

Singapore deal rocks Stepping Stone

CORPORATE adviser Stepping Stone Equity has increased its market power following a management agreement with the Singapore-based FMS Group.

The joint venture will target public unlisted companies with a view to a backdoor listing on the ASX or reverse take over prospects. Capital raisings for two Queensland companies are now underway.

Due diligence has also been completed for NSW-based Darwin Clean Fuels (\$900 million), while the Gold Coast's Coldwell Banker has raised \$50 million alongside Brisbane company Rapid Nutrition (\$50 million).

Coldwell Banker is looking to expand via the acquisition of small realtors in strategic locations where access to rent roles can be attained. Targets are businesses with high levels of debt that are over-leveraged.

"Our agreements are over three years, we're hoping that it's a win-win situation for everyone," says Stepping Stone executive James Skinner.

"Investment is based on market cap and the maximum that can be drawn down is based on market cap size. Our intention is to increase the size of the business.

"Access to the FMS funds is another string in our bow which gives us the right mix of services under one structure to provide consistency and ultimately success."

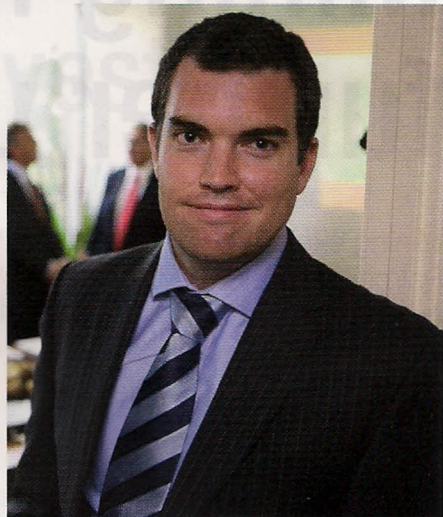
Darwin Clean Fuels is proposing to design, build and operate a 60,000 bpd condensate processing facility to produce high quality transport fuels that will meet the new Australian Standards for clean fuels.

Rapid Nutrition is Brisbane-based company, specialising in premium healthcare supplements under signature brand Leisa's Secret. The company exports to Asia, Middle East, UK and Africa.

Skinner says the partnership with FMS is a natural fit for both parties to increase their channels to greater capital while giving FMS an 'on-the-ground' presence in Australia. FMS facilitated investment transactions in excess of \$5 billion this year.

"Investors in the fund are seeking investments into listed public companies or private companies with a minimum EBITDA of \$2 million or offering pre-listing commitments to private companies prior to an IPO," says Skinner.

"Not only is this a major new fund for innovative companies to access growth



James Skinner

capital, we now have the ability to invest in any geographic location, which opens up global markets to many Australian businesses."

In the past two years Stepping Stone has raised more than \$18 million in growth capital for 45 nation-wide companies with a combined market cap of \$215 million.