

IMPORTANT INFORMATION



Dear Investor,

Thank you for your interest in this Issue.

Investors with Angas Securities will be aware that the depositor protections of the Banking Act do not apply to this Issue. It follows that fixed interest securities pursuant to this issue are not bank deposits. Unlike banks or credit unions, Angas and other companies operating in the debenture sector are not subject to the supervision of the Australian Prudential Regulation Authority ("APRA"). As such, the financial reporting standards set by APRA under APS220 do not apply to Angas. Yet, it must be made clear that Angas and its products are subject to rigorous scrutiny at a number of levels. As Directors, we believe it is important we illustrate this in some detail below.

First, the securities to be issued by Angas are intended to be stock exchange listed and the listing requirements enforced by the NSXA impose rigorous continuous disclosure obligations on Angas. As such, Angas must apply to list its one year series and three year series on NSXA as continuously quoted securities. The fact that NSXA may list securities is not to be taken in any way as an indication of the merits of Angas or the listed securities. As an issuer of listed securities, Angas is subject to the continuous disclosure requirements of the Listing Rules of the NSXA. This means Angas must notify the NSXA of any information of which it becomes aware that a reasonable person would expect to have a material effect on the price or value of the listed securities. Investors can access all Angas announcements online by visiting the NSXA website. (There is a link provided from the Angas website).

It is a requirement of the NSXA that a Nominated Advisor is appointed to assist Angas with its ongoing compliance obligations under the Listing Rules. Only eligible firms of stockbrokers, lawyers and accountants approved by the NSXA may be appointed. Its role is to help the Board of Angas by advising and guiding the Angas Directors on their responsibilities and obligations to ensure ongoing compliance with the NSXA Rules. The principles used by the NSXA to establish the eligibility criteria for Nominated Advisers are designed to preserve the reputation and integrity of the market, promote high professional standards, build a framework around established and reputable organisations and seek a balance between formal qualifications and experience.

Angas and its listed securities are subject to rigorous continuous disclosure obligations imposed by the NSXA. However, this does not mean any statement is attributed to either NSXA or the Nominated Adviser in the Prospectus 14 dated 21st December 2012 ('the Principal Prospectus'). Indeed, the NSXA takes no responsibility for the contents of the Prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of the Principal Prospectus.

A second layer of scrutiny is imposed on Angas and its listed securities by way of an annual audit, where the Company and its products are the subject of an internal review. The accounting standard applicable to the issuers of listed securities imposes a process of engagement quality control. This is designed to provide an objective evaluation of the significant judgments an audit team has made and the conclusions they have reached. The audit firm must appoint an engagement quality control reviewer who has sufficient and appropriate experience, judgment and authority to make the objective evaluation. The audit cannot be finalised until there has been a discussion of significant matters arising during the audit engagement between the audit partner and the engagement quality control reviewer.

The Principal Prospectus contains (at pages 20 and 21) an extract from the Financial Report prepared for the year ended 30 June 2012. The Financial Report has been lodged with ASIC. A copy of the Financial Report is available free of charge to any person in receipt of the Principal Prospectus by contacting Angas. The Financial Report includes, inter alia, an Independent Audit Report. The audit of the Financial Report was performed to enable the auditor to form an opinion whether, in all material respects, the Financial Report is in accordance with the Corporations Act including giving a true and fair view of the financial position of Angas as at, and for, the year ended 30 June 2012 and complying with Australian Accounting Standards. There is additional important information about the audit set out at page 21 of the Principal Prospectus. Angas encourages intending investors to obtain a copy of the Financial Report. It is posted on the Angas website.

Details of Mortgage Loan Book arrears and Past Due Loans as at 21 December 2012 are set out at Page 22 of the Principal Prospectus as well as loan information as at 30 September 2012 at Page 23. This information post-dates the Financial Report and was prepared by Angas internally in the ordinary course of loan management. The audit relates to the period up to 30 June 2012 only. The audit did not include the loans book as at 30 September 2012 or 21 December 2012.

The auditor expresses no opinion upon this information.

A third layer of scrutiny is imposed on Angas and its listed securities by The Corporations Act. The Act imposes on Angas an obligation to make all of its financial and other records available for inspection by the Trustee, an authorised officer or employee of the Trustee or a registered company auditor appointed by the Trustee. This means Angas must provide any information, explanations or other assistance that may be required about matters relating to those records. In addition, the Trust Deed imposes further obligations on Angas including the requirement that certain information identified by the Trustee be certified by the Directors of Angas.

Angas works assiduously to ensure the Trustee is fully informed about its affairs and that the interests of investors are protected.

In keeping with this commitment, Angas provides the Trustee with the following:

- A weekly liquidity report
- A monthly report with details of first ranking funds raised and loan defaults;
- A monthly issuer report;
- A quarterly report certified by two Directors concerning the affairs and assets of Angas;
- Annual and half-yearly financial statements; and
- annual certificate from the Auditor regarding compliance by Angas with certain specified terms of the Trust Deed.

As part of this ongoing dialogue between Angas and the Trustee, the Trustee advised Angas on 21 November 2012 that it would engage an advisory firm to undertake a review of the Angas business. It should be noted that this advisory firm ('the Advisory firm') is not a registered company auditor. Whilst Angas does not regard the appointment to be warranted, it has agreed to work alongside the review team to ensure it has all the information it requires.

At the time of lodgement, this review remains incomplete. The work that has been carried out to date by the Advisory firm has not adopted the procedures necessary to permit an opinion to be expressed in accordance with generally accepted accounting standards. The Advisory firm has utilised the services of in-house personnel to analyse the licensed valuations held by Angas in respect of the Mortgage Loan portfolio. The methodology has involved researching current market data but it is important to note that there have been no physical inspection of any property and only limited enquiries of relevant market participants such as local real estate agents. As such, Angas remains unclear about the standards the review team wishes to apply. It seems that the reviewer may intend to take note of APRA APS220 in relation to the valuation of property assets. This should oblige the reviewer to adopt licensed valuations held by Angas rather than substitute its own view. In any event, APS220 is the financial reporting standard that APRA applies to the institutions that it supervises including banks. APRA financial reporting standards do not apply to Angas. Any investment made pursuant to this Issue is not a bank deposit.

Angas has been informed that the Advisory firm proposes to provide the Trustee with an analysis when its review is complete. This will be prepared for the sole use of the Trustee. The analysis is likely to contain information about the business operation and affairs of Angas that would be commercially sensitive. The Advisory firm will require the Trustee to keep the material confidential. The Trustee will not be permitted to disclose any information without its prior written consent.

Any analysis produced by the Advisory firm (when it is completed) will constitute information that the auditor will be required to consider in forming an opinion about Angas's accounts. This is a standard step for the auditor to take when making a judgement about Angas' accounts. The process used to form an opinion requires the auditor to record and document all material that is relied upon. In view of the limitation as to the use and release of the analysis, the auditor or Angas will request the Trustee to seek consent of the Advisory firm to permit the auditor to be granted access. Any recommendations before the Trustee will not be binding on Angas. The status of any such recommendations will be limited to the weight attributed to them by the auditor in forming its judgment about Angas as a going concern.

A fourth layer of scrutiny is applied to Angas by a global ratings agency. Angas is rated by Standard & Poor's on a continuous basis. The Standard & Poor's credit rating is an objective, independent opinion of the willingness and capacity of Angas to meet its financial commitments in full and on time. Analytic services and products provided by Standard & Poor's are the result of separate activities designed to preserve the independence and objectivity of each analytic process. Credit ratings issued by Standard and Poor's are solely statements of opinion and not statements of fact or recommendations to purchase, hold, or sell any securities or make any other investment decisions. No statement is attributed to Standard & Poor's in the Principal Prospectus. Standard & Poor's did not authorise the issue of the Principal Prospectus and takes no responsibility for its issue. In Australia, credit ratings are assigned and distributed by Standard & Poor's under the conditions of its Australian Financial Services Licence which authorises distribution only to Wholesale Clients (as defined in section 761G of the Corporations Act).

This Supplementary Prospectus is dated 8 February 2013. It is supplementary to the Principal Prospectus inviting applications to invest in the Issue. This Supplementary Prospectus must be read together with the Principal Prospectus. Certain terms used in this Supplementary Prospectus are defined in the Glossary appearing on page 36 of the Principal Prospectus and have the same meaning. This Supplementary Prospectus was lodged with ASIC on 8 February 2013. ASIC takes no responsibility for the contents of this Supplementary Prospectus. The directors of Angas have consented to the lodgement and issue of this Supplementary Prospectus which is signed by the following directors of Angas:-



Andrew Luckhurst-Smith



Matthew J Hower

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