

Form 603

Corporations Act 2001

Section 671B

Notice of initial substantial holder

To Company Name/Scheme

Start Securities Group Limited

ACN/ARSN

109 469 383

1. Details of substantial holder (1)

Name

Lion Bridge Investments Pty Ltd

ACN/ARSN (if applicable)

129 879 045

The holder became a substantial holder on

26/8/2008

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	37,722,665	37,722,665	27.97%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Courtney Barber	see annexure A	Ordinary 37,722,665

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Courtney Barber	Lion Bridge Investments P/L	Lion Bridge Investments P/L	Ordinary 37,722,665

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Courtney Barber	26 August 08		scrip for scrip	Ordinary 37,722,665

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Courtney Barber	16 McGahans Road
	Warwick Qld 4371

Signature

print name Courtney Barber capacity Director
 sign here  date 1/9/08

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

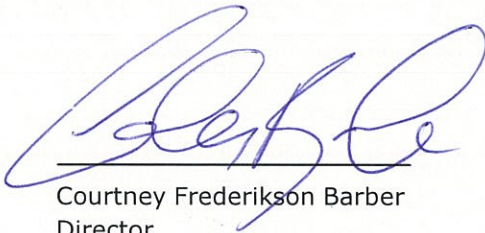
Annexure A

On 23 May 2008 the Australian Small Scale Offerings Board Limited ACN 114 772 020 (**ASSOB**) and the Start Securities Group Limited ACN 128 107 077 (**Start Securities**) entered into a Merger and Implementation Agreement (**MIA**) to propose and implement the merger upon and subject to the terms of the MIA. On 26 August 2008, the Merger was completed in accordance with the MIA. The MIA is **attached** for ASIC's reference.

The Merger involved Start Securities acquiring ASSOB's shares in return for 96% of the shareholding of Start Securities by way of a non-cash scrip-for-scrip rollover.

To complete the merger, Start Securities issued shares for transfer to ASSOB shareholders. The calculation method for the rollover of the shares was 1 ASSOB share to 0.25849 Start Securities' shares. Thus the major shareholders of ASSOB became the major shareholders of Start Securities.

As Lion Bridge Investments Pty Ltd held 145,935,000 shares in ASSOB, they were issued 37,722,665 Start Securities Shares.



Courtney Frederikson Barber
Director

1/9/08
Date

This Annexure A consisting of 38 pages referred to in form 603 – Notice of initial substantial shareholder.

Deed of Amendment to Merger and Implementation Agreement

Start Securities Group Limited

and

Australian Small Scale Offerings Board Limited

HWL
EBSWORTH
LAWYERS

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

www.hwl.com.au
Ref: MDR:SR 98042

I hereby certify that this is a true and
correct copy of the original document.

G. Allison
28-8-2008

GAIL MAREE ALLISON
SOLICITOR

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Deed of Amendment to Merger and Implementation Agreement

Date	1 August 2008
Parties	<p>Start Securities Group Limited ACN 109 469 383 (formerly known as 'Appollo Assets Limited') of Suite 545 Edgecliff Centre, 203-233 New South Head Road, Edgecliff, NSW 2027</p> <p style="text-align: right;">("Appollo")</p> <p>Australian Small Scale Offerings Board Limited ACN 114 772 020 of Level 2, 10 Holden Place, Bundall Queensland 4217</p> <p style="text-align: right;">("ASSOB")</p>
Background	<p>A. On 23 May 2008 the parties entered into a Merger and Implementation Agreement to propose and implement the Merger upon and subject to the terms of that Agreement ("Merger and Implementation Agreement").</p> <p>B. Clause 10.4 of the Merger and Implementation Agreement provides that the Merger and Implementation Agreement may only be varied by written agreement between the parties.</p> <p>C. Following entry into the Merger and Implementation Agreement, Appollo and ASSOB have agreed to vary certain terms and conditions which are contained in this Deed of Amendment, on the terms and conditions of this deed.</p>

It is agreed as follows:

1. Definitions and Interpretation

1.1 Definitions

In this deed, unless the context requires otherwise:

- (a) terms defined in this deed have the meaning given to them in this deed;
- (b) where this deed uses a capitalised term that is not defined in this deed but is defined in the Merger and Implementation Agreement then it has the meaning given to it in the Merger and Implementation Agreement;
- (c) where a capitalised term is defined both in this deed and in the Merger and Implementation Agreement then it has the meaning given to it in this deed; and
- (d) where the definition of a term defined below refers to a defined term in the Merger and Implementation Agreement, then the term referred to has the meaning given to it in

the Merger and Implementation Agreement, including by reference to any other defined terms set out in the Merger and Implementation Agreement.

1.2 Interpretation

In this deed, 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 deed;
- (d) a reference to a clause or schedule is to a clause or schedule in this deed;
- (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; and
- (k) all references to time are to Australian Eastern Standard Time.

2. Power to amend

- 2.1 Appollo and ASSOB, in exercise of the power conferred on them by the shareholders of Appollo in the Appollo General Meeting pursuant to the Appollo Merger Resolutions and the shareholders of ASSOB in the ASSOB General Meeting pursuant to the ASSOB Merger Resolutions, amend the Merger and Implementation Agreement effective from the date of this deed in the manner set out in this deed.

3. Amending provisions

The parties agree that the Merger and Implementation Agreement is amended as follows:

- 3.1 The definition of 'ASSOB Record Date' in clause 1.1 of the Merger and Implementation Agreement is deleted and replaced by the following:

'ASSOB Record Date:

- (a) when used in relation to the ASSOB Merger Resolutions, means 5pm on the day the ASSOB Merger Resolutions are approved in the ASSOB General Meeting; and

(b) in any other case, means 5pm on date of the ASSOB Acquisition Short Form Prospectus.'

- 3.2 A new defined term 'ASSOB Acquisition Short Form Prospectus' is inserted in clause 1.1 of the Merger and Implementation Agreement as follows:

'ASSOB Acquisition Short Form Prospectus means the short form prospectus to be prepared and lodged with ASIC by Appollo under which Appollo agrees to issue Appollo Shares in consideration for a sale by ASSOB Members of their ASSOB Shares;'

- 3.3 The definition of 'Completion Date' in clause 1.1 of the Merger and Implementation Agreement is deleted and replaced with the following:

'Completion Date means the date agreed between the parties for completion of the Merger by the issue of up to the Total Merger Issue Number of Appollo Shares to the ASSOB Members, being not later than 14 Business Days after the Closing Date of the ASSOB Shareholder Offer under the ASSOB Acquisition Short Form Prospectus;'

- 3.4 The defined term 'Migration to ASX' in clause 1.1 of the Merger and Implementation Agreement is to be renamed as 'Migration from NSX to ASX' and the remaining text of that definition remains unamended and forms part of that renamed defined term.

- 3.5 The definition of 'Share Sale Agreement' in clause 1.1 of the Merger and Implementation Agreement is deleted up to and including the words 'additional terms:' before subclause (a) in that definition and the deleted text is replaced with the following:

'Share Sale Agreement means the share sale agreement constituted by a share transfer form and completed application form issued with the ASSOB Acquisition Short Form Prospectus, each of which must be executed by each ASSOB Member (or their attorney), and upon execution 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;'

- 3.6 The definition of 'Total Appollo Merger Shares' in clause 1.1 of the Merger and Implementation Agreement is deleted and replaced with the following:

'Total Appollo Merger Shares means the number that equals the total number of Appollo Shares issued as at the Completion Date immediately prior to the issue of any Appollo Shares pursuant to any of the Share Sale Agreements and the ASSOB Acquisition Short Form Prospectus;'

- 3.7 At the end of clause 2.1(o) of the Merger and Implementation Agreement the 'and' is deleted, at the end of clause 2.1(p) the full stop is deleted and replaced with the text '; and', and a new condition precedent is inserted as new subclause 2.1(q) of the Merger and Implementation Agreement as follows:

'2.1(q) lodgement with ASIC of the ASSOB Acquisition Short Form Prospectus on or about 31 July 2008.'

- 3.8 The condition precedent at clause 2.1(h) of the Merger and Implementation Agreement is amended as follows:

(a) The word, 'all' where it appears in that clause is deleted; and

(b) The words, "who together hold at least 90% of the ASSOB Shares", are inserted immediately after the words, "ASSOB Members" where the words appear in that clause.

- 3.9 In clause 2.2(c) of the Merger and Implementation Agreement, the text 'clauses 2.1(o) and 2.1(p)' is deleted and replaced with the text 'clauses 2.1(o), 2.1(p) and 2.1(q)'.
- 3.10 At the end of clause 5.3(d) of the Merger and Implementation Agreement the 'and' is deleted, at the end of clause 5.3(e)(ii) the full stop is deleted and replaced with the text '; and', and a new Appollo obligation is inserted as new subclause 5.3(f) as follows:
- 'Appollo Share issue: Subject to clause 5.1(e), to issue up to approximately 130,574,400 Appollo Shares (post consolidation and calculated as approximately 0.25849 Appollo Shares per ASSOB Share) to the ASSOB Members under the ASSOB Acquisition Short Form Prospectus.'*
- 3.11 The parties acknowledge and agree that the cross reference in clause 6.2(c) of the Merger and Implementation Agreement to 'clause 2.1(j)' is an error and that it was intended to be a reference to 'clause 2.1(i)' and accordingly the Merger and Implementation Agreement is rectified by replacing the cross reference to 'clause 2.1(j)' in clause 6.2(c) with a reference to 'clause 2.1(i)'.
- 3.12 Schedule 1—Merger of the Merger and Implementation Agreement is amended as follows:
- (a) In clause 1:
- (i) the word 'approximately' is inserted prior to '...96%...' where it appears in that clause;
- (ii) the words '...Appollo has issued the Total Merger Issue Number of Appollo Shares...' where they appear in that clause are deleted and replaced with 'Appollo has issued up to the Total Merger Issue Number of Appollo Shares';
- (iii) the words 'on a fully diluted basis' are deleted from clause 1;
- (iv) after the words '...the sum of all Required Issue Numbers under all Share Sale Agreements...' where they appear in that clause and before the comma following those words insert the text '(assuming all ASSOB Members accept the offer to acquire Appollo Shares under the ASSOB Acquisition Short Form Prospectus)'; and
- (v) after the words '...in consideration for Appollo issuing Appollo Shares...' where they appear in that clause insert the words 'under the ASSOB Acquisition Short Form Prospectus'.
- (b) A new clause 3 is inserted into Schedule 1—Merger immediately before the existing clause 3 as follows:
- 'On or about 31 July 2008 Appollo will prepare and lodge with ASIC the ASSOB Acquisition Short Form Prospectus.'*
- The clauses that follow are renumbered in ascending order.
- (c) The text of re-numbered clause 5(i) is deleted and replaced with the following:
- 'issuing the Required Issue Number of Appollo Shares under the ASSOB Acquisition Short Form Prospectus to each ASSOB Member and registering the holders of such Appollo Shares in the Appollo Register; and'*
- (d) The text 'under 5' in re-numbered clause 7 is deleted and replaced with the text 'under 6'.

4. Preservation of rights

4.1 Nothing in this deed:

- (a) prejudices or adversely affects any right, power, authority, discretion or remedy arising under the Merger and Implementation Agreement before the date of this deed; or
- (b) discharges, releases or otherwise affects any liability arising under the Merger and Implementation Agreement before the date of this deed.

4.2 The parties acknowledge and agree that:

- (a) the condition precedent in clause 2.1(a) was satisfied by the approval of the Appollo Members of the Appollo Merger Resolutions at the Appollo General Meeting held on 26 June 2008;
- (b) the condition precedent in clause 2.1(i) was satisfied by the approval of the ASSOB Members of the ASSOB Merger Resolutions at the ASSOB General Meeting held on 26 June 2008; and
- (c) the Merger and Implementation Agreement, as amended by this deed, is affirmed and remains in full force and effect and, for the avoidance of doubt, if any event is found to have occurred (or not occurred) prior to this deed being executed by both Appollo and ASSOB such that the Merger and Implementation Agreement automatically terminated in accordance with its terms then the Merger and Implementation Agreement, as amended by this deed, is deemed to have been renewed by the parties on the date this deed is executed by Appollo and ASSOB.

5. Consequential amendments

- 5.1** The parties agree that any consequential amendment that ought to have been made to the Merger and Implementation Agreement to give effect to the amendments set out in this deed that was not made is taken to have been made.

6. General

6.1 Governing law and jurisdiction

This deed is governed by and shall be construed in accordance with the laws of the State of New South Wales. Each party irrevocably submits to the non-exclusive jurisdiction of the Courts of the State of New South Wales and any courts hearing appeals from those courts.

6.2 Entire agreement

This deed constitutes the entire agreement between the parties and no representations or other terms, whether oral or in writing in relation to the subject matter of this deed shall be of any force or effect other than those expressly stated herein or necessarily implied by law.

6.3 Counterparts

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart. This deed takes effect when the last party to it executes any such counterpart.

6.4 Costs

Each party bears its own costs in relation to the preparation and execution of this deed.

6.5 Assignment

No party may assign or otherwise transfer any of its rights or obligations under this deed without the prior written consent of the other party.

6.6 Successors and assigns

This deed is binding upon and for the benefit of the parties and their permitted assigns and successors (including legal personal representatives).

6.7 No waiver

- (a) A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or of any other right, power or remedy and failure by a party to exercise, or delay by a party in exercising, a right, power or remedy does not prevent its exercise or amount to a waiver of it.
- (b) A waiver of any right, power or remedy under this deed must be in writing signed by the party granting it.
- (c) A waiver is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

6.8 Construction and severance

- (a) If any provision (or part thereof) of this deed is or becomes illegal, void, unenforceable or invalid in any jurisdiction, it is to be read down so as to be valid and enforceable or if this is not possible it is to be treated as being severed from this deed in the relevant jurisdiction and the remainder of this deed will not be affected and will continue to be valid and enforceable to the fullest extent permitted by law.
- (b) The legality, validity and enforceability of the provision (or part thereof) in any other jurisdiction will not be affected.

6.9 Amendments

No amendment or variation to this deed has any force unless it is made by an instrument in writing executed by all of the parties to this deed.

6.10 GST

A party must pay GST on any taxable supply made under this deed, in addition to any consideration (excluding GST) that is payable for that taxable supply. It must do so at the same time and in the same way as it is required to pay the consideration for the taxable supply.

6.11 Warranty

Each party warrants to the other as at the date of execution of this deed that:

- (a) the execution and delivery of this deed has been properly authorised; and
- (b) this deed constitutes a legal, valid and binding obligation of it enforceable in accordance with its terms by appropriate legal remedy.

6.12 Trustees

Each party warrants to the other that they execute this deed in their own capacity and not as trustee of any trust.

6.13 Further assurances

Each party must do all things and execute all documents necessary to give full effect to this deed.

Executed as a deed

Executed by Start Securities Group Limited)
ACN 109 469 383 in accordance with section)
127 of the Corporations Act 2001)

Secretary/Director

Terrina Planincic
Name (please print)

Director

Brown M. T. S. H.
Name (please print)

Executed by Australian Small Scale)
Offerings Board Limited ACN 114 772 020 in)
accordance with section 127 of the)
Corporations Act 2001)

Secretary/Director

Terrina Planincic
Name (please print)

Director

Anthony Puls
Name (please print)

Merger and Implementation Agreement

Appollo Assets Limited

and

Australian Small Scale Offerings Board Limited

HWL EBSWORTH
LAWYERS

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

I hereby certify that this is a true and
correct copy of the original document.

G. Allison
28-8-2008

GAIL MAREE ALLISON
SOLICITOR

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Merger and Implementation Agreement

Date	23 MAY 2008
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 ASSOBS 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 ASSOBS Members to consider and vote on the ASSOBS 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:

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

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;

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- (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.

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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.

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- (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;

- (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 given 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 'B. S.', 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

[Signature]

Name (please print) Sarah Regan

[Signature]

Director/Secretary

Colin ARCHER.

Name (please print)

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

Witness

[Signature]

Name (please print) Sarah Regan

[Signature]

Director/Secretary

B. MURAVSKY

Name (please print)

[Handwritten mark]