



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

DEBENTURE HOLDER RUN-OFF UPDATE 31 JANUARY 2017

I would like to take this opportunity to wish all Angas investors a very Happy New Year and reassure all debenture holders that Angas is continuing to do everything within its power to ensure a successful outcome to the Run-Off.

The following update covers the events of the last month:-

- January is traditionally a slow period for property sales, however I am pleased to report that two (2) properties settled during the month. These properties were the last Wayville apartments. In two years since taking possession from the borrower, Angas has sold 26 Wayville apartments for \$12,598,000.
- There are now five (5) properties with executed sale contracts on them.
- There are six (6) properties in the loan portfolio under offer. They are all moving closer to contract.
- Sale of the Angas Commercial Property Trust ("ACPT") investment, delayed from before Christmas, settled this month. As previously noted most of these funds were used to repay bank debt, however the portion released to Angas forms part of the January distribution.

Under the terms of the Debenture Fund Deed, as disclosed in the Prospectus, Angas had the ability to invest up to 10% of debenture funds into real property investment. ACPT was set up to allow Angas to invest in commercial real estate with a view to earning a return by way of capital gain and rental yield. At the time of the commencement of the Run-Off, the ACPT portfolio included three (3) income producing properties. Bank debt was used by ACPT to assist in acquiring these properties. The share of the investment by Angas in ACPT is available to debenture holders. Retiring the bank debt used to purchase these assets takes priority over the debenture fund investment in ACPT. Once bank debt has been retired, excess sale proceeds will be available to fund the Run-Off. As always, Angas is committed to achieving the best return on assets for the benefit of debenture holders.

Yours faithfully
Angas Securities Limited

Andrew Luckhurst-Smith
Executive Chairman

ADELAIDE
Level 14, 26 Flinders Street, Adelaide SA 5000
GPO Box 2948, Adelaide SA 5001
Ph [61 8] 8410 4343 Fax [61 8] 8410 4355

SYDNEY
Level 10, 19-31 Pitt Street, Sydney NSW 2000
Royal Exchange, PO Box R1835, Sydney NSW 2001
Ph [61 2] 9259 0777 Fax [61 2] 9259 0788

PERTH
Suite 12, 448 Roberts Road, Subiaco WA 6008
PO Box 1602, Subiaco WA 6904
Ph [61 8] 9380 4983 Fax [61 8] 9380 4480

Email contact@angassecurities.com

Web www.angassecurities.com

Investor Service Line 1800 010 800