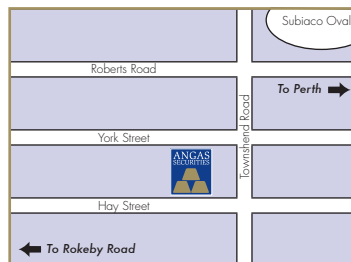




WHERE ARE WE?

Angas Securities' Perth office is conveniently located at 338 Hay Street, Subiaco. Townshend Road is the nearest intersection. We are opposite Churchill Court. Parking is normally available nearby and the train station is 5 minutes walk away.



THE FIXED INTEREST SPECIALIST

Angas Securities Limited

Australian Financial Services Licence No. 232479

PERTH

338 Hay St, Subiaco WA 6008
PO Box 1602, Subiaco WA 6904

Ph (61 8) 9380 4983
Fax (61 8) 9380 4480

OFFICES IN

Adelaide
Darwin
Melbourne

IS YOUR ADVISOR ACTING FOR FREE?

Financial advisors can perform a valuable service, but it is important that investors understand that unless the advisor is being paid an agreed fee for service, normally most advisors receive a commission as a result of introducing an investment. So, as an investor, you are perfectly entitled to ask any financial advisor you deal with what the basis of his remuneration is. If it is commission-based, you are entitled to know how much commission the advisor is receiving as a result of introducing your investment.

PAUL MURRAY COMMENTS

See overleaf for Paul's comments on the absurdity of over-regulation.

DEBENTURE INDUSTRY IN THE NEWS AGAIN

The Australian Securities and Investment Commission recently introduced regulatory guidance for all debenture issuers. Angas Securities has been proactive in addressing ASIC's requirements and from March 2008 has become one of the very few debenture issuers to be both rated (by Standard & Poor's) and listed (on the NSX).

Don't forget - not all debenture issuers are the same! When comparing what is on offer, remember these important facts:

Angas Securities **does:**

1. have a credit rating of B+/stable/B from Standard & Poor's;
2. have a maximum loan to value ratio of 70% - currently the weighted average loan to value ratio average is no more than 60%;
3. act on valuation reports received from independent licensed valuers who value properties on an "as is" basis;
4. insist upon first mortgage security as the prime security for any loan transaction - but, in addition, will take any other collateral security which is available to support the loan; and
5. maintains a liquidity reserve of 5% at all times.

Angas Securities **does not:**

1. engage in related party lending;
2. substantially lend on construction loans. Construction loans cannot comprise more than 5% of the Angas Securities' loan book; and
3. pay high rates of commission to advisors for introducing investments.

Further information can, of course, be found on our website and in the current prospectus, which should be read carefully by potential investors.



BRAD'S BACK!

Long time friends of Angas Securities will remember Brad Collins from the days when he was Operations Manager of the WA office. He is now back with us as the WA Retail Lending Manager for API Home Loans, a recently acquired division of Angas Securities Limited. Further information regarding what's on offer with API Home Loans will be sent out shortly, but in the meantime, if you are in the market for a home loan feel free to give Brad a call on 1800 010 800.

INVESTOR SERVICE LINE 1800 827 143

FIXED INTEREST PAID MONTHLY OR ON MATURITY

1 year term	8.5% p.a.
3 year term	9.0% p.a.

Published rates may vary during term of Prospectus but interest rate applicable to individual investments is fixed when investment is made.

**NSX LISTED
STANDARD & POOR'S RATED
B+ / STABLE / B**

PROSPECTUS NUMBER 8

Prospectus 8, together with supplementary to No. 8, is now available. Please ring or call in to receive your no obligation copy. And remember further information about Angas Securities can be found on the company's website www.angassecurities.com.



IMPORTANT NOTICE

This newsletter does not contain investment advice. You should carefully consider the content of Prospectus no 8 and the Supplementary Prospectus and seek advice from your own qualified financial advisor. A copy of the Standard & Poor's ratings report is available on request or on our website. This report provides an independent assessment of the risk that you may lose some or all of your investment.

www.angassecurities.com

PAUL MURRAY COMMENTS

Directly across the road from Angas Securities' well-appointed Subiaco offices there lies another business taking "investments" from the public.

Instead of parking their surplus funds with a reliable company offering debentures at a fixed rate of interest on a fixed amount for a fixed term, these punters head into the premises marked TAB and take their chances on the vagaries of the racetrack.

With dreams in their heads and dollar signs in their eyes they have weighed up the following risk factors: the weather; the state of the track; the form of their favoured horse; the honesty of the connections, trainer and jockey; the comparative qualities of all those matters as they affect all the other runners; and, finally, the return on investment being offered by the various turf accountants.

Everyone who is familiar with the insides of a TAB – even if it's only on the second Tuesday in November each year – knows they are not festooned with disclaimer signs warning of the risky nature of the investment.

Had the same investor decided to enter the premises at 338 Hay Street and place his or her money with Angas Securities, they would find themselves in a very different investing environment.

Most are well aware that those investments offering the highest interest rates are the ones that come with the highest risk.

Consequently a potential investor will carefully read the prospectus, study the financials, learn about the directors, consider the interest rate on offer, assess the risk factors and then, based on their investment risk profile, will make their own decision about whether to invest or not.

But some recent high profile failures have caused the Australian Securities and Investments Commission to take extraordinary steps to alert people of the dangers lurking over the road from the TAB.

Last October, ASIC released a discussion paper on debenture advertising putting the industry on notice.

"Advertisements for debentures should not suggest that ... there is no or little risk of the investor losing their principal or not being paid interest," the document said. Imagine that on the wall of the TAB?

And yet this is exactly the sort of thing debenture issuers are now being required to state in their advertising. They have been told to avoid the following words: secure, secured, guaranteed, safe, deposit, first ranking and are not to state "no fees."

Well, people with some knowledge of Angas Securities would be aware that it has for a long time advertised that it charges no fees. The reason is that it charges no fees.

"We consider that the use of these terms (or similar terms) could create a misleading impression about the debenture product or the risks involved with investing in it," ASIC said. "For example, 'no fees' suggests an analogy with banking products, which are typically subject to fees directly payable by the investor."

Just consider the logic of that for a moment. ASIC doesn't want people thinking debenture issuers are banks. Fair enough. But how do you make yourself look like a bank by saying you don't do what banks do – charge fees?

The discussion paper also suggested that debenture issuers should not mention interest rates in their advertising unless that is accompanied by an equally prominent credit rating for the debenture from an accredited credit agency like Standard & Pools.

"We recognise that it may not be practicable to effectively explain the meaning of a credit rating in radio or television advertisement, due to their short duration," ASIC said. "If it is not practicable to include the reference to the credit rating and explanation of its meaning in an advertisement, the advertisement should not refer to interest rates or credit ratings."

Can you imagine an Angas Securities advertisement that didn't mention the going rate of return? How would that help an investor assess the investment on offer?

And how would a concise (for that read meaningless) rider about credit ratings help? That is a matter investors pursue after they've decided to look into a seemingly attractive rate.

How any of this makes an investment in Angas Securities "safer" – and the company has never lost a cent of investor funds – is anyone's guess.

But last December ASIC put its thoughts into action by releasing a set of regulations. Debenture issuers have now been told if they do not comply with the new advertising standards they risk prosecution under the Trade Practices Act for "making false or misleading statements or engaging in misleading or deceptive conduct."

As a result, Angas Securities has obtained a credit rating from Standard & Poor's, but how this can be distilled meaningfully into a radio advertisement to allow the company to continue to promote its interest rates is yet to be seen.

And listeners will no longer hear that Angas Securities doesn't charge fees. Because to do so might make Angas sound like one of the banks, which everyone knows charge fees.

As anyone who walks into Angas Securities' Hay Street office will realise: it's not a bank. Just like the investment house over the road.

