



ANGAS SECURITIES LIMITED ABN 50 091 942 728
AUSTRALIAN FINANCIAL SERVICES LICENCE NO. 232 479

15 December, 2010

ANGAS SECURITIES LIMITED - ANNOUNCEMENT

ACQUISITION OF MANAGED INVESTMENT SCHEME

In order to fully exploit the business opportunities available to Angas as a successful commercial property lender, Angas will investigate the placement of external funding sources in addition to the issue of listed debentures. There has been a diminution in competition in recent years amongst commercial property leaders. This has been due to several factors associated with credit funding, capital markets and the global economy. Angas has witnessed solid growth in demand for commercial property finance within the qualitative credit parameters that Angas requires. That demand has exceeded the traditional capacity of Angas to fund loans and Angas has had to turn away good business. Furthermore Angas considers it desirable to establish an alternative funding source for reasons of risk management by diversification.

On 19 October 2010, ASIC licensed Angas to operate a managed investment scheme known as Prime Monthly Income Trust. That scheme has operated in one form or another continuously since 1984. Angas is now the Manager of Prime Monthly Income Trust. As such, Angas will be able to generate management fee income from investing the assets of Prime Monthly Income Trust in commercial property loans broadly in line with existing commercial lending business. There is no Balance Sheet risk to Angas from acting as Manager. Fee income is generated on the returns but the risk of any loss of capital from loan advances is borne by the unit holders in Prime Monthly Income Trust.

The rights of investors as holders of first ranking security over the assets and undertakings of Angas will be preserved. Angas will ensure the legal structure of any alternative funding source will be subject to the first ranking charge held by the Trustee for the benefit of investors. The requirements of the Trust Deed will continue to apply and be met by Angas. The increased capacity of Angas to fund commercial property loans from this alternative funding source in addition to listed debentures is intended to enhance the competitiveness and profitability of Angas.

Given the sustained demand from commercial property lending within its parameters, Angas will continue to investigate all potential future funding opportunities suited to the Angas business and will develop and refine the preferred capital and financing strategy. Angas has built a solid platform resulting in a trading history that is reputable, proven and established.

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