pay any money to any person.

The Board determines the tolerance for risk of Angas, after taking into account the strategic objectives and other factors including investor expectations, financial and capital requirements, the legal structure of Angas as per the Trust Deed and its experience or demonstrated capacity in managing risks. The Board is responsible for ensuring material risks facing Angas have been identified and that the appropriate and adequate control monitoring and reporting mechanisms are in place. Management is required to analyse the business risk in the context of board expectations, specific business objectives and risk tolerance. ARMCO has responsibility and authority for the implementation of the risk management policy of Angas.

The principles which underlie the risk management method followed by Angas are:

- Hands-on management by a board with complementary skills, where each member is proficient in designated responsibilities and portfolios;
- An appropriate management structure composed of experienced personnel with appropriate skills;
- Support being provided to management by way of extra resources sought from external consultants, to enable a strict focus on the core business of Angas to be maintained;
- Minimisation of financial risk through a sound balance sheet and appropriate operating controls;
- Sound understanding of the legal and compliance environment in which Angas operates.

Angas takes account of portfolio balance in analysing a loan application. As such, a loan which might otherwise meet the lending criteria of Angas may be rejected if this would make the portfolio unbalanced in a particular category or geographical area.

Angas minimises its lending risk by:

- investing in registered first mortgages and equipment finance;
- maintaining a spread of mortgage investments with conservative lending margins;
- making no loans to related parties;
- applying proven and prudent mortgage selection criteria;
- ensuring that every security property is valued by an independent licensed valuer prior to any loan being advanced;
- obtaining valuations of property on an 'as is' basis. Valuations of property 'as complete' are not acceptable;
- requiring building insurance (at replacement cost) to be provided by certificate of currency from an approved insurer, noting the Company's interest as lender on each policy;
- weighting its portfolio to take account of geographic and investment balance;
- maintaining a Liquidity Reserve in accordance with the Trust Deed;
- lending to borrowers for short terms of generally 12 months or less.

Angas has previously held mortgage indemnity insurance cover over certain loans with characteristics as to size LVR and location that met the disclosed policy terms. The period of the insurance has expired and Angas has declined to renew cover on the new terms that have been offered. Apart from 3 loans still insured under the previous policy, there will be no mortgage indemnity insurance unless Angas can negotiate suitable terms.

# CORPORATE GOVERNANCE

## THE BOARD OF DIRECTORS

Angas has a board comprising directors whose details are set out in this Prospectus. The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the scope of activities of Angas, intellectual ability to contribute to the Board's duties and physical ability to undertake the Board's duties and responsibilities. The Board is committed to a policy of upholding the highest standards of ethical behaviour throughout the company. Angas has adopted a Code of Conduct issued by the Australian Institute of Company Directors.

## ROLE OF THE BOARD

The Board is responsible for the overall corporate governance of Angas including its strategic direction, establishing goals for management and monitoring the achievement of these goals. Management of the business of Angas on a day to day basis is delegated by the Board to the Managing Director. The Managing Director is responsible for managing within corporate governance framework established by the Board.

## INDEPENDENT PROFESSIONAL ADVICE

The Board has determined that individual directors have the right, in connection with their duties and responsibilities as directors, to seek independent professional advice at the expense of Angas. With the exception of expenses for legal advice in relation to the director's rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman. This approval will not be withheld unreasonably.

## INDEMNIFICATION OF DIRECTORS

Angas has entered into a Deed with each director indemnifying such director out of the funds of the Company against liability to a third party incurred as a director unless the liability:

- Arises out of conduct involving lack of good faith
- Arises from the commission of a criminal offence
- Comprises a pecuniary penalty or compensation order under the Corporations Act, or is a pecuniary penalty for a breach of the restrictive practice provisions of the Trade Practices Act.

## DEALINGS BY DIRECTORS IN COMPANY SECURITIES

Directors and related parties are not entitled to subscribe for debentures or other securities in Angas at a coupon rate above that available to other investors or otherwise on terms which are uncommercial or which confer an improper financial advantage. Directors and related parties are

forbidden from creating a false market in the securities of Angas. No director may pledge any shares owned in Angas as security for a loan without the prior consent of the Board.

## CONTINUOUS DISCLOSURE

Angas has written policies and procedures concerning continuous disclosure of any information in accordance with NSXA Listing Rules. Investors are given updates and direct communication from time to time by means of regular newsletters and up-dating of the Angas website.

## EXTERNAL OVERVIEW

An external consultant has been appointed as an independent member of ARMCO. Nicholas Corbett has held that external role since November 2006.

Angas has appointed Deloitte Touche Tohmatsu to be the independent auditor. Deloitte has held this role since May 2000.

## CONTINUOUS REVIEW OF CORPORATE GOVERNANCE

Directors consider on an ongoing basis how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of Angas. Such information must be sufficient to enable the Directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The Directors recognise that operational strategies adopted by the Board should be directed towards improving or maintaining the net worth of Angas. As the activities of Angas develop in size, nature and scope, the size of the Board and the implementation of a formal corporate governance committee will be given further consideration.

## COMPLIANCE ARRANGEMENTS

Angas has appointed ARMCO with responsibilities which include oversight and supervision of compliance arrangements. These provide a structured and systematic process whereby Angas is able to comply with all its regulatory obligations under the Corporations Act and the AFS Licence. The arrangements provide investors with the confidence that the procedures and practices in place ensure that the services of Angas are provided in a fair, honest and efficient manner to protect their interests.

Angas conducts its business in a manner that will enhance the ability to generate value for investors and other stakeholders. The management of risk is a continual process and an integral part of the business management, corporate governance and compliance arrangements. The approach of Angas is to define opportunities and avoid loss. At all times, Angas strives to ensure that the compliance regime and risk management strategy contribute to its corporate goals and objectives.

# DEBENTURE ISSUE INFORMATION

## APPLICATIONS AND ALLOCATION

Application for investment in Debentures must be made on the Application Form accompanying this Prospectus. Accompanying payment must be made by cheque or electronic funds transfer. Angas will not accept investments made in cash. Angas will issue Debentures as applications are received and will issue a Debenture Confirmation for each accepted application within 28 days of receiving it. This confirmation is an acknowledgment of the indebtedness of Angas to the investor for the amount invested. The Debenture Confirmation will record the Coupon Rate and Term of the investment. No Debenture Certificates will be issued to investors. Angas reserves the right at any time during the offer period to not accept any application that has been received.

## MINIMUM AND MAXIMUM APPLICATIONS

Unless otherwise approved by the Board:

- The minimum application amount is \$10,000; and
  - The maximum application amount is \$5,000,000.
- Investments are to be made in whole multiples of \$1,000 subject to any investment being within the minimum and maximum guidelines.

## INVESTMENT TERMS

Debentures will be issued for either 1 year or 3 year terms. All debentures will terminate on the last day of the month relevant to the nominated term being the unexpired days in the month of investment plus the nominated term. By way of example, a 1 year investment made on 20 May 2009 will expire on 31 May 2010. A 3 year investment made on the same day will expire on 31 May 2012.

## JOINT APPLICATIONS OR INCORPORATED BODIES

Investments made by organisations or jointly by two or more persons will be accepted. Angas will upon request issue an Authority to Act to permit a specified person to act on behalf of the organisation or joint investor to do acts including:

- to instruct Angas to amend bank account details for the payment of interest
- to instruct Angas to amend contact, mailing, business and residential address details
- to make the investment by signing a cheque on behalf of the Investor made payable to Angas
- to instruct Angas to redeem part or all of the investment
- to instruct Angas to rollover the investment (whether for the original amount or an increased amount) on such terms as Angas may offer.
- to request and receive from time to time information from Angas in relation to the investment.
- to give Angas the Privacy Consent that may be required.

## TRANSFERS

Debentures may be traded on NSXA but may not otherwise be transferred without the consent of Angas which may be given or withheld in the absolute discretion of Angas. In the event of such consent being granted and upon the payment of the transfer fee set by Angas, these transfers must be registered with Angas and recorded on CHESS. Transfers must be for the total amount of the debenture stock held by the investor.

## RANKING

All Debentures issued rank equally in priority of security and in proportion to their face value. The date or length of investment does not affect the ranking.

## DIRECT PAYMENT TO INVESTOR BANK ACCOUNT

Angas pays interest and repays principal by direct credit to the bank account nominated by the investor. It is a requirement of this investment that a bank account is nominated for the payment of debenture interest. No cheques will ordinarily be drawn by Angas to an investor. An Application will not be accepted by Angas from any investor who does not nominate a bank account for this purpose.

## TAXATION

Interest paid to an investor by Angas will form part of the assessable income of that investor in the year in which it is paid. Interest which is re-invested will be treated for taxation purposes as interest payments.

The taxation consequences of investing in this issue will differ depending on the personal circumstances of the investor. Investors should seek their own professional advice as to the taxation consequences of their investments in this issue. Non-resident investors will have withholding tax deducted from interest distributions.

On the basis of current legislation, there is no GST imposed on interest distributions. Interest entitlements that are re-invested are treated as interest payments for taxation purposes. This means that all taxable income that an investor becomes entitled to in a financial year (including re-invested amounts) will form part of that investor's assessable income, even though receipt of the actual interest may not occur until some time later.

## SOCIAL SECURITY BENEFITS

An investment in this debenture issue may affect an investor's entitlement to a social security benefit. Intending investors are encouraged to consult a financial advisor or Centrelink for further details.

## TAX FILE NUMBERS OR EXEMPTIONS

Angas will accept applications which do not specify the TFN of the applicant but Angas must deduct withholding tax from interest distributions unless a valid TFN exemption reason is quoted. In the case of joint investors then the TFN or exemption status of both investors must be quoted to avoid tax being withheld from the interest payments. Intending investors who are unsure whether a TFN exemption is available should seek advice or contact the Australian Taxation Office. The collection of TFNs by Angas is authorised and use and disclosure is strictly regulated.

## INTEREST RATE

The interest rate applying to the principal invested will be the rate applicable at the date on which Angas accepts the application. Investors should confirm the current interest rate with Angas prior to completing the Application. The interest rate is fixed for the full term of the Debenture once an Application has been accepted.

Angas reserves the right during the currency of this Prospectus to increase or decrease all or any of the rates of interest prior to an Application being accepted. Any variation of interest rates will apply only to Debentures issued in respect of applications accepted on or after the date of such variation. Where Angas receives an Application selecting an interest rate or repayment term that is not current, Angas will either:

1. Refund the application money to the applicant; or
2. Issue Debentures at the then current interest rate or term and give the investor a notice that clearly explains the investor's rights under section 725A of the Corporations Act 2001 as stated in Class Order 174 (CO 00/174). Such notice will include the right to cancel the investment by written notification, which must be received by Angas within one month after Angas notifies the investor of the alternatives available; or
3. Not issue the Debenture but give the investor the Notice referred to in section 725A of the Corporations Act 2001 as stated in Class Order 174 (CO 00/174), which clearly explains the error and gives the investor one month to withdraw the Application and be re-paid the amount tendered.

## ISSUE RATE & COUPON RATE OF INTEREST

Angas issues debentures at rates of interest fixed for the investment term. The retail lending rate, for new issues will be set on the first date of each month. Details can be obtained from Angas and will appear on the website. The retail rate will appear on the Debenture Confirmation entitled "Issue Rate". Angas will remain entitled to negotiate rates with individual investors. A rate greater than the retail rate may be negotiated for the investment

of a large monetary sum. Every Debenture Confirmation will bear an item entitled "Coupon Rate". This will be the same as the Issue Rate where the prevailing retail terms apply. Wherever it varies from the Issue Rate then the Coupon Rate will prevail unless and until the debenture is traded at which time the Issue Rate will apply. The following illustration sets out how the rule applies. Consider a debenture of \$500,000 issued for one year on 20 May 2009. At this date, the prevailing retail interest rate is 8.25% pa for a one year term. This rate is noted on the Debenture Confirmation as the Issue Rate. However, the investor has negotiated a better rate on this investment of 8.45% pa. This rate is noted on the Debenture Confirmation as the Coupon Rate. On 1 August 2009, Angas increases the prevailing retail interest rate to 8.5% pa for a one year term. This increase has no effect on the debenture issued on 20 May 2009. The investor chooses to trade the debenture on the NSXA, the purchaser would receive the issue rate of 8.25% as listed on the Debenture Confirmation and not the prevailing interest rate at the time of the trade. The prevailing interest rate of 8.5% in this example would only be applicable to new debentures issued on or after 1 August 2009.

## PAYMENT OF INTEREST

Interest will be paid in arrears on the last day (or next business day) of the month. If an application is accepted within 7 days before the end of the month then interest for those days may be paid in the next succeeding month. Interest is calculated on a daily basis and will accrue from the date of acceptance of the Application and will be calculated according to the rate applicable. Calculations are on a simple interest basis. By way of example, an investment made on 26 June 2009 will earn interest for 5 days to be paid on 30 June 2009. The next interest payment will be for 31 days and will be paid on 31 July 2009.

Alternatively, an investor may choose to reinvest the monthly interest earned. Reinvested interest will be held in a separate account and will accrue interest on the balance (except that no interest is paid on the interest transferred to the reinvestment account on the day of such transfer only). Rates of interest on reinvestment accounts may vary from time to time as published by Angas.

## ANNUAL INVESTOR STATEMENTS

Following the conclusion of each financial year, Angas will issue a statement to each investor setting out details of the aggregate interest paid or reinvested during the year together with the amount and date of payment or reinvestment of such interest.

### ENTITLEMENT TO INTEREST WHEN DEBENTURES ARE TRADED

All sales of debentures completed prior to the 15th day of the month will entitle the purchaser to the whole of the interest for that month. If a sale is completed after the 15th day of the month then the vendor will be entitled to the whole of the interest for that month.

### RE-INVESTMENT OF INTEREST WHEN DEBENTURES ARE TRADED

Debentures traded on NSX will revert to interest payable monthly in the hands of the purchaser even if the vendor had chosen to re-invest the interest. By way of example, consider a debenture trade on NSX which is completed on 20 May 2009. The vendor had accrued interest prior to the sale. As the trade was completed after 15th day of month, the vendor would be entitled to receive all invested interest to 31 May 2009. The purchaser of the debenture would be paid monthly as from 1 June 2009. The purchaser of a traded investment may contact Angas and request that interest earned be re-invested. Angas will pay the accrued entitlement of re-invested interest to a vendor as soon as practicable after the entitlement but not more than 14 days from the end of the month in which the sale of the debenture is completed.

### SECURITY FOR INVESTORS

Angas has charged all of its tangible assets in favour of the Trustee to secure the punctual repayment of all money due to investors. The charge is a first ranking security. There are no securities or other liabilities ranking in priority to or equally with this charge. All monies received by Angas in respect of the Debenture are invested in accordance with the Trust Deed. Angas has issued redeemable preference shares which rank after all debentures.

The principal assets of Angas covered by the charge are its own property, freehold interests in land, the mortgages to be held by Angas for loans made and the unused Debenture funds. These funds may be invested in various forms of short-term liquid investments, for example bonds or cash deposits (being the Permitted Investments set out in the Trust Deed). These assets are sufficient and reasonably likely to be sufficient to meet the liability of Angas to pay all money due to investors.

This Prospectus sets out the Balance Sheet of the Company as at 30th June 2008 with details of its assets and its liabilities. The tangible property that constitutes security for the charge is sufficient and is reasonably likely to be sufficient to meet the liability for the repayment of all money owing by Angas to investors and all other liabilities.

### NO FINANCIAL PRODUCT ADVICE

Angas deals in one financial product which is the issue of securities. Angas does not provide financial product advice and is not licensed to do so. Investors should seek professional advice from an accountant, lawyer or licensed financial product adviser before deciding to invest.

### REPAYMENT OF DEBENTURES

Angas will notify each investor of a forthcoming maturity date before that date arrives and the interest rate applicable to the next term to enable the investor to decide whether or not to roll-over the investment. Angas will repay to each investor the amount of each Debenture together with any accrued interest (if applicable) within 30 days after the repayment date for the Debenture, if requested by the investor. Otherwise, the principal amount will be rolled-over for an equivalent repayment term but at the interest rate applicable for that term at the expired repayment date and the balance of the re-invested interest account (if any) will continue to accrue interest at the applicable rate.

For security reasons, the repayment of debenture investments will rarely be made by cheque and will ordinarily be made by Angas in favour of the investor by Electronic Funds Transfer to the investor's account into which interest is paid. A new Debenture will be issued for each investment that is rolled-over other than where multiple investments are consolidated by agreement between Angas and the investor. Once a re-invested interest account reaches a balance of \$1,000 (or multiple thereof) then Angas may transfer the balance in multiples of \$1,000 to the principal debenture investment at the first appropriate opportunity.

### EARLY REDEMPTION OF DEBENTURES

In normal circumstances, an investment is not available for repayment prior to expiry of the fixed term. Whilst not under any obligation to comply with an investor's request for early redemption, Angas will give due consideration to such requests, particularly in the case of hardship where Angas considers such redemption would not prejudice other investors. Requests for redemption must be in writing and lodged with Angas. Any approval for early redemption will usually attract the payment of a handling fee ordinarily equal to one per cent of the principal redeemed together with a further amount to compensate Angas for its losses resulting from the early redemption arising from movements in interest rates or like events.

In the case of a debenture issued after 1 March 2008, the debentureholder has the option of trading the debenture on NSXA in order to liquidate the investment.

Death of an investor does not trigger a redemption. The investment will be repaid to the deceased estate of the investor upon expiry of the fixed term. Angas reserves the right to redeem debenture stock prior to the expiry of the investment term upon Angas giving 30 days notice of its intention to do so to the investor.



## LISTING OF DEBENTURES

Angas issue debentures in 1 year series and 3 year series each month. Angas apply to list each series on NSXA. Such listing applies only to debentures issued after the application is granted and the debentures are admitted to NSXA. Admission to the listing requirements imposes continuous disclosure obligations on Angas and supervision by NSXA. Holders of listed debentures have ready access to a free market in which to trade their securities thus providing a level of liquidity for investors.

## CHESS

The listed debentures participate in CHESS. Holders of listed debentures are provided by Angas with details of Holder Identification Number in the case of a holding on the CHESS sub-register or Shareholder Reference Number in the case of a holding on the issue sponsored sub-register. Debenture holders will be required to quote a HIN or SRN as applicable in all dealings with a stockbroker or the Registry. Details of stockbrokers who trade on the NSXA appear on the NSXA website.

## DEBENTURE REGISTRY

Angas will operate the Debenture Registry in-house. No Debenture Certificates will be issued. Angas will issue Debenture Confirmations upon acceptance of Applications but not to holders who acquire debentures by means of trading on NSXA.

## CONTINUOUS DISCLOSURE OBLIGATIONS

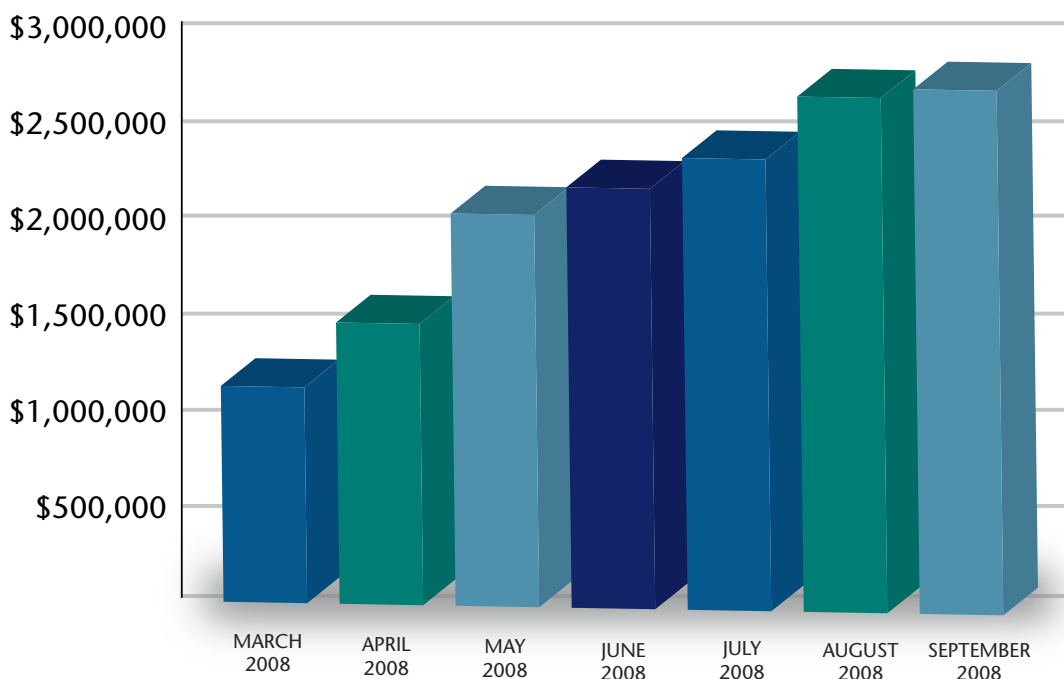
As an issuer of listed securities, Angas is subject to continuous disclosure requirements of the Listing Rules. These obligations require Angas to notify NSXA of any information of which it becomes aware which a reasonable person would expect to have a material effect on the price or value of the listed securities. Investors can access all Angas announcements online by visiting the NSXA website. There is a link provided from the Angas website.

## COMPLAINTS PROCEDURE

Angas acknowledges the importance of ensuring that investors have a right to comment or complain. Also, Angas recognises the benefits to be derived through delivery of an improved quality of financial product and service. To assist this process Angas has in place a set of internal dispute resolution procedures to handle any complaints quickly, fairly and in strictest confidence. These procedures meet the requirements of the AFS Licence. Details of the complaints procedure can be obtained from the Angas website or by application to Angas. The object is to reach an early and satisfactory resolution of any complaint.

If the response is not satisfactory, an investor may refer the matter to the external dispute resolution scheme to obtain assistance. This external body has been established as an objective body to hear unresolved complaints. Contact can be made directly by reference to the Financial Ombudsman Service Limited GPO Box 3, Melbourne VIC 3001 or telephone **1300 780 808**. Angas is a registered member of this service.

## Total new funds invested per month in Listed Debentures



The sums in this chart are for new funds invested in Angas Listed Debentures. The totals do not include amounts for matured investments that were rolled over into Listed Debentures (refer to chart on page 25 for these details).



# GENERAL INFORMATION

## THE OPERATIONS OF THE COMPANY

The Board of Directors is responsible for the operations of Angas for the benefit of investors, borrowers and staff. Key functions of the business of Angas are:

- Ongoing communication with investors in performance of the Debenture issue, including the due payment of Debenture interest;
- Analysing financial and market data for sourcing and selecting appropriate investment opportunities;
- Assessing loan applications, including prudential credit analysis, obtaining reports from valuers and quantity surveyors (where appropriate) and inspecting properties as appropriate;
- Maintaining market intelligence on relevant business trends and economic conditions;
- Mortgage management, including settlement on loans, monitoring loan payments, taking recovery action (when required), liaising with solicitors and effecting discharges of security upon repayment.
- Management of loan defaults to recover the money owed to Angas.

## RISKS ASSOCIATED WITH INVESTING IN DEBENTURES

Investors should be aware that there are risks associated with investing in Debentures. Key risk factors include:

- inability of Angas to invest in suitable mortgages within a reasonable time after the issue of Debentures;
- fall in the value of secured properties;
- the inability of mortgagors to meet their contractual obligations;
- redemption of first mortgages prior to the expiry of the full term;
- movement in market interest rates after Debentures have been issued;
- other factors beyond the control of Angas including economic and political conditions.

Neither the Trustee nor the Directors of Angas guarantee the obligations of Angas. Subject to all duties imposed on it by law, the Trustee will exercise reasonable diligence to ascertain from Directors' Certificates, Auditor's reports and accounts made available to it in accordance with the Trust Deed whether or not Angas has committed any breach of the conditions of the debenture issue or the Trust Deed.

## MANAGEMENT OF LOAN DEFAULTS

There is a risk of borrowers defaulting on loans advanced by Angas. Difficulties may confront borrowers arising from a variety of unforeseen factors including the breakdown of a relationship, untimely death of a borrower, economic circumstances, adverse climate or bad management. In

the event of loan default, Angas will take steps to recover all of the money owed by the borrower. Loan recovery times reflect the nature and location of the security and the level of any obstruction or co-operation from the borrower. There is a risk that a loan default could result in a loss to Angas of part or all of the money due.

If the borrower is unwilling or unable to co-operate with Angas in recovering the loan, then it will take time for Angas to go through the formal procedures required to recover the amount due. The process of obtaining a court order for the possession of a property and then selling that property as the mortgagee exercising its power of sale may take many months during which period Angas will incur costs but not be in receipt of income in respect of the loan. There is no certainty that all money will be recovered through such loan recovery processes.

Angas manages the risk of any losses by employing a Loans Administrator whose responsibility is to follow up borrowers in the event of late payment of interest, expiry of a loan term or any other event of default. If these matters are not addressed by the borrower then legal action is taken promptly by Angas to recover the loan due or to realise the security held to support the loan.

## FIDELITY INSURANCE

Angas holds cover to protect against direct financial loss sustained at any time consequent upon a single act or series of acts of theft, fraud, dishonesty or criminal damage committed by an employee or theft or criminal damage committed by any other person subject to Bankers Blanket Bond VFA81 and Lloyds Electronic and Computer Crime Policy LSW983.

## REPORTING AND DISCLOSURE OBLIGATIONS

Angas is a disclosing entity for the purposes of the Corporations Act and is therefore subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules. These obligations require NSXA to be continuously notified of information about specific events and matters as they arise for the purpose of the NSXA making the information available to the Stock Market conducted by NSXA. Angas has an obligation under the Listing Rules (subject to certain limited exceptions) to notify NSXA immediately of any information concerning Angas of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of its securities. Angas is also required to prepare and lodge with ASIC yearly and half yearly financial statements accompanied by a Directors' statement report, and an auditor's report. Copies of documents lodged with ASIC in relation to Angas may be obtained from, or inspected at, an office of ASIC.

## FINANCIAL SERVICES LICENCE

ASIC administers AFS Law pursuant to the Corporations Act 2001. ASIC's licensing assessment has regard to the following factors:

- Regulatory and compliance history of the AFS Licensee;
- Knowledge of AFS law and ongoing education programme;
- Nature of the financial product to be licensed;
- Out-sourcing of any resources intended to be utilised;
- Financial resources of the AFS Licensee;
- Other resources including personnel and technology;
- Product knowledge, industry knowledge and maintaining relevant industry codes and practice;
- Organisational expertise appropriate to deal in the financial product covered by the AFS Licence;
- Dispute Resolution processes - internal and external;
- Specified compensation arrangements supported by security bond provided to ASIC;
- Risk Management arrangements appropriate to the nature, scale and complexity of the business.

The Company holds AFS Licence 232479 issued by ASIC to deal in a financial product, namely, the issue of debentures. For more information about AFS Law and Licensing go to [www.asic.gov.au](http://www.asic.gov.au).

## FEES

Investors in Debentures issued by Angas pay no entry fees, no exit fees, no management fees and no account keeping fees when investments are conducted to term. Fees will be payable by investors to Angas only in the event of an approved early redemption or transfer of a debenture (other than a trade effected on NSXA).

## INVESTMENT DECISIONS

The contents of this Prospectus is for the information of persons who are interested in making an investment in the fixed interest debentures issued by Angas. The information is not financial advice and does not take into account the investment objectives, financial situation or particular needs of individual investors. It is important that intending investors read the Prospectus in its entirety and consider the risks and benefits before lodging an Application for debentures with Angas.

## NON-RESIDENT INVESTORS

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Intending investors resident outside Australia should first consult their professional advisors as to whether or not governmental or other consents are required, or whether formalities need to be observed to enable them to invest. Intending non-resident investors should also seek advice in respect of the taxation effect of an investment in Angas and debenture interest that Angas may distribute in the future. The return of a duly completed Application will be taken to constitute a representation and warranty to Angas by the investor that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

## ELECTRONIC PROSPECTUS

This Prospectus will be issued in paper form and as an Electronic Prospectus which may be viewed at the website [www.angassecurities.com](http://www.angassecurities.com). The investment offer is available to persons receiving an electronic version of their Prospectus in Australia. The Corporations Act 2001 prohibits any person from passing the Application Form on to another person unless it is appended to or accompanied by a complete and unaltered version of the Prospectus. Any person may obtain a hard copy of the Prospectus by contacting Angas.

## GENERAL DISCLOSURE MATTERS

Section 283BH(3) of the Corporations Act 2001 prescribes what may be described as a debenture. Section 283BH(3) (a) of the Act requires that a charge be created over the debenture issuer's tangible assets. The securities issued by Angas comply with the Corporations Act. Details of the charge granted by Angas to the Trustee are set out in this Prospectus under the heading "Security for Investors". The Trustee complies with its obligations under section 283DA of the Act by diligently making the inquiries required by law.

# FINANCIAL INFORMATION

<b>BALANCE SHEET</b>	<b>2007</b>	<b>2008</b>
	\$	\$
<b>Assets</b>		
Cash and cash equivalents	47,923,087	22,575,578
Trade and other receivables	6,969,653	3,220,205
Other assets	3,476	5,663
Loans receivable	80,672,871	94,508,340
Deferred tax assets	342,789	658,232
Property, plant and equipment	537,450	511,173
Other financial assets	6,150,000	8,000,000
Marina berths	191,364	—
Other intangible assets	80,212	53,563
Goodwill	645,484	654,484
<b>Total assets</b>	<b>143,516,386</b>	<b>130,178,238</b>
<b>Liabilities</b>		
Trade and other payables	2,644,717	1,766,539
Interest bearing liabilities	132,638,072	119,611,224
Current tax liabilities	931,892	564,553
Provisions	107,776	146,327
Unearned income	39,670	69,415
<b>Total liabilities</b>	<b>136,362,127</b>	<b>122,158,058</b>
<b>Net assets</b>	<b>7,154,259</b>	<b>8,020,180</b>
<b>Equity</b>		
Issued capital	730,372	684,807
Retained earnings	6,423,887	7,335,373
<b>Total equity</b>	<b>7,154,259</b>	<b>8,020,180</b>
<b>INCOME STATEMENT</b>		
	<b>2007</b>	<b>2008</b>
	\$	\$
Operating profit	5,523,927	3,578,940
Income Tax attributable to operating profit	(1,678,210)	(1,054,757)
<b>Operating profit after income tax</b>	<b>3,845,717</b>	<b>2,524,183</b>

A Financial Report of Angas has been prepared for the year ended 30 June 2008. The Financial Report comprises the Directors' Report, Independent Audit Report by the auditors (Deloitte Touche Tohmatsu), Directors' Declaration, Balance Sheet as at 30 June 2008, Income Statement, Cash Flow Statement, Statement of Recognised Income and Expense for the year ended 30 June 2008 and notes to the financial statements. The Financial Report has been lodged with ASIC. A copy of the Financial Report is available free of charge to any person in receipt of the Prospectus by contacting Angas.

<b>CASH FLOW STATEMENT</b>	<b>2007</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	3,282,585	5,002,166
Payments to suppliers and employees	(4,632,453)	(6,447,123)
Receipt of property investment distribution	1,017,078	196,169
Interest received	15,590,794	16,505,256
Interest paid	(9,744,794)	(10,392,178)
Income tax paid	(940,100)	(1,737,538)
Net cash provided by operating activities	4,573,110	3,126,752
<b>Cash flows from investing activities</b>		
Proceeds from repayment of mortgage loans	73,987,490	78,547,789
Payments for mortgage loans	(64,661,118)	(93,581,490)
Proceeds on sale of assets held for sale	208,000	225,000
Payment for property held for resale	(2,136,548)	—
Proceeds for property held for resale	—	2,925,000
Proceeds from investments	1,750,000	—
Payments for investments	(1,850,000)	(1,850,000)
Payments for property, plant and equipment	—	(85,196)
Proceeds from sale of property, plant and equipment	(518,556)	—
Payment for businesses	(2,150,000)	—
Net cash (used in)/ provided by investing activities	4,629,268	(13,818,897)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	440,000	—
Repayment of borrowings	(68,815)	(93,220)
Proceeds from issue of equity securities	500,000	15,937
Proceeds from issue of debt securities	36,160,546	24,994,857
Repayment of debt securities	(24,470,349)	(37,898,739)
Payment for share buy back: - members of parent entity	(14,766)	(61,502)
Dividends paid: - members of parent entity	(1,422,734)	(1,612,697)
Net cash (used in)/provided by financing activities	11,123,882	(14,655,364)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>20,326,260</b>	<b>(25,347,509)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>27,596,827</b>	<b>47,923,087</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>47,923,087</b>	<b>22,575,578</b>

This information is an extract only of the Financial Report. Deloitte Touche Tohmatsu has performed an audit of the Financial Report to form an opinion whether, in all material respects, the Financial Report is presented fairly in accordance with the Corporations Act 2001 and Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with Deloitte Touche Tohmatsu's understanding of the Company's financial position, and performance as represented by the results of its operations and its cash flows. The Independent Audit Report to the members of Angas was dated 30 September 2008. The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the Financial Report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. The Financial Report has been audited and the Independent Audit Report is without qualification.

## FINANCIAL INFORMATION

The Independent Audit Report was not prepared for the purposes of this Prospectus. The Independent Audit Report was prepared for the year ended 30 June 2008 and the financial position of Angas has changed since this date.

The following information about the contents of the Financial Report is provided to enable a recipient of the Prospectus to decide whether to obtain a copy of the Financial Report:

1. Subsequent to 30 June 2008 Angas paid a dividend to its shareholders of \$1 Million at the rate of 116.62 cents per share from profits generated during the financial year ended 30 June 2008. The balance of profits have been retained within Angas to fund operations going forward.
2. The Directors of Angas declare that the Financial Statements and Notes thereto comply with Accounting Standards and the Corporations Act 2001 and give a true and fair view of the financial position and performance of Angas and that in the opinion of the Directors, there are reasonable grounds to believe that Angas will be able to pay its debts as and when they become due and payable.

## EXPIRED LOANS — MORTGAGE LOAN BOOK

As at 30 June 2008 Angas loan book totalled \$96,977,959 of which \$14,065,504 loans and advances were considered expired loans and \$6,471,254 were considered past due loans of the total loan portfolio. Past due loans are loans at the balance date which are 90 days past their expiry date and have not been extended or paid out. Expired loans refer to loans which are past the expiry date. Due to the nature of the mortgage lending business conducted by Angas expired loans are an ordinary part of the business. The rates of these expired loans will fluctuate. Appropriate loan management is undertaken by Angas to minimise any risk. Loans and advances set out in the Mortgage Loan Book on this page record the face value of the loans at balance date. The Balance Sheet on page 20 records loans and advances net of any unearned income (2008: \$94,503,340; 2007: \$80,672,871)

MORTGAGE LOAN BOOK - PAST DUE LOANS	as at 30 June 2007	as at 30 June 2008
	\$	\$
Loans and advances	81,984,868	96,977,959
Less: general allowance for doubtful debts	(260,000)	(260,000)
Net Loans and advances	81,724,868	96,717,959
Past due loans	12,881,587	6,471,254
Percentage of Loan Book past due	15.71%	6.67%
<b>Ageing of past due loans:</b>		
Not longer than 3 months	4,940,149	—
Longer than 3 and not longer than 6 months	—	1,650,539
Longer than 6 months and not longer than 1 year	4,206,000	—
Longer than 1 year	3,735,438	4,820,715
<b>Total</b>	<b>12,881,587</b>	<b>6,471,254</b>
<b>Number of past due loans:</b>		
Not longer than 3 months	3	—
Longer than 3 and not longer than 6 months	—	2
Longer than 6 months and not longer than 1 year	3	—
Longer than 1 year	2	4
<b>Total</b>	<b>8</b>	<b>6</b>

### The status of these six past due loans as at 30 September 2008 was:

- 2 loans have been repaid in full
- 1 loan has had a principal reduction with arrangements in place for full clearance of the balance
- 3 loans remain in default. In each case, Angas has taken possession of the secured assets for the purpose of mortgagee sale

A provision of \$260,000 has been made. The directors consider that the recovery by Angas of all other amounts of principal and interest, including interest at the contractual rate, is regarded as reasonably certain and the security held by Angas is adequate to cover these past due loans.



## MANAGING LIQUIDITY

Angas is required by the Trust Deed to maintain a minimum Liquidity Reserve of 5% in cash. This Liquidity Reserve together with effective cash flow control enables debenture redemptions to be funded. In accordance with the conditions of the AFS Licence a reasonable estimate projection plus cash contingency budget is prepared each month by Angas made up as follows:

- The cash flows of Angas are projected over the next three months based on the reasonable estimate of what the directors believe likely to happen over the term;
- The calculations and assumptions of Angas are documented with a written description as to why the assumptions relied upon are the appropriate assumptions;
- The projection of the cash flows are up dated when those cash flows cease to cover the next three months or if the board has reason to suspect that an updated projection would show that Angas was not meeting paragraph (d); and
- There is a demonstration, based on the projection of the cash flows, that Angas will have access when needed to enough financial resources to meet its liabilities over the projected term of at least three months, including any additional liabilities Angas projects will be incurred during that term.

The Cash Flow Projection set out below sets out the Liquidity Ratio based on the reasonable estimates adopted by the directors as at 30th June 2008. As a ratio, the number must be 1.0 or greater. Angas meets this requirement.

### CASH FLOWS PROJECTION AS AT 31 AUGUST 2008 BASED ON REASONABLE ESTIMATES

	Actual Aug 08	Projected Sept 08	Projected Oct 08	Projected Nov 08
Cash inflows	1,598,382	1,583,182	1,643,975	1,653,051
Cash outflows	1,483,398	1,365,253	1,427,240	1,367,665
Net cash flow from operations	114,984	217,928	216,735	285,386
Closing bank balance	21,917,128	22,022,128	22,127,128	22,942,128
Less: cash held in liquidity reserve	6,004,213	6,107,108	6,195,121	6,286,233
Cash available for operations	15,912,915	15,915,020	15,932,007	16,445,895
Minimum cash required	7,557,514	7,557,514	7,557,514	7,557,514
Liquidity ratio (number must be greater than 1.0)	2.11	2.11	2.11	2.18

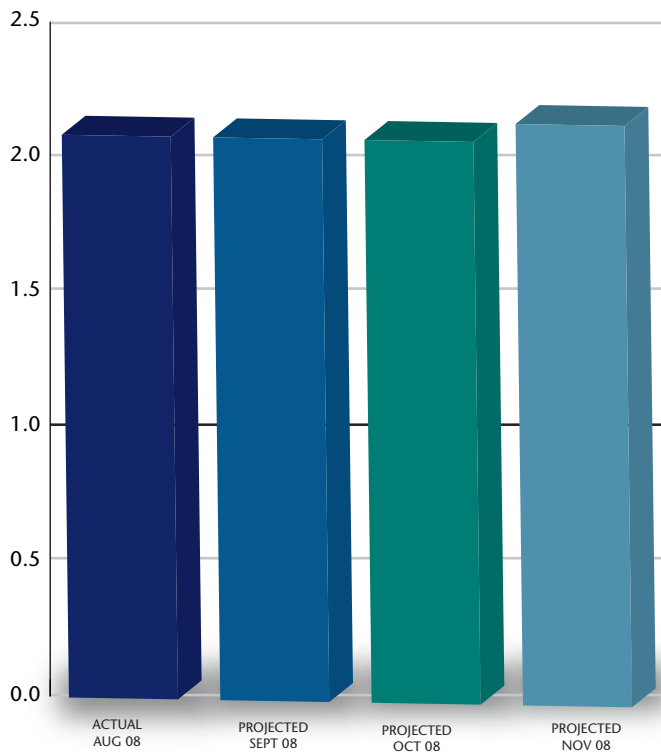
### DEBENTURE MATURITY ANALYSIS AS AT 30 JUNE 2008

2008

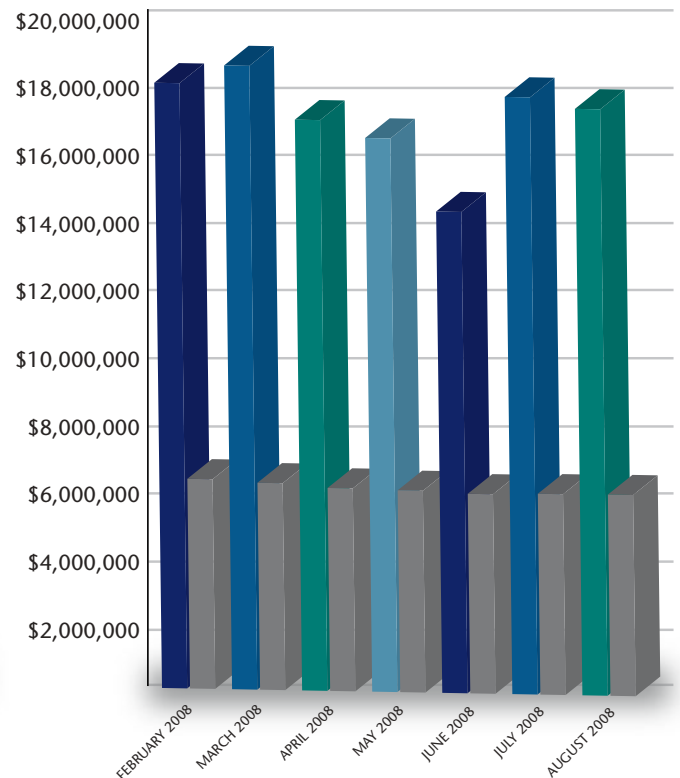
\$

Not longer than 3 months	25,805,000
Longer than 3 months and not longer than 12 months	79,130,760
Longer than 1 year and not longer than 3 years	14,397,500
	119,333,260

Liquidity Ratio (Number must be greater than 1.0)



Actual Cash Held v Minimum Liquidity Requirement



### PROCEDURES TO MONITOR CASHFLOW WITHIN LIQUIDITY GUIDELINES

Angas has a Liquidity Policy to ensure that cashflow is properly managed in accordance with the requirements of the Trust Deed and AFS Licence. In accordance with these procedures, the Head of Lending prepares a regular Liquidity Report which is distributed to every director. The intervals at which the Liquidity Report is prepared is determined by the Board but will be not less than monthly and will be more regular in periods when high level monitoring is required. The Head of Lending consults with the Finance Manager, the Investor Relations Manager and the Lending Department to gather information for the preparation of the Liquidity Report. The following factors are addressed in the Liquidity Report:-

- Available cash at bank
- The prevailing debenture re-investment rate
- Known redemption requests
- Reliable new investment indications
- Loans due to expire – which are not to be extended
- Other flow backs such as notification of loans to be repaid early or other expected realisations or recoveries
- Property investments – receipts expected from sales and requirements for any new purchases
- Accepted LOOs and projected settlements for new lending
- New loan applications where no LOO issued or accepted

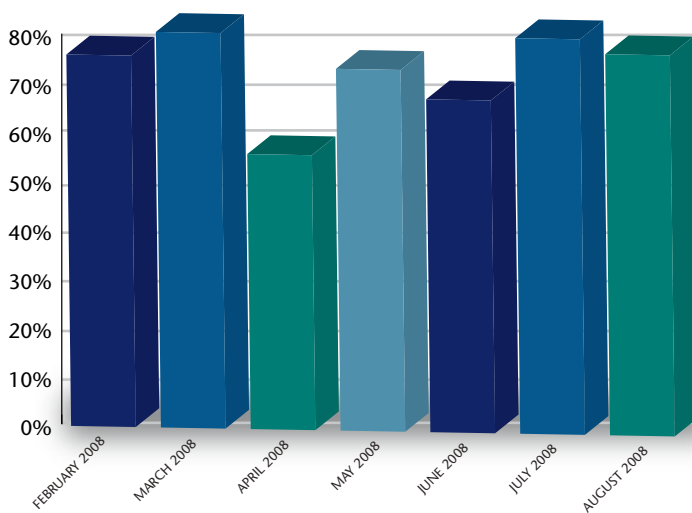
The Chairman of the Credit Committee will utilise the information set out in the Liquidity Report to regulate the number and quantum of LOOs that are issued by Angas. Because every director receives the Liquidity Report, there is ample opportunity for dialogue between directors to ensure that outflows of funds are monitored and regulated in accordance with the wider framework of the Liquidity Policy.



## DEBENTURES MATURING AND REINVESTED

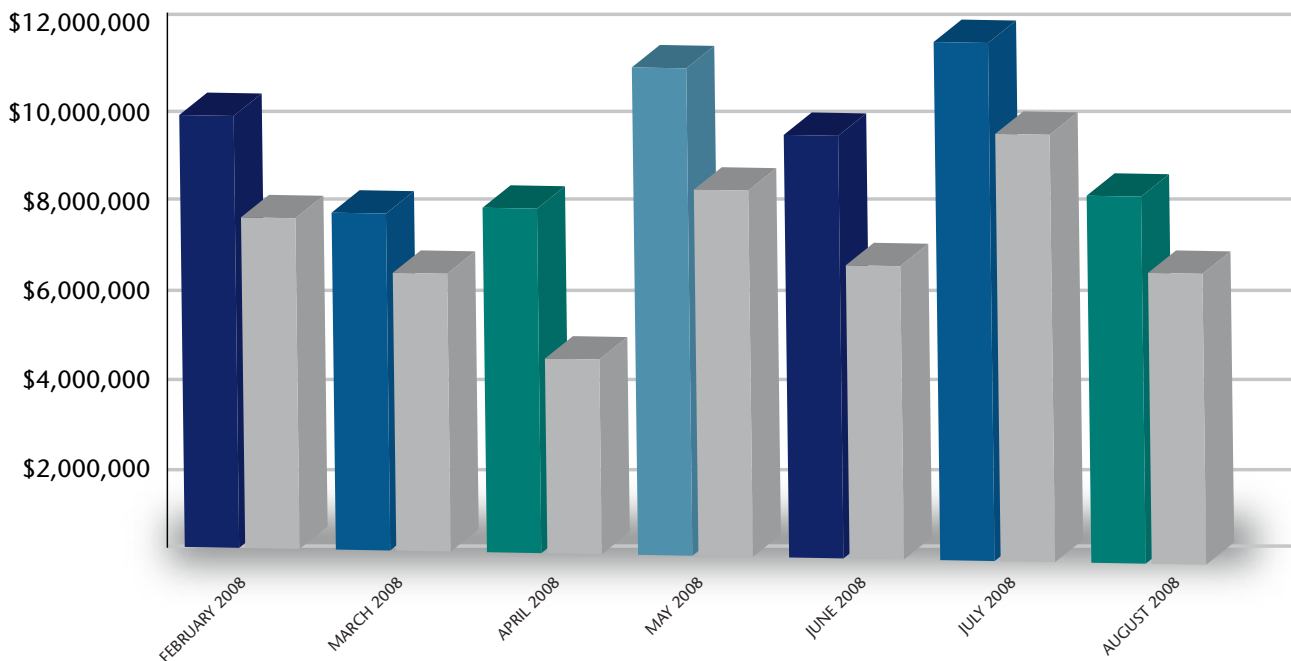
The rate of reinvestment of debentures is an important factor in the liquidity of Angas. The rates of maturity and reinvestment will fluctuate. The rates of debentures maturing and reinvested for the period from February 2008 to August 2008 are set out in the table and graphs below. Appropriate liquidity management is undertaken by Angas in order to maintain a level of liquidity set by Board Policy. These reinvestment rates do not take into account movements in the debenture book from new debenture funds invested, conversion of retained interest into debenture principal and accretions to funds rolled over.

### Percentage Re-invested



Month	Debentures Maturing	Debentures Re-invested
February 2008	\$9,801,500.00	\$7,504,500.00
March 2008	\$7,645,684.58	\$6,303,920.00
April 2008	\$7,817,000.00	\$4,418,000.00
May 2008	\$11,061,700.00	\$8,311,200.00
June 2008	\$9,589,750.00	\$6,655,750.00
July 2008	\$11,757,000.00	\$9,697,000.00
August 2008	\$8,329,000.00	\$6,602,000.00

### Debentures Maturing v Debentures Reinvested



# TRUST DEED INFORMATION

The Trust Deed between Angas and the Trustee comprises a deed dated 19th July 2000 together with amending deeds dated 24th September 2002, 3rd September 2007 and 24 March 2008. The deeds taken together comprise the Trust Deed. A copy of the Trust Deed is available for inspection at the Angas offices. Alternatively, any investor who becomes a Debentureholder pursuant to this Prospectus is entitled to be supplied by Angas with a copy of the Trust Deed upon request.

An intending investor should read the Trust Deed as a whole. In summary, the Trust Deed:

- Creates a floating charge over all of the assets of Angas as security for the repayment of the principal, premium and interest payable to the Debentureholders under the Trust Deed and all other moneys payable from time to time to or at the direction of the Trustee pursuant to the Trust Deed;
- Imposes on Angas obligations as to the payment of Debenture principal and interest;
- Requires Angas to provide specified information, reports and information to the Trustee;
- Precludes Angas from creating charges or other encumbrances which rank in priority to or *pari passu* with the Debentures without the consent of the Trustee;
- Limits the type of investments in which Angas can invest;
- Sets out how the Trustee may be changed;
- Sets out how the Trust Deed can be amended;
- Specifies how meetings of Debentureholders may be held;
- Sets out the fees payable to the Trustee;
- Empowers the Trustee to take action to enforce any provision of the Trust Deed. The Trustee has an absolute discretion whether to enforce any provision of the Trust Deed, exercise the option to cause the charge granted by Angas to become enforceable or to exercise the option to cause the moneys owing to become immediately payable on an event of default by Angas enforce any other rights of the Debentureholders.
- Provides that the Trustee is indemnified out of the charged assets of Angas in relation to costs and expenses incurred by the Trustee in the performance of its duties pursuant to the Trust Deed;
- Contains specified limitations on the liability of the Trustee;
- Sets out the voting rights of Debentureholders.
- Requires Angas to maintain a Liquidity Reserve of debenture funds.

Pursuant to the Trust Deed, Angas promises the Trustee that it will:

- strive to carry on its business in a proper and efficient manner;
- keep proper books of account;
- provide such information to the Trustee as is reasonably required by the Trustee in relation to the business, property, affairs, accounting records or other records;
- comply with all of its obligations under the Trust Deed, the Corporations Act, the conditions of issue of the Debentures and any encumbrance over its assets;
- convene a meeting of Debentureholders to consider the Financial Statements if so required by Debentureholders holding not less than one tenth in nominal value of the Debentures issued;
- promptly give notice to the Trustee as soon as Angas becomes aware of any event of default under the Trust Deed; and
- monitor and prepare monthly reports on the progress of all construction works undertaken by borrowers and development loans advanced to borrowers.

Circumstances that will constitute an event of default by Angas include:-

- Default in the payment of any redeemed Angas Debentures upon maturity
- Failure to pay interest to debentureholders when due
- Various insolvency events
- Angas ceasing to carry on business
- Breach of the Trust Deed which continues for 14 days after Angas first became aware of the breach
- Failure to pay a dividend to Angas RPS holders when due

The Trustee may waive any breach of the Trust Deed by Angas where the Trustee is satisfied that the interests of debentureholders will not be materially prejudiced.

## ISSUE OF DEBENTURES

Angas may determine the conditions of issue for any Debentures from time to time and may change those conditions at any time for future applications. These conditions may include the repayment period, the interest rate and the minimum face value. Angas only recognises the Debentureholders whose details are recorded in the Company's register as the owner of the Debenture. Debentureholders may inspect and receive a copy of the register of Debentureholders as required by the Corporations Act 2001.

## ENFORCEMENT OF SECURITY

Debentureholders may only enforce the obligations of Angas under the Trust Deed through the Trustee. If for any reason, the Trustee has not enforced any security granted by Angas or enforced the rights of the Debentureholders or waived the default by Angas, then the Debentureholders may sue Angas in respect of any default in the redemption or payment of moneys owing 14 days after such default. Following the occurrence of an event of default, the Trustee may require Angas to pay to it all money that is owing to Debentureholders or which becomes due to Debentureholders on repayment of those Debentures. The Trustee may also take action to enforce the charge given by Angas in the Trust Deed either itself or by the appointment of a receiver.

## MEETINGS OF DEBENTUREHOLDERS

Angas must convene a meeting of Debentureholders to consider the Financial Statements of Angas and to give directions to the Trustee concerning the exercise of the Trustee's powers if requested by Debentureholders holding not less than one tenth of the face value of Debentures then on issue. Debentureholders may also meet for the purpose of approving any proposed amendment to the Trust Deed. At meetings of Debentureholders, each Debentureholder or proxy has one vote on a show of hands or, on a poll, one vote for each complete parcel of \$10,000 of Debentures held by that Debentureholder.

## REPORTING TO THE TRUSTEE

To ensure that the Trustee is fully informed about the affairs of Angas and for the protection of the interests of the debentureholders, Angas is required to provide to the Trustee the following:-

- Annual Financial Statements together with Report of the Auditor;
- Half Yearly Review
- Monthly Report with details of Debenture funds raised and loan defaults
- Quarterly Report with a certificate concerning the affairs and assets of Angas
- Annual Certificate from the Auditor regarding compliance by Angas with certain terms of the Trust Deed.

## TRUSTEE'S REMUNERATION AND EXPENSES

The Trustee has received a fee for accepting appointment as Trustee and is entitled to receive fees annually for acting as Trustee. The fee payable to the Trustee is \$15,000 per annum for issued Debenture Stock up to a face value of \$20 million plus \$150 per additional \$1 million (or part \$1 million) of face value of Issued Debenture Stock up to a face value of \$50 million plus \$125 per additional \$1 million (or part \$1 million) of face value of Issued Debenture Stock.

With the exception of the fee payable to the Trustee, no amount has, within the previous 2 years, been paid or agreed to be paid to the Trustee either to induce the Trustee to act as trustee for the investors or in any other capacity or for other services rendered by the Trustee in connection with the Debentures. Angas must also pay to the Trustee all costs and expenses incurred in connection with the Trustee carrying out its duties or powers under the Trust Deed including in connection with a breach of the Trust Deed by Angas and in connection with the convening and holding of any meeting of Debentureholders.

## ALTERATION OF THE TRUST DEED

Angas may amend the Trust Deed with the approval of the Trustee where the amendment:

- in the opinion of the Trustee it is made to correct a manifest error or is of a formal, technical or administrative nature only, or it is required to comply with the Corporations Act 2001 or any other statute; or
- may be required by or as a consequence of any amendment to the Corporations Act 2001 or any other statute and in the opinion of the Trustee is not prejudicial to the interests of the debentureholders; or
- is first approved by an Extraordinary Resolution passed at a meeting of debentureholders convened to consider the amendment; or
- applies only in respect of debentures to be issued after the amendment is made and the amendment does not materially prejudice the rights of existing debentureholders.

## CHANGE OF TRUSTEE

The Trustee ceases to be the Trustee for Debentureholders if it ceases to be qualified to do so under the Corporations Act 2001, or if it is removed by special resolution of Debentureholders, or if it retires by giving not less than 90 days' notice to Angas. Subject to the Corporations Act 2001, on a resignation or removal of the Trustee, Angas may appoint a new trustee. This appointment does not require the approval of debentureholders.

# PRIVACY POLICY

The Privacy Act 1988 regulates, among other matters, the way organisations collect, use, disclose, keep secure and provide access to personal information held in respect of their clients. Angas respects the right of investors to privacy and takes reasonable steps to deal with any personal information that is provided by investors. The following sets out some important information about the Angas Privacy Policy the full text of which is posted on the Angas website. Further information about privacy can be found on the Federal Privacy Commissioner's website at [www.privacy.gov.au](http://www.privacy.gov.au)

By completing the Application attached to this Prospectus, investors provide personal information for the primary purpose of this investment offer. Angas may use the personal information contained in an Application for related purposes such as administration and providing services to investors in relation to their investment in Debentures issued by Angas. Administration includes monitoring, auditing, evaluating, modelling data, dealing with complaints, answering queries and providing services in relation to investments in Angas. In certain cases, Angas may collect personal information from third parties. For example, personal information may be collected from an investor's representative such as a solicitor or an accountant. If investors do not provide the information requested in the Application Angas will not accept the Application. Angas may share personal information for permitted related purposes with outsourced service providers. Some of these people and circumstances include:

- Financial advisers who may provide investors with financial product advice and ongoing service.
- Companies for the purpose of issuing statements and handling mail.
- Market research companies for the purpose of analysing the investor base.
- Other companies where services may be more efficiently provided by outsourcing.
- Legal and accounting firms, auditors, consultants and other advisers for the purpose of administering the Debenture investments.
- Government authorities when required by law.

Angas takes reasonable steps to ensure that the personal information that is collected, used or disclosed is accurate, complete and current. Angas stores the personal information it collects in different ways including in paper and electronic form. Angas takes reasonable steps to protect personal information from misuse and loss and from unauthorised access, modification or disclosure including:

- requiring confidentiality agreements with its employees and contractors
- having secure file storage
- having secure places of business

- permitting access to personal information only where the individual seeking access has satisfied reasonable identification and authorisation requirements
- having up-to-date anti-virus and firewall measures to protect the computer network.

Investors may request access to personal information that Angas or an outsourced service provider holds in relation to an investment. Investors can contact Angas to make such a request by telephone during normal business hours on 1800 827 143 or writing to Angas at any of the addresses set out in the Corporate Directory. There are limits on access permitted to personal information. These are set out in the National Privacy Principles enacted pursuant to the Privacy Act 1988. They include situations where:

- access would pose a serious threat to the life or health of any individual
- access would have an unreasonable impact on the privacy of others
- the request for access is frivolous or vexatious
- the information relates to a commercially sensitive decision making process
- access would be unlawful
- access would prejudice enforcement activities relating to criminal activities and other breaches of law, public revenue, a security function or negotiations with investors
- the request for access relates to existing or anticipated legal proceedings with an investor who would not otherwise be entitled to access to the requested information
- denying access is required or authorised by law.

Written reasons will be provided by Angas in cases where access to personal information is denied.

Although Angas collects government identifiers such as investor tax file numbers, this information is not used or disclosed other than when required or authorised by law or unless an investor has voluntarily consented to disclosure of this information to any third party.

Investors who have a complaint about Angas Privacy Policy or the collection, use or safe disposal or destruction of personal information, should direct their complaint to the Investment Relations Manager on freecall line **1800 827 143** Monday to Friday during normal business hours or by writing to the Investor Relations Manager at GPO Box 2948, Adelaide SA 5001. Angas will investigate the complaint and attempt to resolve any issue that might have arisen in relation to the collection, use or destruction of personal information. If an investor is still not satisfied with the outcome then Angas will engage in conciliation or other processes commenced in accordance with the National Privacy Principles.

# STANDARD & POOR'S RATING

## Angas is currently rated B+/Stable/B by international ratings agency Standard & Poor's.

Standard & Poor's Ratings Service is the world's pre-eminent provider of timely, objective credit analysis and credit information. Its familiar letter-grade ratings symbols have long been trusted measures of credit quality worldwide. For more than 100 years, Standard & Poor's has cultivated its considerable financial expertise to assign high quality, objective ratings and remains at the forefront of originating new ratings criteria and methodologies to address dynamic changes in financial markets and industry and to adapt to local market conditions. Determined through a rigorous ratings process, these ratings provide important benefits to investors.

Standard & Poor's operates without government mandate, is independent of any investment banking firm or similar organisation, and does not engage in trading or underwriting activities. Its sole mission is to provide objective, insightful risk analysis and evaluation. A credit rating is not a recommendation to purchase, sell or hold a security, in as much as it does not comment as to market price or suitability for a particular investor.

Analytic services and products provided by Standard & Poor's are the result of separate activities designed to preserve the independence and objectivity of each analytic process. Credit ratings issued by Ratings Services are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. Accordingly, any user of credit ratings issued by Ratings Services should not rely on any such ratings or other opinion issued by Ratings Services in making any investment decision. Ratings are based on information received by Ratings Services. Other divisions of Standard & Poor's may have information that

is not available to Ratings Services. Credit ratings are assigned by Standard & Poor's (Australia) Pty Limited, which does not hold an Australian financial services licence under the Corporations Act 2001.

Standard & Poor's (Australia) Pty Limited and its subsidiaries have not authorised or caused the issue of this Prospectus and do not make any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, other than as specified above. Standard & Poor's (Australia) Pty Limited and its subsidiaries to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for any part of this Prospectus other than the reference to its name and the statements as specified above.

The Standard & Poor's credit rating is an objective, independent opinion of the willingness and capacity of Angas to meet its financial commitments in full, and on time. Standard & Poor's estimates of probability of default are drawn from its global ratings database, which currently covers 8 million credit ratings. Average probabilities of default that correlate to Standard & Poor's rating categories are outlined in the table below. This indicates that highly rated entities have a lower probability of default compared with lower-rated entities.

'AAA' rated entities are extremely strong and have a very high probability of repaying investors in full, on time.

'C' rated issuers are highly vulnerable and have a significant probability of not repaying investors in full, on time.

Probabilities of default are derived from Standard & Poor's global pool of rated issuers for the period 1981 to 2006.

Ratings 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

	Rating Category	Estimated Probability of Default over an average one-year period
Extremely Strong	AAA	0% - 0.01%
	AA	0.01% - 0.02%
	A	0.05% - 0.1%
	BBB	0.2% - 0.4%
	BB	0.6% - 1.6%
	B	3% - 11%
Highly Vulnerable	CCC	
	CC	25% - 30%
	C	

### For further information on Standard & Poor's Ratings Services

please contact 1300 792 553  
or email: [clientservices@standardandpoors.com](mailto:clientservices@standardandpoors.com)

### Standard & Poor's Ratings Services activities,

Level 37, 120 Collins Street, Melbourne VIC 3000 Australia  
Ph: 61-3-9631-2000 Fax: 61-3-9650-6349  
[www.standardandpoors.com/ratings](http://www.standardandpoors.com/ratings)

# APPLICATION FOR DEBENTURES

## HOW TO APPLY

To apply for Debentures, you must complete the Application Form attached to or accompanying this Prospectus. Your correctly completed Application Form and payment must be returned to Angas at any of its offices. The addresses of the Angas offices are set out in this Prospectus. Application Forms and Application Monies will not be accepted at any other address or by any other means. Angas reserves the right to accept any Application despite any procedural omission. An Application which is lodged with Angas cannot be withdrawn.

## APPLICATION AMOUNTS

Applications must be for a minimum of \$10,000, and thereafter in multiples of \$1,000. The maximum number of Debentures per application is \$5 million.

## PAYMENT

Completed Application Forms must be accompanied by a cheque or money order in Australian dollars drawn on an Australian branch of a financial institution. Cheques should be crossed "not negotiable" and made payable to "Angas Securities Limited". Cash payments will not be accepted. No receipt will be issued unless specifically requested.

## JOINT APPLICATIONS

Application made by organisations or jointly by two or more persons will be accepted. Angas will upon request issue an Authority to Act to permit a specified person to act on behalf of the organisation or joint investor to do acts including:

- to instruct Angas to amend bank account details for the payment of dividends
- to instruct Angas to amend contract, mailing, business and residential address details
- to make the Application by signing a cheque on behalf of the Applicant made payable to Angas
- to request and receive from time to time information from Angas, in relation to the Debentures
- to give Angas the Privacy Consent contained in the Application

## ACCEPTANCE OF APPLICATIONS

Angas may reject an Application if the Application Form is not properly completed or where a remittance submitted with an Application is dishonoured or not received by the due date.

## BROKERAGE AND STAMP DUTY

No brokerage or stamp duty is payable on the allotment of Debentures. Under current law, stamp duty will not be payable on later transfers of Debentures. However, brokerage may be payable should Debentures be traded on NSXA.

## TAX FILE NUMBER

You do not have to provide your TFN or ABN. However, Angas may be required to withhold Australian tax at the maximum marginal tax rate (currently 46.5% including the Medicare levy) on the amount of any interest payment, if you do not provide one of your:

- TFN;
- TFN exemption details (if applicable); or
- ABN (if Debentures are to be held in the course of an enterprise you carry on).

Your application will not be affected if you do not provide your TFN, exemption details or ABN.

## CHESS

Angas will not be issuing certificates to Applicants in respect of Debentures allotted. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold Debentures allotted to you under this Prospectus on the CHES Subregister of security holdings then you must enter your CHES HIN in the space indicated in The Application Form. Otherwise, you should leave this section blank and on allotment you will be sponsored by Angas and allocated a Securityholder Reference Number.

## QUERIES

If you require assistance to complete the Application Form, or require additional copies of this Prospectus, you should contact Angas on the Investor Service Line 1800 827 143. If you are unclear in relation to any matter or are uncertain if Debentures are suitable investment, you should contact your accountant, stockbroker, solicitor or other professional adviser.

# DISCLOSURES STATEMENTS AND CONSENTS

## CORPORATIONS ACT STATEMENT

Angas states that:

1. the repayment of all money which may be invested with it pursuant to this Prospectus has been secured by a charge in favour of the Trustee for the investors over its tangible property; and
2. the tangible property of Angas that constitutes the security for the charge is sufficient and is reasonably likely to be sufficient to meet the liability for the repayment of all such money and all other liabilities ranking in priority to, or *pari passu* with, that liability that may have been or may be incurred.

## DIRECTORS' INTEREST AND RELATED PARTY TRANSACTIONS

Each director holds or has an interest in shares or options in Angas. No director of Angas and no firm in which a director is a partner has or had an interest in the promotion of Angas or the debentures or any property proposed to be acquired by Angas. No amount has been paid or agreed to be paid to any such director or to any firm of which he is a partner, to induce him to become or to qualify him as a director or otherwise for services rendered by him or by the firm in connection with the promotion of Angas or the issue of debentures. Save as follows:

- All directors are entitled to remuneration for their services.
- Andrew Luckhurst-Smith will act as a lawyer to Angas from time to time. He will be entitled to be paid legal fees for doing so to be charged at ordinary commercial rates. These will include legal fees to be paid by mortgagors for the preparation of security documents in relation to loans made by Angas.
- Matthew Hower is director of KWS Capital Pty Ltd and KWS Capital (No.2) Pty Ltd which may be entitled to receive remuneration from Angas and borrowers who obtain loans from Angas. All loan applications introduced by KWS Capital Pty Ltd are considered on their merits and any loans approved as a consequence are advanced by Angas on its usual terms, conditions, fees and rates of interest.
- The shareholders of Angas have established Barker Mortgages Pty Ltd which as trustee of Barker Performance Trusts No 1 and No 2 may provide second mortgage loan funding to borrowers with first mortgage loan funding by Angas. In all instances, any security taken by Barker Mortgages Pty Ltd will rank behind security taken by Angas.
- No director has requested approval of the Board to pledge any shares in Angas as security for a loan and no approval has been given.

## CONSENTS

The following have given and have not, before the lodgment of this Prospectus, withdrawn their written consent to the issue of this Prospectus with the information and references included in the form and context in which it appears.

Deloitte Touche Tohmatsu has given and, at the time of lodging this Prospectus with ASIC, has not withdrawn its written consent to be named in this Prospectus as auditor to the Company. Deloitte Touche Tohmatsu:

- does not make the offer of securities under this Prospectus;
- has not authorised or caused the issue of this Prospectus;
- does not make or purport to make, any statement in this Prospectus; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than the references to its name.

The Trustee has given and has not withdrawn its consent to the inclusion of references to the Trustee in this Prospectus and to the summary set out in the section headed "Trust Deed Information" in the form and context in which the same appears. The Trustee has not been involved in the preparation of any part of the Prospectus and does not make any statements or representations or take any responsibility in relation to any part of the Prospectus.

## DIRECTORS STATEMENT

Given reasonable economic conditions, and in the absence of unforeseen circumstances, the directors expect Angas to be profitable during the term of this Prospectus. The directors are of the opinion that Angas will be in a position to meet all principal and interest payments on debentures issued under this prospectus as they fall due. Based on the conservative lending policies of Angas, the directors consider this debenture issue to be a sound investment.

## GLOSSARY

**ADI** means Authorised Deposit-taking Institution.

**AFS Law** means Australian Financial Services Law.

**AFS Licence** means Australian Financial Services Licence No 232479 issued to the Company by ASIC.

**ABN** means Australian Business Number.

**A-IFRS** means Australian Equivalents to International Finance Reporting Standards.

**Angas** means Angas Securities Limited ABN 50 091 942 728.

**Angas RPS** means the Redeemable Preference Shares issued pursuant to Replacement Prospectus dated 24 August 2008.

**API Home Loans** means the retail lending business managed by Angas described in this Prospectus.

**Applicant** means a person who submits an Application.

**Application** means an application for debentures pursuant to this Prospectus made in accordance with the Application form.

**Application Form** means the application form accompanying this Prospectus.

**Application Monies** means funds lodged by an Applicant together with an Application Form.

**ARMCO** means the Audit Risk Management and Compliance Committee of Angas.

**ASIC** means Australian Securities and Investments Commission.

**ASTC** means ASX Settlement and Transfer Corporation Limited ABN 49 008 504 532.

**Auditor** means Deloitte Touche Tohmatsu.

**Board** means the board of Directors of Angas from time to time.

**Business Day** means a day on which NSXA trading is conducted.

**CHESS** means Clearing House Electronic Sub-Register System operated by ASTC.

**Company** means Angas Securities Limited ABN 50 091 942 728.

**Constitution** means the Constitution of Angas as amended from time to time.

**Corporations Act** means the Corporations Act 2001 (Cth) as amended from time to time and includes the Corporations Regulations.

**Coupon Rate** means the rate specified on every Debenture Confirmation as the actual rate of fixed interest payable by Angas on the Debenture for the term of the investment. If the Debenture is traded on NSXA then the Issue Rate will apply.

**Credit Committee** means the body made up of directors and senior lending staff that approves loan applications.

**Debenture Confirmation** means a written statement issued by Angas to a debentureholder setting out details of an investment but which is not a Certificate of Title to the Debenture.

**Debentureholder** means the holders of First Ranking Debentures issued by Angas.

**Director** means a director of Angas.

**Financial Report** means the Financial Report prepared for the year ended 30 June 2008 comprising the Report of Directors, Independent Audit Report, Declaration of Directors, Income Statement, Balance Sheet, Cash Flow Statement and notes.

**GST** means goods and services tax imposed under A New Tax System (Goods and Services Tax) Act 1999 (Cth).

**HIN** means Holder Identification Number.

**Holder** means the registered holder of debentures issued pursuant to this and any subsequent Prospectus.

**Issue Rate** means the retail investment rate of fixed interest applicable to the series at the time when the Application is received by Angas.

**Issuer** means Angas.

**Liquidity Reserve** means 5% of all debenture funds held in cash by Angas.

**Listing Rules** means the NSXA Listing Rules from time to time.

**Lodgement Date** means the date that Angas receives Application Monies from an Applicant.

**LOO** means Letter of Offer.

**LVR** means Loan to Valuation Ratio.

**NSXA** means National Stock Exchange of Australia Limited ABN 11 000 902 063.

**Offer** means the invitation to subscribe for debentures made under this Prospectus.

**Prospectus** means this document including any electronic form of this document.

**RPS** means Redeemable Preference Share.

**Register** means the Debenture Register maintained by Angas and includes any sub-register established and maintained under CHESS and Registry has the same meaning.

**Rural Land** means an agricultural holding of not less than 20 hectares.

**Settlement Warehouse Trust** means the proposed facility described in this Prospectus and Warehouse Trust has the same meaning.

**Shares or Ordinary Shares** means ordinary shares in the issued capital of Angas.

**Shareholder** means a holder of Shares.

**Special Resolution** has the meaning defined in the Constitution.

**SRN** means Security Reference Number.

**TFN** means Tax File Number.

**Trust Deed** means the Deed between Angas and the Trustee dated 19 July 2000 together with amending deeds dated 24 July 2002, 3 September 2007, 24 March 2008 and any amending deeds in the future.

**Trustee** means Permanent Nominees (Aust.) Limited.

THE DIRECTORS AUTHORISE THE ISSUE OF THIS PROSPECTUS AND THEY ACCEPT RESPONSIBILITY FOR INFORMATION CONTAINED IN THIS PROSPECTUS. THE DIRECTORS STATE THAT THEY HAVE MADE ALL REASONABLE ENQUIRIES AND HAVE REASONABLE GROUNDS TO BELIEVE THAT ANY STATEMENTS BY THE DIRECTORS IN THIS PROSPECTUS ARE TRUE AND NOT MISLEADING. THIS PROSPECTUS HAS BEEN SIGNED PURSUANT TO SECTION 351 OF THE CORPORATIONS ACT FOR LODGEMENT WITH ASIC.



**Matthew J Hower, MANAGING DIRECTOR**







TAX FILE NUMBER

# APPLICATION FORM (continued)

You are not required to provide your tax file number ("TFN"), but if you do not, or no exemption details are supplied, the Company is required to withhold tax from income distributions at the highest marginal tax rate plus the medicare levy. You can choose not to quote your TFN or claim an exemption; this is not an offence.

The Company is authorised to collect TFNs under tax law. For more information about TFNs, please contact your nearest tax office.

<b>TAX FILE NUMBER</b>	
INVESTOR 1	INVESTOR 2
OR EXEMPTION (if applicable) <span style="float: right;">eg pensioner</span>	

Make your cheque for your investment payable to "Angas Securities Limited". Cross it "Not Negotiable" and attach it to your application.

## PAYMENT

### Where to send your completed Application Form:

<b>Angas Securities</b> PO Box 1602 Subiaco WA 6904	<b>Angas Securities</b> GPO Box 2948 Adelaide SA 5001	<b>Angas Securities</b> GPO Box 4 Darwin NT 0801	<b>Angas Securities</b> GPO Box 7720 Melbourne VIC 3004	<b>Angas Securities</b> PO Box 3377 Southport QLD 4215
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### Or deliver in person to one of our offices.

Applications and cheques received will be processed by the next business day after receipt. Cash payments will not be accepted.

I/we have read the attached Prospectus Number 9 and agree to be bound by the provisions of the Trust Deed dated the 19th July 2000 (as amended to date and as may be amended from time to time) and the conditions of the offer set out in the Prospectus.

I/we agree and understand the terms used in the application have the same meaning as in the Trust Deed.

If signed under power of attorney I/we declare that I/we have no knowledge of the revocation of that power of attorney.

If I/we received the Prospectus from the internet or by other electronic means then I/we declare that I/we have personally received the Prospectus in full accompanied by this Application Form prior to making this application.

## DECLARATION & SIGNATURE

SIGNATURE OF INVESTOR 1 / COMPANY REPRESENTATIVE	SIGNATURE OF INVESTOR 2 / COMPANY REPRESENTATIVE

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

This application form ("the Application Form") is provided for the purpose of investing in Debentures ("Securities") as described in the Angas Securities Limited Listed Debenture Stock Prospectus No.9 ("the Prospectus").

No Securities will be issued pursuant to the Prospectus later than 13 months after the date of the Prospectus.

### WARNING TO INVESTORS

The Prospectus is provided in electronic form ("the Electronic Prospectus") and may be viewed at the Angas Securities Limited ("the Company") Website: [www.angassecurities.com](http://www.angassecurities.com). The Electronic Prospectus provides information about investing in the Securities. It is advised that prospective investors read the Electronic Prospectus before applying for the Securities. Any person who gives another person access to the Application Form must at the same time and by the same means give the other person access to the Electronic Prospectus.

While the Prospectus is current, the Company or a financial services licensee who has provided a copy of the Electronic Prospectus will send a paper copy of the Prospectus, and supplementary documents and the Application Form, on request and without charge.

<b>Office use only</b>

Do not use this form unless attached to the Prospectus.

## DIRECTORS

### MR ANDREW LUCKHURST-SMITH

#### Executive Chairman

Andrew Luckhurst-Smith, is a Lawyer who has practiced for 30 years, principally in the area of Banking & Finance. Prior to joining Angas, Andrew was Partner in Charge of the Adelaide Office of Hunt & Hunt a national law firm as well as being a member of its Board. He was formerly a Director of ALR Corporation, a national mercantile agency, where he was responsible for business development nationally. Andrew is a member of the Banking and Financial Services Law Association of Australia Limited. He was formerly National President of the Australian Anglican Schools Network and for many years was Chairman of the South Australian Anglican Schools Commission. Director of Angas since 29 March 2000 and Executive Chairman since 17 November 2003.



### MR MATTHEW HOWER

#### Managing Director

Matthew Hower worked with Day Cutten Stockbrokers specialising in the management of funds for private investors prior to establishing his own businesses which provided finance and funds management services. His finance experience has been with corporate structured finance transactions including commercial properties and developments, sub-divisions and rural funding. As Managing Director, Matthew is responsible for the day to day operations of the Company. Director of Angas since 29 March 2000 and Managing Director since 7 May 2004.



### MR KIMLEY LYONS

#### Executive Director

Kimley Lyons practiced law for over 20 years in Perth specialising in the area of Banking and Securities. He was formerly the Managing Partner of Jackson McDonald, a major Western Australian law firm. Kimley was formerly a Director of ALR Corporation, a national mercantile agency, of which he was one of the founders. He managed the Western Australian operations of that company during its formative years as well as having national responsibility for the banking and administration functions. Kimley is Chairman of the Audit, Risk Management and Compliance Committee. Director of Angas since 10 May 2002 and Company's Chairman of ARMCO since 16 September 2005.



### MR PAUL MCCARTHY

#### Director

Paul McCarthy, joined Angas from ANZ Banking Group where he was General Manager SA & NT. Paul's background has predominantly been with institutional banking, corporate banking and structured finance. He holds tertiary qualifications from UK and USA universities and a Masters of Business Administration from Deakin University in Melbourne. He is an Associate of the Chartered Institute of Bankers (City of London) and the Australian Institute of Company Directors. Paul is a full-time Executive Director of Angas and Chairman of the Credit Committee. Director since 4 August 2007 and Chairman of Credit Committee since 1 May 2008.



**PERTH**

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Ph (08) 9380 4983  
Fax (08) 9380 4480

**ADELAIDE**

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GPO Box 2948, Adelaide SA 5001

Ph (08) 8410 4343  
Fax (08) 8410 4355

**MELBOURNE**

Level 7, 1 Queens Road, Melbourne VIC 3004  
GPO Box 7720, Melbourne VIC 3004

Ph (03) 9863 8460  
Fax (03) 9863 8463

**DARWIN**

Level 3, 13 Cavenagh Street, Darwin NT 0800  
GPO Box 4, Darwin NT 0801

Ph (08) 8942 2404  
Fax (08) 8942 2808

**BRISBANE**

Level 2, 50 Marine Parade, Southport QLD 4215  
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