



8<sup>th</sup> November 2007

Scott Evans,  
General Manager  
National Stock Exchange of Australia  
384 Hunter Street,  
Newcastle  
NSW 2300

Dear Mr Evans,

VentureAxess Group Limited (formerly Jab Technologies Limited) NSX code: JAB  
Query on Annual Report 2007

We refer to your letter of 6 November 2007 (received by fax on 7 November 2007) and respond as follows:

Solvency and Sufficient Assets Rule (Listing Rule Section IIA, 6.54)

Please find attached a Pro-Forma Statement of Financial Position as at 30 June 2007 for the enlarged group, following the acquisition of VentureAxess Limited (VAL). At the General Meeting held on 1 November 2007, shareholders approved the issue of JAB ordinary shares and options to the VAL vendors, the conversion into ordinary shares of \$52,000 of JAB Loan Notes held by VentureAxess Capital Limited, the change of name to VentureAxess Group Limited and the change of activities to include funds management and corporate services as a result of the acquisition of VAL.

The principal activity of JAB is now funds management and the provision of corporate services. In the year ended 30 June 2007, VAL had a turnover of \$383,531 (up 90% on the previous year) and profits after tax of \$30,749. Over 60% of turnover came from contracted funds under management, such funds totalling over \$14.5 million at 30 June 2007. We believe that the acquisition of VAL, and the growth prospects of that business, provides JAB with sufficient operations to satisfy the NSX continued listing requirements.

In addition, from the attached Pro-Forma you will see that the enlarged group shows net assets of \$1.86 million, cash of \$180,000 and net current assets over current liabilities of \$290,000. Whilst the net assets include \$1.96 million of goodwill arising on consolidation, this is not unusual for a funds management business where the valuation of the business is often based on a percentage of funds under management. As an example, a funds manager that is in the process of listing on the ASX is expected to be capitalised at 34% of funds under management. On a comparable basis this would value JAB at \$4.93 million based on \$14.5 million of funds under management. Based on the Pro-Forma number of ordinary shares which will be in issue of 29,129,578 and Pro-Forma options in

**VentureAxess Group Limited**

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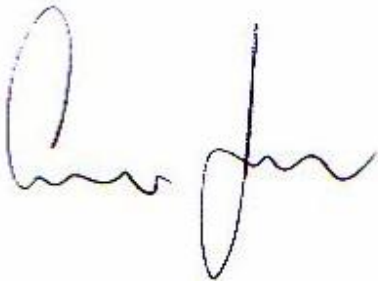
issue of 17,485,029 and the pre-suspension price for the ordinary shares of 15 cents each and for the options of 1 cent each, the market capitalisation of JAB would be \$4.54 million. We believe that this indicates that the goodwill arising on consolidation in the JAB Pro-Forma Statement of Financial Position has a demonstrated tangible value in excess of that shown in the Pro-Forma, and that JAB clearly meets the assets test for continued listing.

In your letter you state that the audit opinion for JAB at 30 June 2007 is qualified in relation to going concern. This is not correct – the audit report quite clearly states that “without qualification to the opinion expressed above” that the auditors are only bringing to the attention of readers the then issue of continuation as a going concern which is referred to in note 1 (z) to the 2007 Accounts.

In summary the Company confirms that following the acquisition of VentureAcess Limited it has:

- (1) financing in place to support the operations of the Company: and
- (2) sufficient operations to meet NSX listing requirements.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Emyr Jones', with a stylized, cursive script.

Emyr Jones  
Director

## **VentureAcess Group Limited (formerly Jab Technologies Limited) and VentureAcess Limited**

### **Historical and pro-forma Statement of Financial Position as at 30 June 2007**

This table presents the historical and pro-forma statements of financial position for VentureAcess Group Limited (VAG) (formerly Jab Technologies Limited) and VentureAcess Limited (VAL) as at 30 June 2007:

	Note	VAG Audited \$	VAL Unaudited \$	Adjustments \$	Combined \$
<b>Current Assets</b>					
Cash and cash equivalents	1.	9,428	673	170,400	180,501
VA Holdings Pty Ltd			168,343	(168,343)	-
VentureAcess Capital Limited		-	415,642	(121,999)	293,643
Trade and other receivables		10,091	40,201	(20,000)	30,292
<b>Total Current Assets</b>		<b>19,519</b>	<b>624,859</b>	<b>(139,942)</b>	<b>504,436</b>
<b>Non Current Assets</b>					
Goodwill on consolidation		-	893,291	1,065,257	1,958,548
Property, plant & equipment		-	7,062	-	7,062
<b>Total Non Current Assets</b>		<b>-</b>	<b>900,353</b>	<b>1,065,257</b>	<b>1,965,610</b>
<b>Total Assets</b>		<b>19,519</b>	<b>1,525,212</b>	<b>925,315</b>	<b>2,470,046</b>
<b>Current Liabilities</b>					
Trade and other Payables		68,201	122,244	-	190,445
Short term borrowings		-	123,847	(102,500)	21,347
<b>Total Current Liabilities</b>		<b>68,201</b>	<b>246,091</b>	<b>(102,500)</b>	<b>211,792</b>
<b>Non-Current Liabilities</b>					
VentureAcess Capital Limited		173,999	-	(173,999)	-
VAL Loan Notes		-	65,000	(65,000)	-
Directors and Associates			158,778	102,500	261,278
Loan Notes to VA Holdings				131,657	131,657
<b>Total Non-Current Liabilities</b>		<b>173,999</b>	<b>223,778</b>	<b>(4,842)</b>	<b>392,935</b>
<b>Total Liabilities</b>		<b>242,200</b>	<b>469,869</b>	<b>(107,342)</b>	<b>604,727</b>
<b>Net assets(liabilities)</b>		<b>(222,681)</b>	<b>1,055,343</b>	<b>1,032,657</b>	<b>1,865,319</b>
<b>Equity</b>					
Contributed Equity	2.	2,205,038	1,075,000	1,013,000	4,293,038
Retained earnings(losses)		(2,427,719)	(19,657)	19,657	(2,427,719)
<b>Total equity(deficit)</b>		<b>(222,681)</b>	<b>1,055,343</b>	<b>1,032,657</b>	<b>1,865,319</b>

**VentureAcess Group Limited**

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## Notes to the Pro-forma Statement of Financial Position

The pro-forma consolidated statement of financial position has been prepared based on the following assumptions:

- Audited consolidated balance sheet of VentureAcess Group Limited (formerly Jab Technologies Limited) as at 30 June 2007;
- Unaudited consolidated balance sheet of VentureAcess Limited (VAL) as at 30 June 2007;
- VAL Loan Note holders (\$65,000) convert to 650,000 VAL ordinary shares
- VAL has issued since its year end 2,000,000 ordinary shares to raise \$150,400 net of expenses
- Acquisition of the entire issued share capital and the outstanding share options of VAL by the issue of 13,573,334 fully paid ordinary shares in VAG at \$0.15 per share and the issue of \$300,000 of VAG Loan Notes to VA Holdings Pty Ltd;
- \$168,343 of the VAG Loan Notes are offset against a similar amount owed by VA Holdings Pty Ltd and VentureAcess Fund Managers Limited to VAL, reducing the outstanding VAG Loan Notes to \$131,657;
- \$52,000 of Converting Notes owing by VAG to VentureAcess Capital Limited are converted into 693,333 VAG ordinary shares (VAG shareholders approved on 1 November 2007) and the balance of \$121,999 owing is offset against amounts owed by VentureAcess Capital Limited to VentureAcess Fund Managers Limited (a wholly owned subsidiary of VAL);
- \$20,000 deposit secured in favour of ASIC is released as not required under current Financial Services Licence.

## Notes to the Pro-forma Balance Sheet at 30 June 2007

### Note 1: Cash

	\$
<b>Cash as at 30 June 2007 - VAG</b>	<b>9,428</b>
Acquisition of VentureAcess Limited (VAL)	673
Combined	10,101
VAL capital raising, net of costs	150,400
Release of security bond by ASIC	20,000
<b>Pro-forma cash at 30 June 2007</b>	<b>180,501</b>

### Note 2: Contributed Equity

	Shares	\$
<b>Shares on issue at 30 June 2007</b>	<b>14,862,911</b>	<b>2,205,038</b>
Converting Loan Notes by VAC	693,333	52,000
Acquisition of VAL ordinary shares	12,840,000	1,926,000
Acquisition of VAL options	733,334	110,000
<b>Pro-forma at 30 June 2007</b>	<b>29,129,578</b>	<b>4,293,038</b>

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