

M E E T I N G D O C U M E N T A T I O N

Proposal for a Merger Arrangement Between APPOLLO ASSETS LIMITED and AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED.

This is an important document and requires your immediate attention. It should be read in its entirety. If you have any questions in relation to this Proposal, please consult your financial or other professional adviser immediately.

The independent Director of Appollo Assets Limited considers that the Proposal is in the best interests of Shareholders and recommends that Shareholders approve the proposal.

The Directors have concluded the Proposal is fair and reasonable to all shareholders of Appollo Assets Limited.

The Meeting to approve the proposal will be held on 26th June 2008 at the Offices of Appollo Assets Limited 5th Floor Edgecliff Centre 203-233 New South Head Road Edgecliff NSW 2027 at 09.00 AM EST.

KEY DATES

- | | |
|--|----------------------------|
| • Deadline for Lodgment of General Meeting Proxy Forms | 25 th June 2008 |
| • General Meeting of all Shareholders | 26 th June 2008 |

Important Notices

Read this document

You should read this document in its entirety carefully before making a decision on how to vote on the Proposal

Role of ASIC and NSX

A copy of this Meeting Documentation has been lodged with ASIC and NSX. Neither ASIC or NSX or any of their respective officers take any responsibility for the contents of this document.

No account of personal circumstances

This is an important document. The information set out in this Meeting Documentation does not constitute financial product advice. This Meeting Documentation does not take into account the individual investment objectives, financial situation or any particular needs of any shareholder or any other person. If you are in any doubt in relation to these matters, you should seek independent financial advice before making a decision on the Proposal.

Taxation Matters

The Proposal may have taxation implications for Shareholders. This document may refer to some potential taxation consequences arising from the proposal. As taxation implications may vary between Shareholders, Shareholders should obtain professional advice as to their individual circumstances.

Future Statements

Except for historical information, there may be matters discussed in this Meeting Documentation 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 section. 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 Meeting Documentation, 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.

Defined Terms

Certain terms used in this document are defined in Section 10 of this Meeting Documentation.



26th May 2008

Dear Shareholder

As a Director (Chairman) of Appollo Assets Limited, I present to you the information and documentation that will allow you to consider the proposal as outlined in this document.

The proposal is dependent on Shareholder approval by Special Resolution at general meeting and at a Shareholder Meeting to be held on 26th June 2008. Details of the Proposal and the Notices accompany this letter.

During the past twelve months the company has investigated a number of investment opportunities with the objective of creating sustainable value for the existing Appollo shareholders. Until now and for a variety of reasons these investigations have proven to be fruitless

On your behalf, discussions began with the directors of Australian Small Scale Offering Board (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.

Appollo and ASSOB propose to develop 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.

As an outcome of extended negotiations the Board of Appollo is pleased to be able to recommend to its shareholders this proposal to merge Appollo and ASSOB as a means of bringing long term value to the existing Appollo shares.

The board has therefore decided to ask shareholders to consider and if thought fit to agree to this merger by way of passing appropriate resolutions at an extraordinary General Meeting to be held on 26th June 2008.

The Appollo Board, including the Independent Director, believe the proposal is in the best interests of all shareholders and recommends that shareholders approve the above resolutions as this merger brings the following benefits to Appollo.

ASSOB has already achieved market penetration and has established ongoing revenue and a successful track record for its business model. The Board of ASSOB has already investigated and begun implementation of strategic growth plans that bring sustainable high growth opportunities to the company.

The Independent Director has received a report as to the commercial value of ASSOB and has also had this valuation method independently verified to assess whether the Proposal is fair and reasonable to all shareholders of Appollo. The Independent Director has concluded that the Proposal is fair and reasonable to the Shareholders of Appollo as a whole.

I encourage you to read this document in its entirety. In particular, the Explanatory Memorandum and the Independent's Directors Report contain important information to assist in your consideration of whether or not to support the Proposal. If you are unsure as to how to vote, I recommend that you speak with your investment or professional adviser.

If you have any queries about the Proposal please contact myself on 02 9327 7373 within Australia or +61 2 9327 7373 outside Australia.

I look forward to your participation at the Meetings on 26th June 2008.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Colin Archer', with a small horizontal line at the end.

Colin Archer
Chairman



26th May 2008

Dear Shareholders,

This Meeting Documentation provides important information regarding a proposed merger between Appollo Assets Limited (Appollo) and Australian Small Scale Offering Board Limited (ASSOB) that offers to its shareholders a re-organization of the company's affairs and the opportunity for the newly merged company to move forward in the market.

The Proposal is for a merger of the two companies that will result in existing Appollo shareholders retaining an aggregate of 4% of the newly merged entity. This merger will require a consolidation of the existing ordinary shares and options of Appollo.

As Independent Director on the Board of Appollo I have obtained an Indicative Valuation report from WMS Solutions Pty Ltd (Chartered Accountants) engaged by ASSOB, and also an independent report from Alchemy Innovation Development Attachment "B" that confirms the validity of the methodology employed to reach this indicative valuation.

I recommend that the Shareholders approve the Proposal by voting in favour of the various resolutions in the Notice of General Shareholders' Meeting.

I also recommend that you read these documents in their entirety, and speak to your own independent advisers regarding the impact that voting in favour or against the Proposal may have on your own circumstances.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Michael Matchett", is written over a horizontal line.

Michael Matchett

Independent Director

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I. Summary of the Proposal

This Section sets out the summary of the Proposal and should be considered in conjunction with the more detailed information provided in the balance of the explanatory memorandum set out in Section 4 and Section 7.

I.1 The Proposal

- The Proposal involves a consolidation of existing shares and options with an issue of new shares to complete the merger with the Australian Small Scale Offerings Board Limited in line with the Merger and Implementation Agreement signed by the Directors of Appollo Assets Limited and forming Attachment “A” of this document.

The Proposal can only proceed if:

- A special resolution is passed at a general Meeting of Shareholders;

If the Proposal is approved:

- Appollo will implement the proposal without further notice to Shareholders;
- Appollo will be properly capitalized with sufficient cash for 12 months of trading on NSX.

I.2 Reasons for the Proposal

The Board of Appollo, including the Independent Director, considers that the Proposal is attractive to the shareholders for the following reasons:

- **It allows a fresh start for the company:** It has been announced to the market and NSX that for various reasons there were a number of delays in introducing the LETU technology into Australia and that prompted the buy back of the major shareholders shares. The directors have since that time been looking for a suitable opportunity for the company.
- **It is unlikely an alternative proposal will be received;** The board of Appollo, including the independent Director of Appollo, believe it is unlikely that an alternative party will be interested in the company at this time.

I.4 Implications if the Proposal is not approved

- The Proposal will not proceed if it is not approved and:
- Appollo will have Limited Funds to Continue Operations.
- The Directors of Appollo will need to consider carefully the cash position of the company including its viability as a going concern.

Further details on the implications of the Proposal not proceeding are included in Section 4 of the Explanatory Memorandum.

2. What You Should Do

2.1 Step 1

Read this Meeting Documentation

This Meeting Documentation sets out the details of the Proposal for Shareholders. This information is important. You should read this document carefully and if necessary seek your own independent advice on any aspects about which you are not certain.

2.2 Step 2

Vote on the Resolution

Your vote is important. Details of the relevant meeting are set out in the Notice of General Meeting included in this Meeting Documentation.

Shareholders can attend in person or complete the applicable proxy form that accompanies this Meeting Documentation and return it to the address provided. For details on how to complete and lodge the Proxy Form please refer to the instructions on the Proxy Form.

2.3 Key Dates

Deadline for lodgment of General Meeting proxy forms	25 th June 2008
General Meeting of Shareholders	26 th June 2008

3. How To Vote

3.1 Venue

The General Meeting of all Shareholders will be held at the Appollo Assets Limited offices 5th Floor Edgecliff Centre 203 — 233 New South Head Road Edgecliff NSW 2027 at 10.00 AM EST

3.2 Voting in Person

If you wish to vote in person you should attend the General Meeting.

3.3 Voting by Proxy

If you are unable to attend this meeting please vote by completing and signing the relevant proxy form included with this Meeting Documentation as soon as possible, but so that it is received no later than 4.00 PM on the 25th June 2008. Proxy Forms received after this time will be invalid. You may return the relevant proxy forms by posting them, by delivering them to the address below or faxing them to Mr. Colin Archer, Appollo Company Secretary on facsimile number 02 9327-4908.

Postal Address: Appollo Assets Limited

(Post Office Box 788 Edgecliff NSW 2027 Australia)

5th Floor, Edgecliff Centre 203-233 New South Head Road EDGECLIFF, NSW, 2027 Australia

4. EXPLANATORY MEMORANDUM

INTRODUCTION

As announced to NSX on 26th May 2008, the Board has decided to present to shareholders a proposal to for the merger of Appollo Assets Limited with the Australian Small Scale Offerings Board Limited. The transaction involves a consolidation of existing Appollo Assets Limited Ordinary Shares and Options as set out in this document and the issuance of new Appollo Assets Ordinary Shares to Acquire the shares of ASSOB..

The purpose of the Notice is to enable the Company's shareholders to approve the transaction with the Australian Small Scale Offerings Board Limited and move to a successful merger.

REGULATORY REQUIREMENTS

4.1 Special Resolution,

The Consolidation of Existing Ordinary Appollo Shares and Options with the Issuance of New Shares as Agreed to Complete the Merger Agreement (Attachment "A") with Australian Small Scale Offerings Board Limited.

Under the Corporations Act, Appollo Assets Limited can only implement the Proposal if it obtains shareholder approval by special resolution at the General Meeting of Shareholders.

A special resolution is a resolution that has been passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution, either in person or by proxy.

4.2 Information on the Company

The company was formed on 6 July 2004 and acquired Guangdong JBC Biological Technology Co Limited. This company then became a wholly owned subsidiary with operations in Guangdong Province China. On 8th March 2005 YYCH lodged a replacement prospectus with ASIC to raise working capital. The prospectus was closed and on 6th September 2005 the company was admitted to the official list of the NSX and on the 6th September 2005 the securities and options of YYCH commenced trading on NSX.

4.3 Additional Company Information

Since the company's listing on the NSX in September 2005 it was solely focused on the development and implementation of LETU technology in agriculture pig farming. Sadly the Directors were unable to conclude a satisfactory agreement with the Chinese Government pig farms. All negotiations were ceased and the board has no immediate plans to start any more conversions in the Guangdong Region of South China. These negotiations turned out to be far more difficult than originally anticipated. Even after final approval for the importation of LETU from Japan

has been received from the Australian Pesticides and Veterinary Medicines Authority (APVMA) in December 2006 along with the previous approvals from Australian Quarantine Inspection Service (AQIS) the time taken defeated any real progress with the funds available. A private placement offer to raise \$750,000 to boost cash on hand to allow the trials of LETU on a pig farm in Young has yet to be subscribed. Present cash on hand is not enough to conclude such trials. On the Fijian front political instability has led the Yang Yang board to suspend further negotiations about the development of an eco farming project/s in Fiji using LETU.

Since the Buy back of the Major Shareholder's Shares in June 2007 and the ongoing work of the director's to move the company forward this Merger has now been finalised by the directors and is now being put to a General Meeting as per this document.

SHAREHOLDER CONSIDERATIONS

4.4 No alternative proposal

The Board, including the independent Director of Appollo Assets Limited believes it is unlikely than an alternative third party will make an offer for shares held by Shareholders and the merger is the best available offer to shareholders.

4.5 Considerations for Minority Shareholders

There are a number of matters that Shareholders need to consider when making a decision on how to vote on the proposed resolution/s at the relevant meeting. These include a number of advantages and disadvantages, some of which will be contingent on the individual financial position of the shareholder.

4.6 Potential key advantages and disadvantages to Shareholders if the Proposal is Approved:

The following is a summary of key advantages and disadvantages of the Proposal if approved by Shareholders.

Advantages	Disadvantages
Company will continue its Operations On implementation of this proposal the company will be able to continue its operations, and examine new investment opportunities to maximize value for shareholders. If the company does not implement this proposal it is possible that the company will be placed into administration.	Existing Shareholders will be Diluted Shareholders will at the conclusion of the merger hold only 4% of the merger entity. Existing value of shareholding will be maintained.
Potential Upside On implementation, Appollo Assets Limited will be a company with the ability to make investments and create value for shareholders.	Unable to consider a superior proposal Shareholders may consider that a superior proposal for Appollo Assets Limited is unlikely.
NSX Listing	

Shareholders will continue to have public shares trading on the NSX.	
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4.7 Potential key advantages and disadvantages to Shareholders if the Proposal is NOT APPROVED

Potential key advantages and disadvantages for Minority Shareholders if the Proposal is not approved include the following:

Advantages	Disadvantages
Maintain Control of Company. Shareholders retain share value in \$ terms in the company.	Company May be Put Into Administration By Directors. Shareholders may lose the Company

4.8 Directors' Recommendations

The Directors have closely considered the Proposal, the information contained in this Explanatory Memorandum and the Merger agreement and have formed the view that the Proposal:

- Is in the best interest of the Shareholders
- Is fair and reasonable to the shareholders of Appollo Assets Limited as a whole; and
- Does not materially prejudice Appollo Assets Limited's ability to pay its creditors

Mr. Michael Matchett was appointed to the Board of Appollo Assets Limited in July 2004 and is the sole Independent Director.

The Independent Director recommends that Shareholders approve the proposal by voting in favour of the resolutions proposed in the Notice of Meeting.

Further details of the Directors' Interests in Appollo Assets Limited are disclosed in Section 5 of the Meeting Documentation.

4.9 Approval Process

The Corporations Act provides that a company may consolidate its share capital if the consolidation: Is fair and reasonable to the company's shareholders as a whole; Does not materially prejudice the company's ability to pay its creditors; and Is approved by shareholders.

Under the Corporations Act, Appollo Assets Limited can only implement the Proposal if it obtains shareholder approval by special resolution at the General Meeting. A special resolution is a resolution that has been passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution either in person or by proxy.

4.9.1 General Meeting of all Shareholders

A special resolution must be passed at the General Meeting with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the proposal, or by their associates. The General Meeting of all Shareholders will be held in the offices of Appollo Assets Limited 5th Floor 203 —233 New South Head Road Edgecliff NSW 2027 on 26th June 2008 at 09.00 AM EST.

4.9.2 Proxy Voting Intentions

Mr. Colin Archer as the Chairperson of the General Meeting intends to vote undirected proxies in favour of the Proposal at the Meeting.

5 Appollo Assets Limited Directors' Disclosure

5.1 Directors

The current Directors of Appollo are:

- Colin Archer
- Michael Matchett
- Xiao Bo Zhou

5.2 Directors' Shareholdings in Appollo

The Directors of Appollo and the number of Appollo Shares held by or on behalf of the Directors are set out below:

Appollo Directors Shareholdings and Option Holdings	Fully paid Ordinary Shares	Options to acquire Shares
Mr. Michael Matchett	NIL	NIL
Colin Archer	5,750,500	5,750,500
Mr. Xiao Bo Zhou	8,740,000	8,740,000

5.3 Board Declaration

The Directors have each, where applicable, declared their interests as detailed to the Board and with the Board's permission following that disclosure have taken part in Board deliberations and voted in relation to the Proposal.

The Directors that hold shares have informed the Board that they intend to vote in favour of the Proposal at the General Meeting. If a Director is appointed as a proxy by a shareholder, then that Director will vote in respect of the Shares held by the Shareholder as directed.

5.4 Directors' Recommendations

The Directors, including the Independent Director, believe the Proposal is in the best interests of all Shareholders and recommend that Shareholders approve the Proposal.

6. APPOLLO Assets Limited

6.1 Background

Appollo Assets Limited (prior Yang Yang China Holdings Limited) developed out of a China based Life Sciences Company called Guangdong JBC Biological Technology Co Limited (then a wholly owned subsidiary of YYCH), headed

by Ms LIU Yang (then Chairman and major shareholder of YYCH) and primarily 2 scientists - Dr Jiang and Professor Jin.

As a result of many years R&D in both China and Japan the professors isolated a very particular strain of beneficial bacteria within the Lacto bacillus fermentum family. This has since been brand named as "LETU".

The benefits of beneficial bacteria for all animals (including humans) have been well documented over many years.

There are a range of products sold, including yogurts, that include these bacteria. Professors Jin and Jiang and their team, having studied this science for many years have applied it to high intensity animal farming as a way of replacing the more commonly used antibiotics and growth promoters.

While a body of R&D has been completed across various high intensity animal farming most commercial application has been focused towards pig farming.

In addition to animal health aspects, adoption of LETU farming enables the usual waste water containing effluents to be reused as part of an eco farming system that converts a waste product in to an asset. Water used to flush the effluent into settling ponds within the LETU system contains many nutrients and is saturated with the beneficial bacteria so presents the opportunity to grow both fish and plants in the settling ponds. The solids are captured and processed to create organic fertilizer for use on other cash crops. Ultimately the water (depleted of the nutrients) can be recycled back through the pig farm thereby significantly reducing one of the economic barriers to market for pig farming.

Since the Majority Shareholder buy back the company has been looking for opportunities to grow. The Merger proposal is a result of that work by directors over the past twelve months.

6.2 Appollo Share Price History

Appollo's share price performance from listing on NSX in September 2005 has significantly underperformed from a level of approximately \$0.25 per share to \$0.01c per share. Full information on the share price and the buying and selling patterns of the shares and options can be found at:

[http://www.nsx.com.au/prices_alpha.asp?nsxcode=AAW&coname='Appollo%20Assets%20Limited%20FPO'®ion=.](http://www.nsx.com.au/prices_alpha.asp?nsxcode=AAW&coname='Appollo%20Assets%20Limited%20FPO'®ion=)

6.3 Review of financial performance for the half year ended 31 December 2007

The Half yearly report was lodged with the NSX as required by ASIC law and may be viewed at <http://www.nsx.com.au/ftp/news/021719910.PDF>

6.4 Appollo Assets Limited Shares

Distribution of Shares

As at 10th May 2008 the distribution of Shareholders was as follows:

Shares Spread	Members	Shares Held	% Held
1 - 10,000	12	120,000	0.23%
10,001 - 100,000	32	1,341,000	2.47%
100,001 - 500,000	8	1,646,550	3.08%
500,001 - 1,000,000	3	2,030,500	3.72%
1,000,001 - 2,000,000	3	4,700,950	8.64%
2,000,001 - 3,000,000	4	9,827,000	18.05%
3,000,001 - 4,000,000	1	3,500,000	6.49%
4,000,001 - 5,000,000	0	0	0.0%
5,000,001 - 6,000,000	1	5,250,000	9.64%
6,000,001 - 7,000,000	0	0	0.0%
7,000,001 - 8,000,000	0	0	0.0%
8,000,001 - 9,000,000	3	25,990,000	47.74%
TOTAL:	67	54,440,600	100.0%

6.5 Top 10 Shareholders

As at 10th May 2008, the top 10 shareholders in Appollo were:

No.	Name	Number of Ordinary Shares	% of Issued Capital
1.	Ryhat Establishment	8,750,000	16.07%
2.	Xiao Bo Zhou	8,740,000	16.05%
3.	Xiong Zhao	8,500,000	15.61%
4.	Logic International Software	5,250,000	9.64%
5.	APEC Group Pty Limited	3,500,000	6.43%
6.	America's Travel Corporation	2,542,000	4.67%
7.	Qing Ping Qui	2,510,000	4.61%
8.	Glory (Australia) Investments Pty Ltd	2,500,000	4.59%
9.	Koon Sang LIM	2,275,000	4.18%
10.	Shi Liang Li	1,944,450	3.57%

7. Further Information

Further information about Appollo can be found on the Appollo website at www.geocities.com/appolloassets and the National Stock Exchange of Australia Site <http://www.nsx.com.au/>

7.1 NSX lodgment

This document together with the Merger and Implementation Agreement have been lodged with NSX. Neither ASIC nor NSX takes any responsibility for the contents of this booklet.

8. Directors Responsibility Statement and Consents

The Directors of Appollo state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements by the Directors in this Meeting Documentation are not misleading or deceptive and that with respect to any statements given by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that person making those other statements were competent to make such statements and each of those persons have given their consent to the issue of this Meeting Documentation and have not withdrawn that consent before the issue of this Meeting Documentation.

9. Merger and Implementation Agreement

See ATTACHMENT “A”

10. Defined Terms and Interpretation

In this Meeting Documentation, the following terms have the following meanings unless the context otherwise requires:

A-IFRS means the Australian equivalent to the International Financial Reporting Standards

ASIC means the Australian Securities and Investment Commission

Associate has the meaning given to that term in sections 10 to 17 of the Corporations Act

NSX means the National Stock Exchange of Australia Limited

Board or Board of Appollo means the Directors of Appollo

Appollo or the Company means Appollo Assets Limited ACN 109 469 383

Chairman means the Chairman of the Board Mr. Colin Archer

Corporations Act means the Corporations Act 2001

Director means a Director of Appollo

Explanatory Memorandum means the explanatory memorandum accompanying the Notice of General Meeting contained in this Meeting Documentation

General Meeting means the proposed meeting of all Shareholders on 26th June 2008 at 09.00am EST Appollo's Offices 5th Floor Edgecliff Centre 203-233 New South Head Road Edgecliff NSW 2027.

Independent Director means the Director of Appollo who is not associated with Appollo being Mr. Michael Matchett.

Meeting Documentation means:

- The letter from the Company Secretary and Director Chairman of Appollo to shareholders dated 26th May 2008.
- The letter from the Independent Director of Appollo to Appollo Shareholders dated 26th May 2008
- The summary of the Proposal
- Details for shareholders on what to do
- The Explanatory Memorandum
- The Notice of General Meeting
- The Notice of Majority Shareholder Meeting
- The Proxy forms for the General Meeting and the Minority Shareholders Meeting
- Copy of the Merger and Implementation Agreement

Notice of General Meeting means the Notice dated 26th May 2008 which is enclosed in the meeting documentation

Proxy Forms means the Proxy Form for the General Meeting contained in this meeting documentation

Share means a fully paid ordinary share in Appollo

Shareholder means the holder of Appollo shares.



DATE 26th May 2008

NOTICE OF SHAREHOLDERS GENERAL MEETING

Notice is hereby given that a general meeting of Appollo Assets Limited will be held at Appollo's Offices 5th Floor Edgecliff Centre 203 — 233 New South Head Road Edgecliff NSW 2027 on the 26th June 2008 at 09.00am EST

Items of Business

1. To consider and if thought fit , pass the following as a special resolution:

“That pursuant to section 254H(1) of the Act, the company reduces its share capital by way of a share consolidation such that on completion of the consolidation it has 5,440,600 Appollo Shares (ie a 10:1 consolidation) and the consolidation of all of the Appollo Pre-existing Options on an equivalent basis such that on completion of that consolidation there will be 5,305,600 Appollo Options to subscribe for 5,305,600 Appollo Shares, exercisable at \$3.00 each on 31 December 2009”;

2. To consider and if thought fit, pass the following as a special resolution:

“That for the purpose of the Listing Rules of the National Stock Exchange of Australia Limited and for all other purposes, shareholders approve the company’s Merger with the Australian Small Scale Offerings Board Limited on the terms and conditions set out in the Explanatory Statement accompanying this Notice”.

3. To consider and if thought fit, pass the following as a special resolution:

“That the directors of Appollo do all things necessary or appropriate to ensure the Merger is completed in accordance with the Merger and Implementation Agreement including agreeing to any amendment or variation that does not alter the terms of the Merger such that any one of more Appollo Members are subject to terms materially less favourable than the terms of this Agreement as disclosed in, or in connection with this Notice and the General Meeting”;

4. To consider and if thought fit, pass the following as a special resolution:

“That for the purposes of item 7 of Section 611 of the Act, Appollo Shares are issued to Australian Small Scale Offerings Board (“ASSOB”) in accordance with the Merger and Implementation Agreement such that ASSOB holds 96% of the Merged entity and that for the purposes of NSX Listing Rule 6.25 of Section IIA, this issue of securities is approved by shareholders in the same class within 12 months”;

5. To consider and if thought fit, pass the following as an ordinary resolution:

“That the name of “Appollo Assets Limited” is changed to “Start Securities Group Limited” with effect from completion of the Merger.”

6. To consider and if thought fit, pass the following as an ordinary resolution:

“That the board of directors of the Company be reconstituted as ASSOB requires from completion of the Merger and that an ASSOB Nominee be appointed as Company Secretary and that an ASSOB Nominee be appointed as the Company’s NSX Nominated Adviser (“Nomad”);

Interdependence of Resolutions

The resolution above will not take effect unless the resolution at the Majority Shareholder Meeting and the resolutions above have been approved by the requisite majority.

VOTING RESTRICTIONS

The Company will disregard any votes cast in favour of this resolution by any person or any associate of that person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if the resolution is passed. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

VOTING IN PERSON OR BY ATTORNEY

Members or their attorneys wishing to vote in person should attend the General Meeting. You are asked to arrive at least 10 minutes prior to the commencement of the General Meeting so that your shareholding may be checked against the register and your attendance noted.

Attorneys should bring with them an original or certified copy of the Power of Attorney under which they have been authorized to attend and vote at the meeting, unless it has already been provided to the Company.

VOTING BY PROXY

Members are advised that:

- a) each member entitled to vote at the meeting has a right to appoint a proxy;
- b) the proxy need not be a member of the Company;
- c) a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.

Your Proxy Form (any Power of Attorney under which it is signed) must be received at the Company's Registered Office at 5th Floor Edgecliff Centre 203-233 New South Head Road Edgecliff NSW Australia 2027 before the appointed time for the holding of the meeting that being Close of Business 25th June 2008.

Proxies May be Lodged:

- a) by hand or via postal or courier services;
- b) By Facsimile addressed to the Company Secretary, Appollo Assets Limited (Fax Number: +61 (0) 2 9327 4908)

VOTING ENTITLMENTS

All ordinary Shares in the Company that are quoted securities as at 4.00pm EDT on 25th June 2008 are taken, for the purposes of the meeting to be held by the persons who held those shares at that time.

By order of the Board

Colin Archer Company Secretary



PROXY FORM

I/We _____
of _____

being a member/members of Appollo Assets Limited hereby appoint

_____ of _____

or in his/her absence, the Chairman of the Meeting as my/our general /special proxy to vote on my/our behalf at the General Meeting of the Company to be held on 26th June 2008 or at any adjournment of that meeting.

Signature of Shareholder _____

Signed this _____ day of _____ 2008

The Chairman proposes to vote undirected proxies in favour of the resolutions.

If you do **not** wish to direct your proxy how to vote, please place a mark in the box.

☐

By marking this box you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

Unless otherwise instructed the proxy will vote as he or she thinks fit, or abstain from voting. Should the member wish to direct the proxy how to vote, the following should be completed

Resolution	For	Against	Abstain
1. "That pursuant to section 254H(1) of the Act, the company reduces its share capital by way of a share consolidation such that on completion of the consolidation it has 5,440,600 Appollo Shares (ie a 10:1 consolidation) and the consolidation of all of the Appollo Pre-existing Options on an equivalent basis such that on completion of that consolidation there will be 5,305,600 Appollo Options to subscribe for 5,305,600 Appollo Shares, exercisable at \$3.00 each on 31 December 2009";			
2. "That for the purpose of the Listing Rules of the National Stock Exchange of Australia Limited and for all other purposes, shareholders approve the company's Merger with the Australian Small Scale Offerings Board Limited on the terms and conditions set out in the Explanatory Statement accompanying this Notice".			
3. "That the directors of Appollo do all things necessary or appropriate to ensure			

the Merger is completed in accordance with the Merger and Implementation Agreement including agreeing to any amendment or variation that does not alter the terms of the Merger such that any one of more Appollo Members are subject to terms materially less favourable than the terms of this Agreement as disclosed in, or in connection with this Notice and the General Meeting”;			
4. “That for the purposes of item 7 of Section 611 of the Act, Appollo Shares are issued to Australian Small Scale Offerings Board (“ASSOB”) in accordance with the Merger and Implementation Agreement such that ASSOB holds 96% of the Merged entity and that for the purposes of NSX Listing Rule 6.25 of Section IIA, this issue of securities is approved by shareholders in the same class within 12 months”;			
5. “That the name of “Appollo Assets Limited” is changed to “Start Securities Group Limited” with effect from completion of the Merger.”			
6. “That the board of directors of the Company be reconstituted as ASSOB requires from completion of the Merger and that an ASSOB Nominee be appointed as Company Secretary and that an ASSOB Nominee be appointed as the Company’s NSX Nominated Adviser (“Nomad”);			

HOW TO COMPLETE THIS FORM

1. Appointment of a Proxy

If you wish to appoint the chairman of the meeting as your proxy mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered security holder in the space.

If you appoint a body corporate as your proxy, the body corporate will need to ensure that it appoints an individual as its corporate representative and that the appropriate “Certificate of Appointment of Corporate Representative is produced prior to admission.

2. Votes on Item of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the item of business. Subject to the voting restrictions, all your securities will be voted in accordance with such direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

3. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form.

To appoint a second proxy you must:

- a) indicate that you wish to appoint a second proxy by marking the box.
- b) On each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fraction of votes will be disregarded.
- c) Return both forms together in the same envelope

I. Signing Instructions

You must sign this form as follows in the spaces provided:

- Individual: where the holding is in one name the holder must sign
- Joint Holding: where the holding is in more than one name all of the security holders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the company or the registry. If you have not previously lodged this document for notation, please attach a certified copy of the Power of Attorney to this form when you return it.
- Companies: where the company has a sole Director who is also the sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

2. Lodgment of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than Close of Business on the 25th June 2008. being before the commencement of the Meeting at 09.00pm on 26th June 2008. Any proxy form received after that time will not be valid for the scheduled meeting.

Documents must be lodged:

- In person: Registered Office- 5th floor Edgecliff Centre Sydney NSW Australia 2027
- By Mail: Registered Office- 5th floor Edgecliff Centre 203-233 New South Head Road
Edgecliff NSW Australia 2027 or Post Office Box 788 Edgecliff NSW 2027
- By Fax: Company Secretary, Apollo Assets Limited — 02 9327-4908

ATTACHMENTS SUPPLIED WITH THIS DOCUMENT

Attachment “A”

**Full signed copy of the
Merger and Implementation Agreement**

between

**APPOLLO Assets Limited
and**

Australian Small Scale Offerings Board

Dated 23rd May 2008.

ATTACHMENT “B”

Full signed copy of the

**Independent Experts Report
Dated 24th May 2008.**

**Both Attachments Follow this Document and have been supplied to all shareholders as part of
this Notice of Meeting Documentation.**

Merger and Implementation Agreement

Appollo Assets Limited

and

Australian Small Scale Offerings Board Limited



Level 2, 500 Queen Street
BRISBANE QLD 4000
DX 152 BRISBANE
Tel: (07) 3002 6700
Fax 1300 368 717

www.hwlebsworth.com.au
Ref: MR:SR 98042

A handwritten signature in black ink, appearing to be 'R. [unclear]'.

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Merger and Implementation Agreement

Date	
Parties	<p>Appollo Assets Limited ACN 109 469 383 of Suite 545 Edgecliff Centre, 203-233 New South Head Road, Edgecliff, NSW 2027</p> <p>(Appollo)</p> <p>Australian Small Scale Offerings Board Limited ACN 114 772 020 of Level 2, 10 Holden Place, Bundall Queensland 4217</p> <p>(ASSOB)</p>
Background	<p>A. The parties have agreed to propose and implement the Merger upon and subject to the terms and conditions of this Agreement.</p>

Operative Provisions

1. Definitions and interpretations

1.1 Definitions and Interpretation

In this Agreement:

Act means the *Corporations Act 2001* (Cth);

Agreement means this document and its schedules, annexures and attachments, including as amended from time to time;

Appollo General Meeting means the general meeting of Appollo Members to consider and vote on the Appollo Merger Resolutions and any other resolutions ancillary to the Merger that are necessary or expedient to be proposed at that general meeting;

Appollo Information means such information regarding Appollo and its subsidiaries that is reasonably requested by ASSOB and provided by or on behalf of Appollo for the purpose of ASSOB's due diligence investigations or that is otherwise requested by ASSOB in connection with this Agreement or the Merger;

Appollo Member means any person whose name is entered, at the Appollo Record Date, in the Appollo Register as a shareholder of Appollo;

Appollo Merger Resolution means the approval of the following resolutions by the Appollo Members in general meeting:

- (a) a resolution pursuant to section 254H(1) of the Act of Appollo to undertake a share consolidation such that on completion of the consolidation it has 5,440,600 Appollo Shares (ie a 10:1 consolidation);
- (b) a resolution pursuant to NSX Listing Rule 6.25 of Section IIA;
- (c) a resolution for the purposes of item 7 of section 611 of the Act approving the issue of Appollo Shares to ASSOB in accordance with the Merger and this Agreement;
- (d) a resolution to change the name of Appollo with effect from completion of the Merger to "Start Securities Group Limited";
- (e) a resolution approving the consolidation of all of the Appollo Pre-existing Options on an equivalent basis as the consolidation of the Appollo Shares (namely, a 10:1 consolidation) such that on completion of that consolidation there will be 5,305,600 Appollo Options to subscribe for 5,305,600 Appollo Shares, exercisable at \$3.00 on 31 December 2009; and
- (f) a resolution that the directors of Appollo do all other things necessary or appropriate to ensure the Merger is completed in accordance with this Agreement (including agreeing to any amendment or variation to this Agreement that does not alter the terms of the Merger such that any one or more Appollo Members are subject to terms materially less favourable than the terms of this Agreement as disclosed in, or in connection with, the Appollo Notice of Meeting and the Appollo General Meeting);

Appollo Notice of Meeting means the written notice required to be issued pursuant to the Act and the Listing Rules (if applicable) to convene the Appollo General Meeting, which for the purposes of this Agreement shall include a copy of this Agreement and such other explanatory materials as Appollo considers appropriate or as required by ASIC or the NSX;

Appollo Option means any option to subscribe for one or more Appollo Shares that is granted or agreed and has not been exercised as at the Completion Date;

Appollo Pre-existing Options means 53,056,000 options to subscribe for 53,056,000 Appollo Shares, exercisable at \$0.30 on 31 December 2009;

Appollo Record Date means 24 hours before the time the Appollo General Meeting is held;

Appollo Register means the register of members that Appollo is required, by section 168(1)(a) of the Act, to maintain;

Appollo Share means a fully paid ordinary share in the capital of Appollo;

Appollo Warranties means the warranties and representations given by Appollo in clause 7.1 and elsewhere in this Agreement;

ASIC means the Australian Securities and Investments Commission;

ASSOB General Meeting means the general meeting of ASSOB Members to consider and vote on the ASSOB Merger Resolutions and any other resolutions ancillary to the Merger that are necessary or expedient to be proposed at that general meeting;

ASSOB Information means such information regarding ASSOB and its subsidiaries that is reasonably requested by Appollo or the Independent Expert and provided by or on behalf of ASSOB:

- (a) to Appollo to enable the Appollo Notice of Meeting to be completed in accordance with the requirements of the Act and the applicable regulations;
- (b) to the Independent Expert to enable the Independent expert's Report to be completed; or
- (c) to enable applications to any Regulatory Authorities to be made;

ASSOB Member means any person whose name is entered, at the ASSOB Record Date, in the ASSOB Register as a shareholder of ASSOB;

ASSOB Merger Resolution means the approval of the following resolutions by the ASSOB Members in general meeting:

- (a) a resolution for the purposes of item 7 of section 611 of the Act approving the acquisition of all ASSOB Shares by Appollo in accordance with the Merger and this Agreement; and
- (b) a resolution that the directors of ASSOB do all other things necessary or appropriate to ensure the Merger is completed in accordance with this Agreement (including agreeing to any amendment or variation to this Agreement that does not alter the terms of the Merger such that any one or more ASSOB Members are subject to terms materially less favourable than the terms of this Agreement as disclosed in, or in connection with, the ASSOB Notice of Meeting and the ASSOB General Meeting);

ASSOB Record Date means 5pm on the day the ASSOB Merger Resolutions are approved in the ASSOB General Meeting;

ASSOB Register means the register of members that ASSOB is required, by section 168(1)(a) of the Act, to maintain;

ASSOB Share means an issued fully paid ordinary share in the capital of ASSOB;

ASSOB Warranties means the warranties and representations given by ASSOB in clause 7.2 and elsewhere in this Agreement;

ASX means the Australian Stock Exchange Limited;

Business Day means a day which is not a Saturday, Sunday, a public holiday or a bank holiday in Victoria;

Capital Raising means the raising of approximately \$1.5 million by Appollo by way of the issue of Appollo Shares;

Completion Date means the date of the issue of the Total Merger Issue Number of Appollo Shares to the ASSOB Members, being not later than 14 Business Days after the Appollo General Meeting;

Confidentiality Agreement means the confidentiality clause 7.1 of the Heads of Agreement between the parties dated 13 March 2008 and Section 3 of the Deed of Variation between the parties dated 21 May 2008;

Cut-Off Date means, in relation to a condition precedent in clause 2.1, the date specified in this document for its fulfilment or, if no date is specified, 8.00am on the day prior to the Completion Date;

Independent Expert means Alchemy Innovation Pty Limited or such other independent expert as Appollo may appoint to be responsible for preparing the Independent Expert's Report;

Independent Expert's Report means the report to be prepared by the Independent Expert (in accordance with ASIC Policy Statement 74) expressing an opinion, for inclusion in the Appollo Notice of Meeting, on whether the Merger is fair and reasonable to the Appollo Members;

Listing Rules means the official listing rules of the NSX;

Merger means the merger to be proposed between ASSOB and Appollo as described generally in clause 3.2 and as set out in Schedule 1, subject to any alterations or conditions agreed in writing by ASSOB and Appollo (each acting reasonably):

- (a) before the Appollo General Meeting or the ASSOB General Meeting, whichever is earlier; or
- (b) as otherwise approved or authorised by the Appollo Members and the ASSOB Members;

Merger Consideration means the consideration to be provided to ASSOB Members in accordance with the Merger, the key particulars of which are as set out in clause 3.2(b) and Schedule 1;

Migration to ASX means the movement of the company from quoting its shares on NSX to the ASX;

NSX means the National Stock Exchange of Australia Limited ACN 000 902 063;

Party means a party to this Agreement;

Prescribed Occurrences means any of the following occurrences other than as permitted by this Agreement or as otherwise provided for in the Merger:

- (a) a Party converts all or any of its shares into a larger or smaller number of shares (excluding the consolidation of Appollo Shares and Appollo Options expressly required under this Agreement);
- (b) a Party or one of its subsidiaries resolves to reduce its share capital in any way (excluding the consolidation of Appollo Shares and Appollo Options, expressly required or permitted under this Agreement);
- (c) a Party or one of its subsidiaries:
 - (i) enters into a buy back agreement; or
 - (ii) resolves to approve the terms of a buy back agreement;
- (d) a Party or one of its subsidiaries issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option (excluding the consolidation of Appollo Shares and Appollo Options, or the ASSOB Shares (if any), as expressly required or permitted under this Agreement);
- (e) a Party or one of its subsidiaries issues, or agrees to issue, convertible notes or other convertible securities;
- (f) a Party or one of its subsidiaries disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;

- (g) a Party or one of its subsidiaries charges, or agrees to charge, or otherwise encumbers or agrees to encumber the whole, or a substantial part, of its business or property;
- (h) a Party or one of its subsidiaries resolves to be wound up;
- (i) a liquidator or provisional liquidator of a Party or one of its subsidiaries is appointed;
- (j) a court makes an order for the winding up of a Party or one of its subsidiaries;
- (k) an administrator of a Party, or one of its subsidiaries, is appointed under section 436A, 436B or 436C of the Act;
- (l) a Party or one of its subsidiaries executes a deed of company arrangement;
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of a Party or one of its subsidiaries;
- (n) one or more of the provisions of a Party's constitution is altered in any way;

Quotation (and Quoted) means the quotation of the Appollo Shares on the official list of the NSX ranking equally with all other rights of the already quoted Appollo Shares;

Regulatory Authority includes:

- (a) ASIC, the Takeovers Panel, the NSX and the Australian Competition and Consumer Commission;
- (b) a government or governmental, semi-governmental or judicial entity or authority;
- (c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority, body or organisation of any government; and
- (d) any regulatory body or organisation established under statute;

Required Issue Number means the number of Appollo Shares to be issued to the ASSOB Member under the Share Sale Agreement determined by applying the following formula (with the result rounded up to the nearest integer):

$$\text{Required Issue Number} = (N \div T) * A$$

Where:

N = the number of Transfer Shares

T = the Total ASSOB Shares

A = the Total Merger Issue Number

Share Sale Agreement means the pro forma share sale agreement to be prepared by ASSOB and which shall be executed by each ASSOB Member (or ASSOB as attorney for that ASSOB Member), being an agreement between that ASSOB Member and Appollo to transfer to Appollo, free from encumbrances, all of the ASSOB Shares that ASSOB Member holds at the date of that share sale agreement in consideration for the issue and allotment by Appollo to that ASSOB Member of the Required Issue Number of Appollo Shares on the following additional terms:

- (a) that ASSOB Member (or its attorney) will execute a standard share transfer form in respect of all of the ASSOB Shares that ASSOB Member holds at the date of that share sale agreement;
- (b) the number of ASSOB Shares that ASSOB Member is selling under that share sale agreement is deemed to be the number of Transfer Shares;
- (c) the sale of that ASSOB Member's ASSOB Shares is without warranties other than:
 - (i) that ASSOB Member warrants it is the owner of all of the Transfer Shares;
 - (ii) that ASSOB Member warrants the Transfer Shares are all of the ASSOB Shares that ASSOB Member holds at the date of that share sale agreement; and
 - (iii) Appollo warrants that each of the Appollo Warranties (as that term is defined in this Agreement) is true and correct and not misleading as at the date of this Agreement and will be true and correct and not misleading on the Completion Date (as that term is defined in this Agreement);
- (d) each of Appollo and ASSOB must execute any document and perform any action necessary to give full effect to that share sale agreement, whether before or after performance of that share sale agreement, including ensuring that ASSOB Member is entered into the Appollo Register in respect of the Required Issue Number of Appollo Shares;
- (e) that share sale agreement is subject to the satisfaction or waiver (in accordance with this Agreement) of each of the conditions precedent in clause 2.1 of this Agreement;

Total ASSOB Shares means the total number of ASSOB Shares issued as at the Completion Date;

Total Appollo Merger Shares means the number that equals the sum of all of the following:

- (a) the total number of Appollo Shares issued as at the Completion Date; and
- (b) the total number of Appollo Shares that would be issued if all Appollo Options were exercised in full, as at the Completion Date;

Total Merger Issue Number means the number derived by the following formula:

$$\text{Total Merger Issue Number} = \text{Total Appollo Merger Shares} \div [(1 \div 0.96) - 1];$$

Transfer Shares means the ASSOB Shares specified in the share transfer form executed by an ASSOB Member (or their attorney) pursuant to the Share Sale Agreement that was executed by that ASSOB Member (or their attorney); and

Written Agreement includes, for the purposes of clause 4, the communication of such agreement by facsimile, email or other electronic means.

1.2 Interpretation

In this Agreement, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) the headings are used for convenience only and do not affect the interpretation of this Agreement;
- (d) a reference to a clause or schedule is to a clause or schedule in this Agreement;
- (e) a reference to a document includes the document as modified from time to time and any document replacing it;
- (f) if something is done on a day which is not a Business Day then that thing must be done on the next or following Business Day;
- (g) the word "person" includes a natural person and any body or entity whether incorporated or not;
- (h) a reference to any statute, proclamation, rule, regulation or ordinance includes any amendment, consolidation, modification, re-enactment or reprint of it or any statute, proclamation, rule, regulation, or ordinance replacing it. A reference to a specified section, clause, paragraph, schedule or item of any statute, proclamation, rule, regulation or ordinance means a reference to the equivalent section of the statute, proclamation, rule, regulation or ordinance which is for the time being in force;
- (i) whenever "include" or any form of that word is used it must be constructed as if it were followed by "(without being limited to)";
- (j) money amounts are stated in Australian currency unless otherwise specified;
- (k) all references to time are to Australian Eastern Standard Time; and
- (l) a reference to any Regulatory Authority, if that Regulatory Authority ceases to exist or is reconstituted renamed or replaced or has its powers or functions removed ("defunct body"), means the Regulatory Authority which performs most closely the function of the defunct body.

2. Conditions precedent

2.1 Conditions precedent to completion

The obligations of the Parties to complete the Merger under this Agreement are subject to the satisfaction or waiver, in accordance with this Agreement, of each of the following conditions precedent:

- (a) the Appollo Merger Resolutions (other than the resolution to change the name of Appollo) are approved by the Appollo Members according to their respective terms and in compliance with the Act, the Listing Rules and the Appollo constitution;
- (b) no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the implementation of the Merger is in effect at 8.00am on the Completion Date;

- (c) this Agreement not being terminated by either Party prior to the Completion Date;
- (d) between the date of the Agreement and the date of completion, no Prescribed Occurrence occurring in relation to ASSOB or Appollo;
- (e) before 8.00am on the Completion Date, neither Appollo nor ASSOB having received from a Regulatory Authority any objection to, or notice that the Regulatory Authority proposes to take action in respect of, any element of the Merger;
- (f) between the date of this Agreement and the Completion Date each warranty under clause 7.2 remaining true and correct;
- (g) between the date of this Agreement and the Completion Date each warranty under clause 7.1 remaining true and correct;
- (h) all ASSOB Members, on or before the Completion Date:
 - (i) agreeing to sell their ASSOB Shares to Appollo; and
 - (ii) entering into the Share Sale Agreement;
- (i) the ASSOB Merger Resolutions are approved by the ASSOB Members according to their respective terms and in compliance with the Act and the ASSOB constitution;
- (j) all amendments to this Agreement required by any Regulatory Authority have been agreed by the Parties in writing with the approval or authority of the ASSOB Members and the Appollo Members;
- (k) Appollo has obtained all approvals required by any Regulatory Authority or under the Act or any other law in respect of this Agreement and the Merger;
- (l) there is nothing in the constitution of Appollo or the constitution of ASSOB, or in any agreement between the Appollo Members or the ASSOB Members, that will prohibit or prevent the completion of the Merger in accordance with this Agreement;
- (m) the Appollo Shares to be issued pursuant to the Merger have, before 8am on the Completion Date, been approved for official quotation on the NSX;
- (n) at 9.00am on the Completion Date all ASSOB Members have executed (or have authorised ASSOB to execute as their attorney) the Share Sale Agreement;
- (o) Appollo executing on the Completion Date the Share Sale Agreement for each ASSOB Member; and
- (p) Appollo providing to ASSOB on the Completion Date a resolution from the board of Appollo resolving to enter into the Appollo Register (in respect of the Required Issue Number of Appollo Shares for each ASSOB Member) all of the ASSOB Members that have executed (including by way of their attorney) Share Sale Agreements on or before the Completion Date.

2.2 Benefit of conditions

- (a) The conditions precedent set out in clauses 2.1(a) through 2.1(c) and clauses 2.1(e), 2.1(h), 2.1(i), 2.1(j) and 2.1(n) are for the benefit of both Parties and may only be waived with the written agreement of both of them.
- (b) The conditions precedent set out in clauses 2.1(d) (in respect of a Prescribed Occurrence occurring in relation to ASSOB) and 2.1(f) are for Appollo's benefit and may only be waived by Appollo in writing.

- (c) The conditions precedent in clauses 2.1(d) (in respect of a Prescribed Occurrence occurring in relation to Appollo), 2.1(g), clauses 2.1(k) through 2.1(m) and clauses 2.1(o) and 2.1(p) are for ASSOB's benefit and may only be waived by ASSOB in writing.

2.3 Parties must use best efforts exclusively

Each of the Parties must, while this Agreement remains in force:

- (a) only deal with the other of them in relation to any matters the subject of this Agreement, unless otherwise agreed or otherwise required or permitted by this Agreement,
- (b) not directly or indirectly solicit, encourage or respond in any way to, any other offer, proposal, indicative proposal, or other communication from any person in relation to any merger, takeover, reconstruction or other transaction of any type having an outcome or objective similar to that agreed in this Agreement unless otherwise agreed or otherwise required or permitted by this Agreement;
- (c) use its reasonable endeavours to procure the due fulfilment of the conditions precedent referred to in clause 2.1 by the Cut-Off Date and to ensure that there are no occurrences which would prevent the relevant condition being satisfied;
- (d) cooperate fully with each other in connection with those conditions precedent and provide the other with all reasonable assistance in that regard; and
- (e) keep each other informed of the steps it has taken and progress towards satisfaction of the conditions precedent and of any circumstances which may result in any conditions not being satisfied .

This clause 2.3 will only impose obligations on a party provided such obligations would not involve a breach of duties of the directors of the party or would be otherwise unlawful.

2.4 Fulfilment of Conditions

Each Party must provide to the other on the Completion Date a certificate confirming whether or not all the conditions precedent in clause 2.1 have been fulfilled or waived in accordance with this Agreement.

2.5 Rights regarding shares

For the avoidance of doubt:

- (a) until the Appollo Members pass in general meeting the Appollo Merger Resolution (in respect of item 7 of section 611 of the Act) approving the issue of Appollo Shares to the ASSOB Members in accordance with the terms of the Merger, neither ASSOB nor any ASSOB Member has any right to prevent any transfer of any Appollo Shares to any person or to exercise any voting power over any Appollo Shares; and
- (a) until the ASSOB Members pass in general meeting the ASSOB Merger Resolution (in respect of item 7 of section 611 of the Act) approving the transfer of ASSOB Shares to the Appollo Members in accordance with the terms of the Merger, neither Appollo nor any Appollo Member has any right to prevent any transfer of any ASSOB Shares to any person or to exercise any voting power over any ASSOB Shares.



3. Merger

3.1 General

The general terms of the Merger are as set out in clause 3.2, with further particulars of the Merger as set out in Schedule 1, subject to such changes as the parties may agree in writing and/or to any alterations or conditions made or required by ASIC or by the NSX and which do not effect a change to the financial or taxation consequences of the Merger.

3.2 Overview of Terms

- (a) On the Completion Date, all of the ASSOB Shares will be transferred by ASSOB Members to Appollo so Appollo will own all of the ASSOB Shares.
- (b) In consideration for the transfer to Appollo of all ASSOB Shares held by ASSOB Members, in accordance with the terms of the Merger, Appollo covenants in favour of ASSOB (in its own right and on behalf of all ASSOB Members) that Appollo will on the Completion Date issue the Required Issue Number of Appollo Shares to each ASSOB Member in respect of the ASSOB Shares transferred by that ASSOB Member to Appollo under the terms of the Share Sale Agreement.
- (c) Upon completion of the Merger the Parties agree that Appollo will change its name to "Start Securities Group Limited".

4. Notice of meeting and access

- (a) While the primary responsibility for preparing and despatching the Appollo Notice of Meeting rests with Appollo, ASSOB must ensure that its officers and advisers work with Appollo (including by attending meetings and providing information) in good faith and in timely and co-operative manner to enable Appollo to prepare the Appollo Notice of Meeting and assist in facilitating the implementation of the Merger and Appollo must provide ASSOB with a copy of each draft of the Appollo Notice of Meeting as it is prepared and any version ASSOB requests from time to time.
- (b) Appollo must obtain ASSOB's Written Agreement to the final form of the Appollo Notice of Meeting.
- (c) Appollo must not amend the final form of the Appollo Notice of Meeting to which it has obtained ASSOB's agreement under clause 4(b) except with, and in accordance with, the prior written consent of ASSOB, which will not be unreasonably withheld.
- (d) Appollo must, at the same time it submits to ASSOB the final form (including a subsequent amended form) of the Appollo Notice of Meeting for approval by ASSOB, provide to ASSOB a letter signed by two of its directors confirming that all of its directors (excluding any director who is excluded from casting a vote on the resolution in order to comply with the Act or Listing Rules) have consented to and authorised the issue of the final form of the Appollo Notice of Meeting.
- (e) ASSOB will prepare and provide to Appollo the ASSOB Information for inclusion in the Appollo Notice of Meeting.
- (f) From the date of this Agreement until its termination or the Completion Date (whichever is earlier), each Party must allow the other, its officers and advisers reasonable access during normal business hours to that Party's documents and records, officers and advisers in order that the other Party can conduct any due diligence investigations it may reasonably require, subject to the Party conducting the enquiries maintaining any obligation of confidentiality under the Confidentiality Agreement.

5. Obligations

5.1 ASSOB's Obligations

ASSOB must take all necessary steps within its power to obtain ASSOB Member approval to the Merger prior to the Cut-Off Date and to implement and perform the Merger, including without limitation the following matters (in each case so far as is reasonably practicable by or before 27 May 2008:

- (a) **Directors' recommendations:** The directors of ASSOB entitled to vote must unanimously state to the ASSOB Members that they each recommend that ASSOB Members approve the Merger;
- (b) **Other actions:** If ASSOB Members approve the Merger, ASSOB must take all further steps which are necessary to:
 - (i) determine entitlements to the Merger Consideration on the ASSOB Record Date;
 - (ii) effect and register the transfer of the ASSOB Shares to Appollo as required under the Merger, subject to clause 2.1; and
 - (iii) do all other things contemplated by or necessary to give effect to the Merger;
- (c) **ASSOB Information:** ASSOB must provide the ASSOB Information to Appollo in reasonable time to enable Appollo to prepare the Appollo Notice of Meeting, and provide Appollo with any further or new information which may arise after the Appollo Notice of Meeting has been despatched until the date of the Appollo General Meeting which may be necessary to ensure that the ASSOB Information does not contain any material statement which is false or misleading including because of any material omission of that statement. Within three Business Days of ASSOB having approved the final form of the Appollo Notice of Meeting, ASSOB agrees to provide a letter signed by all of the directors of ASSOB consenting to the inclusion of the ASSOB Information in the Appollo Notice of Meeting and confirming the accuracy and completeness of that information;
- (d) **Independent Expert Information:** To provide any assistance or information reasonably requested by Appollo or by the Independent Expert to be sent together with the Appollo Notice of meeting; and
- (e) **Share Sale Agreement:** ASSOB must use all reasonable endeavours to encourage ASSOB Members to enter into the Share Sale Agreement.

5.2 Conduct of business by ASSOB

During the period from the date of this Agreement to the Completion Date, ASSOB must, and must cause its subsidiaries to, carry on their respective business in good faith and, so far as is reasonably practicable in the circumstances, in the usual, regular and ordinary course in substantially the same manner as they were previously conducted, and to keep Appollo informed of the conduct of the business, and ASSOB and its subsidiaries must, unless otherwise approved by Appollo (which approval must not be unreasonably withheld or delayed):

- (a) use reasonable endeavours to maintain and preserve their relationships with customers and others having dealings with them;
- (b) not acquire or dispose, agree to acquire or offer, propose or announce a bid or tender to acquire or dispose of any asset, business or undertaking having a market value for any one item or in the aggregate of more than \$50,000.00;

- (c) not enter into contracts or commitments with third parties outside of the ordinary course of business or approve any unreasonable improvement in the remuneration or terms of employment of any employee or terminate the employment of any employee or grant any severance pay or termination pay to such persons without the prior written consent of Appollo, and not outside the ordinary course of business pay any one-off bonuses;
- (d) not pledge or otherwise encumber (including by way of mortgage, charge or lien) any of its material assets, business or property (except for encumbrances arising in the ordinary course of business); and
- (e) not do anything that would constitute a Prescribed Occurrence.

5.3 Appollo's obligations prior to approval

Appollo must execute all documents and do all acts and things necessary to obtain the Appollo Member's approval of each of the Appollo Merger Resolutions and to implement and perform the Merger, including without limitation the following matters (in each case as soon as is reasonably practicable and at the latest by or before 27 May 2008):

- (a) **Appollo Notice of Meeting:** Appollo must prepare the Appollo Notice of Meeting in accordance with all applicable laws;
- (b) **Appollo General Meeting:** Appollo must convene the Appollo General Meeting in accordance with its constitution, with the date for that meeting to be before 26 June 2008;
- (c) **Directors' recommendation:** Subject to clause 5.3(d) the directors of Appollo entitled to vote must unanimously state that they each recommend that Appollo Members vote in favour of the Appollo Merger Resolutions;
- (d) **Positive recommendation not required:** The obligation of the disinterested directors of Appollo under clause 5.3(c) does not apply if the Independent Expert's Report concludes that the Merger is not in the best interests of the Appollo Members; and
- (e) **Other actions:** If Appollo Members approve the Appollo Merger Resolutions then Appollo must do and refrain from doing all things and take all further steps which are necessary to:
 - (i) determine entitlements to the Merger Consideration on the Appollo Record Date; and
 - (ii) give effect to and complete the Merger.

5.4 Appollo's obligations following approval

- (a) If each of the conditions precedent to the Merger in clause 2.1 are satisfied or waived, Appollo must in accordance with the Merger (and Share Sale Agreement) issue the Required Issue Number of Appollo Shares to each ASSOB Member for the Transfer Shares transferred to Appollo under the Share Sale Agreement and within the time limits specified in the Listing Rules, apply for Quotation of all the Appollo Shares issued.
- (b) Appollo acknowledges and agrees that if each of the conditions precedent to the Merger in clause 2.1 are satisfied or waived Appollo has the exclusive obligation to provide the Merger Consideration to ASSOB Members.

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- (c) As soon as practical but no later than December 2009, undertake the Migration from NSX to ASX.

5.5 Conduct of business by Appollo

During the period from the date of this Agreement to the Completion Date and subject to clause 5.6, Appollo must, and must cause its subsidiaries to, carry on their respective businesses in good faith and, so far as is reasonably practicable in the circumstances, in the usual, regular and ordinary course in substantially the same manner as they were previously conducted, and to keep ASSOB informed of the conduct of the business, and Appollo and its subsidiaries must, unless otherwise approved by ASSOB (which approval must not be unreasonably withheld or delayed):

- (a) use reasonable endeavours to maintain and preserve their relationships with customers and others having dealings with them;
- (b) not acquire or dispose, agree to acquire or dispose or offer, propose or announce a bid or tender to acquire or dispose of any asset, business or undertaking having a market value for any one item or in the aggregate of more than \$50,000, other than pursuant to agreements in place at the date of this Agreement and already disclosed in writing to ASSOB;
- (c) not enter into any contracts or commitments with third parties outside of the ordinary course of business or approve any unreasonable improvement in the remuneration of terms of employment of any employee or terminate the employment of any employee or grant any severance pay or terminate pay to such persons without the prior written consent of ASSOB, and not outside the ordinary course of business pay any one-off bonuses;
- (d) not pledge or otherwise encumber (including by way of mortgage, charge or lien) any of its material assets, business or property (except for encumbrances arising in the ordinary course of business);
- (e) take such actions as are necessary to ensure that, between the date of execution of this Agreement and the Completion Date, no new Appollo Shares or Appollo Options are allotted or issued or agreed to be allotted or issued (except as expressly required or permitted by this Agreement); and
- (f) not do anything that would constitute a Prescribed Occurrence.

5.6 Appointment of Directors to Appollo

If the Appollo Merger Resolutions are passed at the Appollo General Meeting then on completion of the Appollo General Meeting Appollo must take all actions necessary (including to procure the resignation of all directors and the company secretary of Appollo) to ensure that its board of directors will be reconstituted by the removal of all directors and the company secretary as ASSOB requires and with the appointment of the directors and company secretary nominated by ASSOB immediately after the ASSOB General Meeting..

6. Termination

6.1 Termination Events Before Completion Date

This Agreement may be terminated at any time prior to completion of the Merger:

- (a) by a Party that has not waived a condition precedent set out in clause 2.1 that was inserted for the benefit of that Party (as specified in clause 2.2) where that condition

precedent was not satisfied in accordance with this Agreement by the Completion Date;

- (b) by either Party if the other is in material breach of any clause (including a warranty) of this Agreement and does not rectify that breach within the earlier of 7 days after it is given notice requiring rectification of the breach or 5.00pm on the day prior to the Completion Date;
- (c) by either Party if any Court or Regulatory Authority has issued an order, decree or ruling or taken any action permanently enjoining, restraining or otherwise prohibiting the Merger, or has refused to do anything necessary to permit the Merger, and the order, decree, ruling, other action or refusal is in effect at 8.00am on the Completion Date; or
- (d) by either Party if an event occurs, or information is disclosed, after the date of this Agreement that was not previously known to that Party which affects or is likely to affect either Party's ability to perform its obligations under this Agreement in a material respect.

6.2 Automatic Termination

This Agreement will be terminated immediately, without any action by either Party if:

- (a) any Appollo Merger Resolution (other than the resolution to change the name of Appollo with effect from completion of the Merger to "Start Securities Group Limited") is not approved at the Appollo General Meeting;
- (b) any ASSOB Merger Resolution is not approved at the ASSOB General Meeting; or
- (c) both of the conditions precedent in clause 2.1(a) and clause 2.1(j) have not been satisfied within 60 days of the date of this Agreement.

6.3 Termination and Effect of Termination

- (a) A Party with a right to terminate this Agreement will have validly exercised that right by delivering a written notice to the other Party stating that it terminates this Agreement.
- (b) Upon termination of this Agreement, all further obligations to the parties under this Agreement shall immediately cease to be of further force and effect without further liability of any Party to the other. Nothing in this clause releases a Party from liability for any prior breach of or accrued liability under this Agreement, or from any obligation expressed to survive the termination of this Agreement.

7. Representation and Warranties

7.1 Appollo's representations and warranties

Appollo represents and warrants to ASSOB and its directors (on ASSOB's own behalf and separately as trustee or nominee for each ASSOB Member) that as at the date of this Agreement and as at the Completion Date (unless another time is specified):

- (a) the Appollo Information provided in accordance with this Agreement (including all details regarding, including the number of issued Appollo Shares and granted Appollo Options) is true, accurate and up-to-date and will not contain any material statement which is misleading or deceptive or contain any material omission;
- (b) the execution and delivery of this Agreement has been properly authorised by all necessary corporate action of Appollo;

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- (c) Appollo has full corporate power and lawful authority to execute and deliver this Agreement and to perform or cause to be performed its obligations under this Agreement;
- (d) neither this Agreement, nor any material or written information provided by Appollo to ASSOB (including without limitation, all Appollo Information and any other material disclosed as a result of due diligence enquires made by or on behalf of ASSOB prior to the date of this Agreement) contains any untrue statement of a material fact or any misleading statements, or omits a material fact necessary to make the statement in this Agreement or that material not misleading;
- (e) if each of the conditions precedent to the Merger in clause 2 are satisfied or waived, Appollo will have the capacity to issue to ASSOB Members the Merger Consideration to which they are entitled and apply for Quotation of the Appollo Shares within the timeframe provided for in the Merger;
- (f) this Agreement does not conflict with or result in the breach of or default under any provision of the Appollo constitution or any material term or provision of any agreement or deed or any writ, order or injunction, judgment, law, rule or regulation to which it is Party or a subject or by which it is bound;
- (g) Appollo has complied with the Act, the Listing Rules and all other laws and is not, to the best of its knowledge, in breach of any law;
- (h) Appollo is able to pay all its debts as and when they become due and payable;
- (i) Appollo does not have, and will not have at the Completion Date, any debts or outstanding tax or other liabilities of which it has not made ASSOB fully aware on or before the date of this Agreement (including all liabilities under its contracts with its customers and suppliers and all accrued and claimed employee entitlements);
- (j) Appollo has not received, and is not aware of, any claim against Appollo or any of its subsidiaries and is not currently concerned in any litigation or dispute and is not aware of any matter that is likely to give rise to any claim against or litigation concerning Appollo;
- (k) the Merger will not trigger any employee entitlements claims;
- (l) no Prescribed Occurrence will occur in relation to Appollo between the date of this Agreement and the Completion Date without the approval of ASSOB;
- (m) as at the date of this Agreement Appollo has issued 54,406,000 Appollo Shares and there is no other class of security on issue save for the Appollo Pre-existing Options;
- (n) on the Completion Date, apart from the Appollo Shares there will be no other class of security on issue by Appollo other than 5,305,600 Appollo Options to subscribe for 5,305,600 Appollo Shares, exercisable at \$3.00 on 31 December 2009 (being the consolidated Appollo Pre-existing Options); and
- (o) Appollo has no other obligations or liabilities other than those set out in Schedule 3.

7.2 ASSOB's representations and warranties

ASSOB represents and warrants to Appollo and its directors that:

- (a) the ASSOB Information provided in accordance with this Agreement and contained in the Appollo Notice of Meeting will not, as at the date the Appollo Notice of Meeting is issued by Appollo to Appollo Members, contain any material statement which is misleading or deceptive or contain any material omission other than any misleading

or deceptive statement or material omission in relation to which ASSOB has notified Appollo prior to that date;

- (b) ASSOB will, as a continuing obligation, provide to Appollo all such further or new information which may arise after the date of the Appollo Notice of Meeting until the date of the Appollo General Meeting which may be necessary to ensure that there would be no breach of clause 7.2(a);
- (c) the execution and delivery of this Agreement has been properly authorised by all necessary corporate action of ASSOB;
- (d) ASSOB has full corporate power and lawful authority to execute and deliver this Agreement and to perform or cause to be performed its obligations under this Agreement;
- (e) neither this Agreement, nor any material or written information provided by ASSOB to Appollo (including without limitation, material disclosed as a result of due diligence enquires made by or on behalf of Appollo prior to the date of this Agreement) contains any untrue statement of a material fact or omits a material fact necessary to make the statements in this document or that material, not misleading;
- (f) this Agreement does not conflict with or result in the breach of or default under any provision of ASSOB's constitution or any material term or provision of any agreement or deed or any writ, order or injunction, judgment, law, rule or regulation to which it is a Party or a subject or by which it is bound; and
- (g) no Prescribed Occurrence will occur in relation to ASSOB or its subsidiaries between the date of this Agreement and the Completion Date without the approval of Appollo.

7.3 Survival of Representations

The representations and warranties in clauses 7.1 and 7.2:

- (a) are severable;
- (b) shall survive the termination of this Agreement; and
- (c) are given with the intent that liability will not be confined to breaches of them discovered prior to the date of this Agreement.

7.4 Reliance

- (a) Appollo acknowledges and agrees that the Appollo Information will be provided to ASSOB in good faith and on the understanding that ASSOB will rely on that Appollo Information as being true, accurate, and up-to-date for the purposes of proposing and implementing the Merger in accordance with the requirements of the Act.
- (b) ASSOB acknowledges and agrees that the ASSOB Information will be provided to Appollo in good faith and on the understanding that Appollo will rely on that ASSOB Information as being true, accurate, and up-to-date for the purposes of proposing and implementing the Merger in accordance with the requirements of the Act.

8. Guarantee and Indemnities

8.1 Appollo's Indemnity

Subject to section 199A of the Act, Appollo agrees to indemnify and keep indemnified ASSOB and its directors and other officers from and against all claims, actions, proceedings, liabilities,

obligations, damages, loss, harm, charges, costs, expenses, duties and other outgoings of whatever nature and however arising which any of them may suffer or incur by reason of:

- (a) any of the Appollo Information containing any statement which is misleading or deceptive whether in content or by omission;
- (b) any breach of any of the Appollo Warranties;
- (c) any of the Appollo Information contained in an independent expert's report (if any) or any notice of meeting issued by ASSOB in respect of the ASSOB Merger Resolutions, containing any statement which is misleading or deceptive whether in content or by omission as at the date that notice of meeting is despatched to ASSOB Members; or
- (d) ASSOB having proposed the Merger to the ASSOB Members in reliance on the Appollo Information

This clause 8.1 must be read down to the extent necessary to ensure that there is no breach of section 199A of the Act and if it cannot be read down to that extent then it is deemed to be severed from this Agreement in respect of any application of this clause that would be in breach of the Act.

8.2 ASSOB's Indemnity

Subject to section 199A of the Act, ASSOB agrees to indemnify and keep indemnified Appollo and its directors and other officers from and against all claims, actions, proceedings, liabilities, obligations damages, loss, harm, charges, costs, expenses, duties, and other outgoings of whatever nature and however arising which any of them may suffer or incur by reason of:

- (a) the ASSOB Information containing any statement which is misleading or deceptive whether in content or by omission;
- (b) any breach of any of the ASSOB Warranties;
- (c) any of the ASSOB Information contained in the Independent Expert's Report or the Appollo Notice of Meeting containing any statement which is misleading or deceptive whether in content or by omission as at the date that the Appollo Notice of Meeting is despatched to Appollo Members; or
- (d) Appollo having proposed the Appollo Merger Resolutions in reliance on the ASSOB Information.

This clause 8.2 must be read down to the extent necessary to ensure that there is no breach of section 199A of the Act and if it cannot be read down to that extent then it is deemed to be severed from this Agreement in respect of any application of this clause that would be in breach of the Act.

8.3 Survival of Indemnities

Each indemnity in this Agreement including those in clauses 8.1 and 8.2 shall;

- (a) be severable;
- (b) be a continuing obligation;
- (c) constitute a separate and independent obligation of the Party giving the indemnity from any other obligations of such Party under this Agreement; and
- (d) shall survive the termination of this Agreement.



8.4 Operation of Indemnities

Any person indemnified under clause 8.1 or 8.2 may recover a payment under an indemnity in this Agreement before it makes the payment in respect of which the indemnity is given.

8.5 Mitigation of Losses

Any person indemnified under clause 8.1 or 8.2 must take all reasonable steps to mitigate any loss which may give rise to a claim against the Party indemnifying that person under clause 8.1 or 8.2.

8.6 Notice of Claim

- (a) If a Party becomes aware of a claim or a potential claim under clauses 8.1 or 8.2, that Party must give notice of such claim to the other Party within 12 months after becoming so aware. The notice must contain reasonable details of the claim and an estimate of the amount of the claim so far as those details are known.
- (b) Neither Party will be liable for any loss of profit, loss of business opportunity, loss of chance (whether direct or indirect) or for any indirect, special or consequential losses of any nature arising out of or in connection with a claim brought by the other Party (or any other person) under this Agreement. However, each Party bears responsibility without limit in respect of a claim arising out of, or in connection with, conduct which is fraudulent or constitutes an intentional or reckless disregard of its obligations under this Agreement, the Listing Rules, the Act or any other law.
- (c) Any person indemnified under clause 8.1 or 8.2 may not claim under the indemnity in clause 8.1(b) or 8.2(b) unless the amount of the claim in respect of the breach is more than \$25,000.00. If that threshold amount is exceeded the claimant will be entitled to the full benefit of the indemnity and not just the amount in excess of \$25,000.

9. Public Announcement

9.1 Public Announcements and submissions

- (a) Subject to clause 9.2, no public announcement or disclosure of any kind in connection with the Merger and no submission for the approval of any Regulatory Authority pursuant to this Agreement, shall be made other than in a form approved by each party (acting reasonably), but each party will use all reasonable endeavours to provide such approval as soon as practicable.
- (b) The parties agree that, immediately after the execution of this Agreement, they will issue a joint public announcement of the proposed Merger in the form contained in Schedule 2.

9.2 Statement on Termination

Other than as required by law, the parties will act in good faith and use all reasonable efforts to issue an agreed statement or statements in respect of any termination of this Agreement and will make no statements or disclosure in respect of this Agreement or its termination except in accordance with this clause 9.

9.3 Co-operation

Subject to the Act and this clause 9, the parties shall co-operate in respect of any external communications, including communications with employees, suppliers, customers and Regulatory Authorities.



10. General

10.1 Entire Understanding

- (a) This Agreement contains the entire understanding between the parties concerning the subject matter of the agreement and supersedes all prior communications between parties.
- (b) Each Party acknowledges that, except as expressly stated in this Agreement, that Party has not relied on any representation, warranty or undertaking of any kind made by or on behalf of the other Party in relation to the subject matter of this Agreement.
- (c) Nothing in clauses 10.1(a) or 10.1(b) is intended to vary or amend any term in the Confidentiality Agreement.

10.2 No Waiver

A failure, delay, relaxation or indulgence by a Party in exercising any power or right conferred in the Party by this Agreement does not operate as a waiver of the power or right. A single or partial exercise of the power or right does not preclude a further exercise of it or the exercise of any other power or right under this Agreement. A waiver of a right or breach does not operate as a waiver of that right or breach if it arises again or in respect of any other right or breach. A waiver must be made in writing, signed by the Party giving the waiver.

10.3 No Assignment

A Party cannot assign, transfer or otherwise dispose of the benefit of this Agreement, or declare a trust over or otherwise create an interest in its rights under this Agreement or attempt or purport to do any of the above, without the prior written consent of the other Party.

10.4 No Variation

This Agreement cannot be amended or varied except in writing signed by the parties.

10.5 Costs

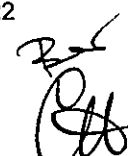
- (a) Subject to paragraph (b) and except as otherwise stated in this Agreement, each Party must pay its own cost and expenses, including its own legal, accounting and advisory costs and expenses arising out of and incidental to the preparation, negotiation, completion and carrying into effect of this document and any instrument or transaction contemplated in or necessary to give effect to this document.
- (b) It is intended that Appollo will bear all costs associated with the Capital Raising, the preparation of the Appollo Notice of Meeting, engagement of the Independent Expert, calling and holding the Appollo General Meeting and satisfaction of the requirements of the Listing Rules and the Act in respect of the Capital Raising and the Merger.

10.6 Counterparts

This Agreement may consist of a number of counterparts, and each such counterpart, when executed, is an original and all such executed counterparts together constitute the same document.

10.7 Conflicting Provisions

If there is any conflict between the main body of this Agreement and any schedules or annexures comprising it, then the provisions of the main body of this Agreement prevail.



10.8 Notices

Any notice or other communications to or by a Party to this Agreement:

- (a) may be given by personal service, post or facsimile;
- (b) must be in writing, legible and in English addressed as shown below;

- (i) **If to Appollo**

Address: 5th floor, Edgecliffe Centre
203 New South Head Road
Edgecliffe NSW

Attention: Colin Archer
Facsimile: (02) 9327 4908

- (ii) **If to ASSO B**

Address: Level 2, Waterside East Tower
10 Holden Place
Bundall QLD

Attention: Brookes McTavish
Facsimile: 1300 722 593

or to any other address last notified by the Party to the sender by notice give in accordance with this clause;

- (c) in the case of a corporation, must be signed by an officer or under the common seal of the sender;
- (d) is deemed to be given by the sender and received by the addressee:
 - (i) if delivered in person, when delivered to the addressee;
 - (ii) if posted, 2 Business Days (or 6, if addressed outside Australia) after the date of posting to the addresses whether delivered or not; or
 - (iii) if sent by facsimile transmission, on the date shown on the transmission report by the machine from which the facsimile was sent that the facsimile was sent in its entirety to the facsimile number of the addressee notified for the purposes of this clause,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00pm (addressee's time) it is deemed to have been received at 9.00am on the next Business Day.

10.9 Government Law and Jurisdiction

This Agreement is governed by and must be constructed in accordance with the laws of the State of New South Wales. The parties submit to the non-exclusive jurisdiction of the courts of that State, and any court hearing appeals from those courts in respect of all matters or things arising out of this Agreement.



Schedule 1 – MERGER

1. The parties have agree that, on the Completion Date, each ASSOB Member will sell all of its ASSOB Shares to Appollo in consideration for Appollo issuing Appollo Shares to each ASSOB Member such that on completion of the merger Appollo has issued the Total Merger Issue Number of Appollo Shares and the ASSOB Members will own 96% of Appollo on a fully diluted basis. Total Merger Issue Number should also equal the sum of all Required Issue Numbers under all Share Sale Agreements, adjusting for any additional Appollo Shares issued due to any Required Issue Numbers being rounded up to the nearest integer.
2. Prior to completion of the merger:
 - (a) Appollo will hold the Appollo General Meeting to seek approval of the Appollo Merger Resolutions;
 - (b) if the approval under 2(a) is obtained, Appollo will then:
 - (i) do all things necessary to complete the consolidation of its Appollo Shares such that it has, on the Completion Date, 5,440,600 Appollo Shares;
 - (ii) do all things necessary to complete the consolidation of the 53,056,000 Appollo Pre-existing Options on a 10:1 basis such that after that consolidation there will be 5,305,600 Appollo Options to subscribe for 5,305,600 Appollo Shares, exercisable at \$3.00 on 31 December 2009;
3. On the Completion Date, subject to clause 2 of this Agreement, Appollo will enter into the Share Sale Agreement with each ASSOB Member;
4. Appollo will, subject to clause 2 of this Agreement, take all reasonable steps to do all things necessary to complete the merger, including:
 - (i) issuing the Required Issue Number of Appollo Shares to each ASSOB Member and registering the holders of such Appollo Shares in the Appollo Register; and
 - (ii) ensuring the relevant directors and company secretary of Appollo have resigned and have been replaced with ASSOB's nominees as the directors and company secretary of Appollo.
5. Prior to completion of the merger ASSOB will hold the ASSOB General Meeting to seek approval of the ASSOB Merger Resolutions.
6. If the approval under 5 is obtained then ASSOB will, subject to clause 2 of this Agreement, take all reasonable steps to do all other things necessary to complete the merger.
7. Appollo intends to complete the Capital Raising within 30 days after the Appollo General Meeting.



Schedule 2 – MERGER ANNOUNCEMENT

**MARKET ANNOUNCEMENT
APPOLLO ASSETS LIMITED ACN 109 469 383**

TO: NATIONAL STOCK EXCHANGE LIMITED

DATE: 23 MAY 2008

**SUBJECT: 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 merger between the company and the Australian Small Scale Offerings Board Limited.

Appollo Assets Limited (NSX:AAW), a specialist investment company, 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.

Appollo chairman, Colin Archer, said "We're delighted to join 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.

For more information contact:

For Appollo: Colin Archer, chairman Tel: 02 9327 7373

For ASSOB: Brookes McTavish, Managing Director Tel: 1300 722 954
www.assob.com.au



SCHEDULE 3 – TOTAL OBLIGATIONS 3 MONTHS FROM COMPLETION

1. NOMAD FEES AND CHARGES \$4,950.00 (WHITTEN'S)
2. SHARE REGISTRY CHARGE \$1,959.00 (NEWCASTLE CAPITAL MARKETS)
3. PREPARATION AND LODGMENT OF ANNUAL RETURN \$5,000.00 (ROTHSAYS)
4. AUDIT REPORT AND ASSOCIATED PAPERS (\$5000.00)
5. SAY \$20,000. + ANNUAL CHARGE NSX LISTING FEES. APPROX 7,500.
(DEPENDS ON MARKET CAP ETC).

OUT OF POCKETS

A handwritten signature in black ink, appearing to be 'R. Ebsworth', is located in the bottom right corner of the page.

EXECUTED AS AN AGREEMENT

Executed by Appollo Assets Limited ACN)
109 469 383 in accordance with section 127 of)
the Corporations Act 2001)

[Signature]

Director

WITNESS

Name (please print)

[Signature]
Sarah Regan

[Signature]

Director/Secretary

Colin ARNER.

Name (please print)

Executed for Australian Small Scale)
Offerings Board Limited ACN 114 772 020)
by its authorised representative in the)
presence of:

Witness

Name (please print)

[Signature]

Sarah Regan

[Signature]

Director/Secretary

B. MURAVISH

Name (please print)

[Handwritten mark]



Alchemy Innovation Development Pty Ltd

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APPOLLO ASSETS LIMITED

INDEPENDENT EXPERT'S REPORT

**In relation to the proposed merger with the Australian Small Scale Offerings
Board Limited.**

24 May 2008

INDEPENDENT EXPERT'S REPORT

24 May 2008

The Directors
Appollo Assets Limited
5th Floor, Edgecliff Centre
203-233 New South Head Road
EDGECLIFF NSW 2027

Dear Directors

Independent Expert's Report in relation to the proposed merger with the Australian Small Scale Offerings Board Limited.

Introduction and purpose of the report

Appollo Assets Limited ("Appollo Assets" or "the Company") has signed a Merger and Implementation Agreement with the Australian Small Scale Offerings Board Limited and related entities ("ASSOB") for a total consideration of 4% of the resulting merged entity (the "Proposed Transaction"), subject to conditions, including obtaining shareholders approval.

The independent Directors of Appollo Assets Limited not associated with the Proposed Transaction have engaged Alchemy Innovation Development Pty Ltd to prepare an independent expert's report for the purposes of National Stock Exchange Listing Rules. For the purpose of this report, Alchemy Innovation Development Pty Ltd has formed an opinion on whether the Proposed Transaction is fair and reasonable to the shareholders of Appollo Assets Limited.

Meaning of "fair and reasonable"

There is no legal definition provided for "fair and reasonable". In preparing this report, Alchemy Innovation Development Pty Ltd has had regard to relevant policy statements issued by Australian Securities & Investments Commission ("ASIC"), with particular reference to Policy Statement 75.

Policy Statement 75 establishes certain guidelines in respect of independent expert's reports prepared for the purposes of the Corporations Act. Policy Statement 75 sets out the view of ASIC on the operation of Section 640 of the Corporations Act, which deals with the requirement to provide an independent expert's report. Policy Statement 75 also comments on the meaning of "fair and reasonable" in the context of a merger or takeover offer. Alchemy Innovation Development Pty Ltd has had regard to the nature of the Proposed Transaction and considered that the circumstances are similar to the transactions contemplated by Policy Statement 75.

Policy Statement 75 defines a Merger as being fair if the value of the offer price is equal to or greater than the value of the securities being the subject of the offer. A merger/takeover is defined as reasonable if either the consideration is fair, or despite not being fair, but considering other significant factors, shareholders should accept the Merger.

Shareholder's decision

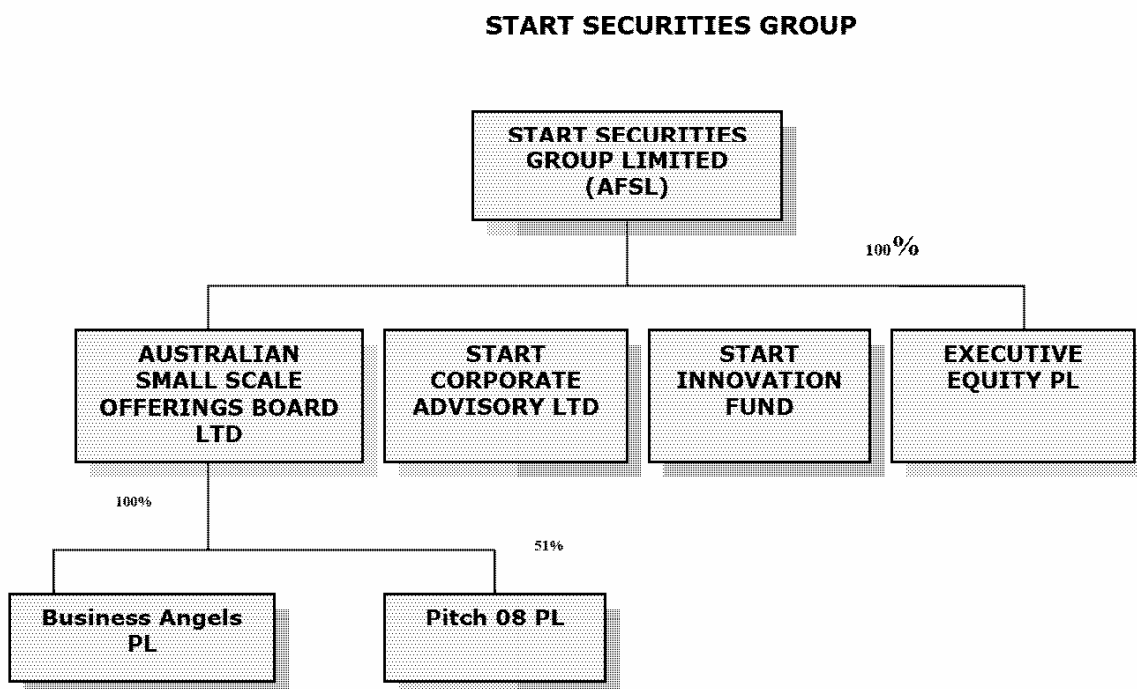
This report constitutes general advice only and has been prepared without taking into consideration the individual circumstances of the shareholders of Appollo Assets. The decision to accept or reject the Proposed Transaction is a matter for individual shareholders.

Shareholders of Appollo Assets should consider the advice in the context of their own circumstances and preferences. Shareholders of Appollo Assets who are in doubt as to the action they should take in relation to the Proposed Transaction should consult their own professional adviser. Alchemy Innovation Development Pty Ltd has prepared this report in accordance with the Corporations Act 2001 (Cth).

Overview of the Proposed Transaction

On 13 March 2008, the Company entered into a Heads of Agreement to undertake a merger with ASSOB. To implement this transaction, on 23 May 2008 the Company entered into a formal Merger and Implementation Agreement ("**the Agreement**") with ASSOB which specifically outlines the terms and conditions of the Merger.

Upon completion of this transaction, existing Appollo Shareholders will hold an aggregate of 4% of total Appollo shares, and ASSOB will own 96%. Appollo will change its name to "Start Securities Group Limited" and the result of the merger is shown in the chart below.




When forming our opinion, Alchemy Innovation Development has considered Policy Statement 75 issued by the Australian Securities & Investments Commission concerning the definition of fair and reasonable.

We have concluded that the value of ASSOB is consistent with the indicative valuation conducted by WMS Chartered Accountants, and is in the range of **\$16.7 million** and **\$18.5 million**. We concur with the valuation methodologies used in the indicative valuation and believe that it represents fair market value. As the consideration to Appollo Shareholders for this transaction is 4% of the merged entity, this delivers consideration of between **\$668,000**

and **\$740,000**. We therefore consider the Proposed Transaction to be fair to the Appollo Shareholders.

Since the Proposed Transaction is fair, as noted in Policy Statement 75, it is also by definition, reasonable. In addition, we consider the likely advantages of the Proposed Transaction attributable to the Appollo Shareholders outweigh any disadvantages. Accordingly, we conclude that the Proposed Transaction is reasonable to the Appollo Shareholders.

Yours faithfully,

A handwritten signature in dark ink, appearing to read "Dan Liszka", is written over a light gray dotted line. The signature is fluid and cursive, with a prominent loop at the end.

Dan Liszka
Managing Director