



**ON Q GROUP LIMITED
(IN LIQUIDATION)**

File Details

Name of Liquidators: Matthew Jess & Paul Burness
Date of Appointment: 28 July 2008 (Voluntary Administrators)
23 December 2008 (Liquidators)
A.C.N.: 009 104 330
Directors' Names: Julian Little
Ian Christiansen
Hal Christiansen (deceased)

This Update should be read in conjunction with our previous updates to shareholders.

Outstanding Issues

This further update has been issued in order to ensure compliance with the ASX Listing Rules.

Shareholders are advised that a voluntary administrator has not yet been appointed, which is the next step in recapitalising the company. It is noted that the purchaser of the right to recapitalise the company is finalizing applicable issues prior to commence the recapitalisation process.

As there are strict time frames in a voluntary administration process, a voluntary administrator will be appointed only when all parties involved in the recapitalisation process are in a position to proceed.

Melbourne

File Number: 952

ABN 72 945 540 327

Liquidators: Matthew Jess & Paul Burness
Level 12A 45 William Street, Melbourne Vic 3000
GPO Box 1834, Melbourne Vic 3001

Susan Morcom
P (03) 9613 5523
F (03) 9614 3233

E susan.morcom@worrells.net.au

PLAIN TALK.
STRAIGHT ANSWERS.
FAST RESULTS.

Liability limited by a scheme approved under Professional Standards Legislation.

worrells.net.au

The key processes required for the recapitalisation of the Company are outlined in the table below:

PROCESS	DATE
Liquidators to appoint a Voluntary Administrator of the Company to place the Company into Voluntary Administration	TBC
Finalise Deed of Company Arrangement	TBA
Convene creditors meeting to approve Proposed Transaction (resolving that Administrators will be the Deed Administrators)	TBA
Administration of the Deed of Company Arrangement and attendance on conditions precedent	Date range TBA
Convene meeting of shareholders to vote on proceeding with finalising Proposed Transaction and attendance on remaining conditions precedent	TBA
Apply to Court for termination of winding up	TBA
Effectuate Proposed Transaction	TBA

Next Update

Shareholders will be provided with an updated on the recapitalisation process once a Voluntary Administrator has been appointed to the Company, or in about 3 months time.

We request that shareholders monitor the ASX website for further updates.

Per:



Matthew Jess
Liquidator