

## **Notice of Extraordinary General Meeting and Explanatory Statement**

The Extraordinary General Meeting of  
AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED  
ACN 109 469 383

will be held at  
2:00pm (Brisbane time) on Wednesday, 17 February 2010  
at  
Level 15, Corporate Centre One  
2 Corporate Court  
Bundall, QLD, 4217

This Notice of Extraordinary General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

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## **ACTION REQUIRED BY SHAREHOLDERS**

Step 1:

Read the notice of Extraordinary General Meeting and the explanatory statement. The explanatory statement sets out details in relation to the resolution. This information is important.

Step 2:

Vote on the resolution. Your vote is important. You may cast your vote by:

1. Attending and voting at the meeting to be held at Level 15, Corporate Centre One, 2 Corporate Court, Bundall, QLD, 4217 at 2:00pm (Brisbane time) on Wednesday 17 February 2010; or
2. Completing and returning the enclosed proxy form so as to be received by the Company at the Company's registry, Registries Limited by 3.00 pm (AEST) on Tuesday 12 January 2010.

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED**

**ACN 109 469 383**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice is hereby given that an Extraordinary General Meeting of Shareholders of AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ("Company") will be held at Level 15, Corporate Centre One, 2 Corporate Court, Bundall, QLD, 4217 on Wednesday, 17 February 2010 at 2:00pm (Brisbane time).

The Explanatory Statement which accompanies and forms part of this Notice of Extraordinary General Meeting describes the various matters to be considered.

**BUSINESS**

**Resolution 1 – Approval of purchase of 36,322,665 shares by CTL Holdings Pty Ltd.**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purpose of section 611 of the Corporations Act and all other purposes, approval is given for the purchase of 36,322,665 ordinary shares in the Company by CTL Holdings Pty Ltd from Lion Bridge Investments Pty Ltd <Quiet Valley Holdings>."*

**Resolution 2 – Election of Christopher Lane.**

*To elect Mr Christopher Lane, who was appointed as a Director by the Board of Directors since the last general meeting and being eligible in accordance with the Company's constitution, offers himself for election as a Director.*

**Resolution 3 – Election of Daniel Watts.**

*To elect Mr Daniel Watts, who was appointed as a Director by the Board of Directors since the last general meeting and being eligible in accordance with the Company's constitution, offers himself for election as a Director.*

***Voting Exclusion Statement***

**Resolution 1**

For the purposes of section 611 of the Corporations Act the Company will disregard any votes cast on this resolution by or on behalf of CTL Holdings Pty Ltd or any of its Associates, or by or on behalf of Lion Bridge Investments Pty Ltd <Quiet Valley Holdings> or any of its Associates.

**Resolution 2**

The Company will disregard any votes cast on resolution 2 by Christopher Lane or any of his Associates

**Resolution 3**

The Company will disregard any votes cast on resolution 2 by Daniel Watts or any of his Associates

The Company, however, 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 chairperson of 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.

Associates means "associate" or "associated entity" as defined by section 9 of the *Corporations Act 2001 (Cth)*.

### ***Voting by Proxy***

(a) Right to appoint - Each shareholder has the right to appoint a proxy to attend and vote for the shareholder at this meeting.

(b) Two proxies - To enable a shareholder to divide their voting rights a shareholder may appoint two proxies. Where two proxies are appointed:

- i) a separate Proxy Form should be used to appoint each proxy, and
- ii) the Proxy Form may specify the proportion, or the number of votes that the proxy may exercise, and if it does not do so the proxy may exercise half of the votes.

(c) Who may be a proxy - A shareholder can appoint any other individual or body corporate to be their proxy. A proxy need not be a shareholder of the Company. The proxy appointed can be described in the Proxy Form by an office held, for example, "the Chair of the Meeting".

(d) Signatures of individuals - In the case of shareholders who are individuals, the Proxy Form must be signed:

- i) if the shares are held by one individual, by that shareholder, or
- ii) if the shares are held in joint names, by all shareholders.

(e) Signatures on behalf of companies - in the case of shareholders who are companies, the Proxy Form must be signed:

- i) if it has a sole director who is also sole company secretary, by that director (and stating that fact next to, or under, the signature on the Proxy Form), or
- ii) in the case of any other company, by either two directors or a director and company secretary indicating the office held by signing in the appropriate place.

The use of the common seal of the company, in addition to those required signatures, is optional.

(f) Other authorised person - If the person signing the Proxy Form is doing so under power of attorney, or is an officer of a company outside of (e) above but authorised to sign the Proxy Form, the power of attorney or other authorisation (or a certified copy of it), as well as the Proxy Form, must be received by the Company's registry, Registries Limited by the times and date at the place in (g) below.

(g) Lodgement place and deadline - A Proxy Form accompanies this notice. To be effective, Proxy Forms (duly completed and signed) must be received by the Company's registry, Registries Limited, not later than 3.00pm 12 January 2010. Proxies may be lodged:

- i) by hand to Share Registry – Registries Limited, Level 7, 207 Kent Street, Sydney NSW 2000, Australia, or
- ii) by post to Share Registry – Registries Limited, GPO Box 3993, Sydney NSW 2001, Australia or
- iii) by facsimile to +61 2 9290 9655,.

(h) A Proxy Form accompanies and forms part of this Notice of General Meeting.

By Order of the Board of Directors



Susan Williams  
Company Secretary  
AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED  
14 January 2010

## EXPLANATORY STATEMENT

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolution in the accompanying Notice of Extraordinary General Meeting. This Explanatory Statement should be read in conjunction with the Notice of Extraordinary General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### Introduction

AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED ("Company") is seeking to approve

**Resolution 1 – Approval the purchase of 36,322,665 ordinary shares in the Company by CTL Holdings Pty Ltd from Lion Bridge Investments Pty Ltd <Quiet Valley Holdings>**

CTL Holdings Pty Ltd seeks approval to increase its shareholding from 26,350,123 shares to 62,672,788 shares through the acquisition of issued shares currently held by Lion Bridge Investments Pty Ltd <Quiet Valley Holdings>.

This acquisition is subject to Shareholder approval under *Item 7 of section 611 of the Corporations Act 2001 (Cth) (the Act)*.

In accordance with Item 7 of section 611 of the Act and Australian Securities and Investment (**ASIC**) Regulatory Guide 74.8, the following information about the acquisition that is material to the decision on how to vote on the Resolution, is provided as follows:

1. The purchaser proposing to make the acquisition is CTL Pty Ltd ATF Lane Family Trust. The Company's chairman, Christopher Lane is a director of CTL Pty Ltd and a beneficiary of Lane Family Trust. The only Associates are The Lane Brothers Superannuation Fund. The directors of this include Christopher Lane, Lisa Lane, Andrew Lane and Catherine Lane.
2. the maximum extent of the increase in the purchaser's voting power in the Company that would result from the acquisition would be 36,322,665 ordinary shares.
3. the voting power that CTL Pty Ltd would have as a result of the acquisition would be 62,672,788. In addition, the Lane Brothers Superannuation Fund holds 1,980,846 ordinary shares. The combined total of shares that would be held by CTL Limited or its Associates of Christopher Lane would be 64,653,634.
4. the maximum extent of the increase in the voting power of CTL Pty Ltd or its Associates that would result from the acquisition would be 36,322,665 ordinary shares.
5. the voting power that each of that CTL Pty Ltd would have as a result of the acquisition would be 44.6% of the total ordinary shares. The combined total voting power of CTL Limited and its Associates, including the Company's chairman, Christopher Lane would be 46.0%.
6. Christopher Lane, a director of the purchaser, CTL Pty Ltd, has stated the following in relation to or as a result of the purchase, he or his associates have no intention to:
  - a. appoint an additional director to the Company;
  - b. change the business of the Company;
  - c. inject further capital into the Company;
  - d. make any changes to the employment of the present employees of the company;
  - e. transfer any property between the Company and the vendor or purchaser or any person associated with any of them;
  - f. otherwise redeploy the fixed assets of the Company; or
  - g. change the financial or dividend policies of the Company

7. Christopher Lane, a director of the purchaser, CTL Pty Ltd has stated that CTL Pty Ltd or one of its Associates intends to take over a number of loans totalling approximately \$154,000 plus accrued interest currently owing by the Company on commercial terms, of no less than 10% interest per annum.
8. The purchase, if approved by shareholders, will be completed on 18 February 2010.

#### ANNEXURE 1. DIRECTORS' REPORT

In accordance with ASIC Regulatory Guide 74.9 the directors of the Company provide the following information:

1. The Chairman, Christopher Lane abstained from voting on the proposal to put the resolution to the shareholders as he has a personal interest in the purchase, being a director and shareholder of the Acquirer.
2. The remaining Directors of the Company recommend that shareholders approve the purchase. The resolution will allow the transfer of voting rights to the Acquirer to such an extent whereby the Acquirer and its Associates hold forty-six per cent (46%) of the Company and therefore will have considerable voting rights compared with minority shareholders. In making this recommendation to support the resolution the remaining Directors recognise this issue but remain committed to putting this resolution to the shareholders as it presents an alternative which may be acceptable to the shareholders to resolve a number of legacy issues within the business. The Directors ask all shareholders to consider this issue in their decision making.
3. The remaining Directors also believe that it is in the interest of the Company that the loans of approximately \$154,000 plus accrued interest currently owing by the Company be taken over by CTL Pty Ltd thereby continuing this source of working capital.

**FOR ALL ENQUIRIES CALL:**  
(within Australia) 1300 737 760 (outside Australia)  
+61 2 9290 9600

**FACSIMILE**  
+61 2 9290 9655

**ALL CORRESPONDENCE TO:**  
Registries Limited  
GPO Box 3993  
Sydney NSW 2001  
Australia



**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 3.00PM  
MONDAY 15 FEBRUARY 2010

## TO VOTE BY COMPLETING THE PROXY FORM

### STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy  
If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. 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 securityholder in the space.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### Appointment of a Second Proxy

You are entitled to appoint up to two 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's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the 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. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

### STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a 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.

### STEP 3 Sign the Form

The form **must** be signed

In the spaces provided you must sign this form as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders must sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

### STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **3.00pm on Monday, 15 February 2010**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Proxies may be lodged using the reply paid envelope or:**

**BY MAIL -** Share Registry – Registries Limited, GPO Box 3993, Sydney NSW 2001 Australia

**BY FAX -** + 61 2 9290 9655

**IN PERSON -** Share Registry – Registries Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

<Co Name>  
<Address 1>  
<Address 2>  
<Address 3>  
<Address 4>  
<Address 5>

<BARCODE>

## STEP 1 - Appointment of Proxy

I/We being a member/s of **Australian Small Scale Offerings Board Limited** and entitled to attend and vote hereby appoint

☐ the Chairman of the Meeting (mark with an 'X') OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Extraordinary General Meeting of Australian Small Scale Offerings Board Limited to be held at Level 15, Corporate Centre One, 2 Corporate Court, Bundall QLD 4217 on Wednesday the 17th of February 2010 at 2.00pm** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

☐ If the Chairman of the Meeting is appointed as your proxy or may be appointed by default, and you do not wish to direct your proxy how to vote in respect of a resolution, please mark this box. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if he has an interest in the outcome of the resolution and votes cast by the Chairman of the Meeting for those resolutions, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called. The Chair intends to vote all undirected proxies in favour of the resolution.

## STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

### Ordinary Business

			For	Against	Abstain*
Item 1	(a)	To approve the purchase of 36,322,665 shares by CTL Holdings Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	(a)	To elect Christopher Lane as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 1	(a)	To elect Daniel Watts as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above. The Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

\*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

## STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name .....

Contact Daytime Telephone ..... Date / /2010