



**APPOLLO ASSETS
LIMITED**
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Tuesday, May 27, 2008

MARKET ANNOUNCEMENT

TO: NATIONAL STOCK EXCHANGE LIMITED

**SUBJECT: PROPOSED MERGER BETWEEN APPOLLO ASSETS AND
AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED**

The Board of Appollo Assets Limited is pleased to announce the details of a proposed merger between the company and the Australian Small Scale Offerings Board Limited (www.assob.com.au).

Appollo Assets Limited (NSX:AAW), has today entered into an agreement to merge with the Australian Small Scale Offerings Board Limited ("ASSOB"), a platform designed to assist early-stage and unlisted companies raise capital. The Merger Agreement is subject to Shareholder approval at General Meeting.

Appollo Chairman, Colin Archer, said "We're joining forces with ASSOB and are looking forward to developing the investment market for unlisted companies in Australia, especially those innovative early stage companies that find it difficult to raise capital for growth. With the demise of many of the development grants and the still-embryonic VC industry, these companies have had few alternatives but to go offshore for capital, until ASSOB."

ASSOB assists unlisted companies to raise capital through the origination, aggregation and sale of their securities. ASSOB Members use the capital-raising provisions of the Corporations Act, 2001 and pass ASSOB's exemption under Class Order 02/273 to companies with Offers listed on the Board, allowing them to bring their investment opportunities to the attention of interested investors. ASSOB also provides a Secondary Sales/transfer facility where shareholders can sell their holdings in unlisted companies to interested purchasers.

The financial impact of the merger will be substantial, says, ASSOB Managing Director, Brookes McTavish. "With Appollo's access to capital and ASSOB's strong growth, our plans to join forces to roll-out a sophisticated investment banking organization to deliver services to high-growth, unlisted companies in Australia, means we both achieve our goals more quickly."

ASSOB and Appollo are developing their joint plans as "Start Securities Group Limited", a group of companies providing corporate advisory, funds management and angel investment services, as well as the Australian Small Scale Offerings Board capital raising platform. The group will particularly focus on innovation, especially the sustainable and clean-tech sectors.

Colin Archer
Chairman

For more information contact:
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Future Statements

Except for historical information, there may be matters in this Announcement that are forward looking statements. Such statements are only predictions and are subject to inherent risks and uncertainty. Forward-looking statements, which are based on assumptions and estimates and describe Appollo Assets Limited's future plans, strategies, and expectations are generally identifiable by the use of the words 'anticipate', 'will', 'believe', 'estimate', 'expect', 'intend', 'seek' or similar expressions. Shareholders are cautioned not to place undue reliance on forward-looking statements. By its nature, forward looking information involves numerous assumptions, inherent risks and uncertainties both general and specific that contribute to the possibility that predictions, forecasts, projections and other-forward looking statements will not occur. Those risks and uncertainties include factors and risks specific to the industry in which Appollo Assets Limited operates as well as general economic conditions and prevailing exchange rates and interest rates. Actual performance or events may be materially different to those expressed or implied in those statements.

All forward looking statements attributable to Appollo Assets Limited or persons acting on behalf of Appollo Assets Limited are expressly qualified in their entirety by the cautionary statements in this announcement. Except as expressly required by the Corporations Act Appollo Assets Limited undertakes no obligation to publicly update or revise any forward looking statements provided in this announcement whether as a result of new information, future events or otherwise or the list of risks affecting this information.

None of Appollo Assets Limited, its officers or any person named in this Meeting Documentation with their consent or any person involved in the preparation of this Meeting Documentation makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfillment of any forward-looking statement except to the extent required by law.

The forward-looking statements reflect the views held only as at the date of this Meeting Documentation.