Q LIMITED

ABN 84 184 701 996

Registered Office:

5th Floor, Bank House
11 Bank Place
Melbourne Vic 3000
Australia

Correspondence:

GPO Box 2113
Melbourne Vic 3001
Australia

Email: gdarling@beconwood.com.au

13th December 2004

The Manager,
Company Announcements Office,
Australian Stock Exchange Limited,
Exchange Centre,
Level 4, 20 Bridge Street,
SYDNEY, NSW, 2000

Dear Sir /Madam,

SHARE PURCHASE PLAN

Q Ltd ("**Q**") is pleased to announce a non-renouncable offer of shares to its Australian resident shareholders via a Share Purchase Plan ("**SPP**").

The maximum number of shares available for issue under the SPP will be 10,794,772.

The terms of the **SPP** are contained in the attached "Share Purchase Plan – Terms and Conditions".

The terms of the non-renouncable offer are contained in the attached letter being sent to eligible shareholders, reference: "Invitation to Participate in Share Purchase Plan".

If fully subscribed by shareholders, approximately $162,000 in new capital will be raised for **Q** and will be used by **Q** to assist with investigating and assessing potential acquisition opportunities (as previously advised to shareholders at **Q's** recent AGM), and for general working capital purposes.

Please contact Paul G Choiselat or Grant Darling if you have any queries relating to this matter.

Yours sincerely

Grant A Darling
COMPANY SECRETARY

For further information please contact:

Kevin V Campbell
Chairman
Q Ltd
Telephone: (613) 9691 4910
Facsimile: (613) 9670 7932
Email: kvcampbell@bigpond.com

Paul G Choiselat
Managing Director
Q Ltd
Telephone: (613) 9691 4900
Facsimile: (613) 9600 1500
Email: pchoiselat@beconwood.com.au

Grant A Darling
Company Secretary
Q Ltd
Telephone: (613) 9691 4910
Facsimile: (613) 9670 7932
Email: gdarling@beconwood.com.au

Q Limited

ABN 69 092 817 171

Correspondence:
GPO Box 2113
Melbourne Vic 3001
Australia

Registered Office:
5th Floor, Bank House
11 Bank Place
Melbourne Vic 3000
Australia
Tel: +61 3 9691 4910
Fax: +61 3 9670 7932
Email: gdarling@beconwood.com.au

Q LTD

Dear Shareholder

Invitation to Participate in Share Purchase Plan

The board of directors ("**Board**") of Q Ltd ("**Q**") has approved the introduction of a Share Purchase Plan ("**SPP**"). The **SPP** entitles eligible shareholders in **Q**, irrespective of the size of their shareholding, to purchase **$2,000**, **$3,000** or **$5,000** worth of ordinary fully paid shares in **Q** ("**Q Shares**") at 1.5 cents per **Q Share** ("**Offer**"). The price of 1.5 cents per **Q Share** is equal to approximately a 17.6% discount to the average closing market price of **Q Shares** traded on the Australian Stock Exchange ("**ASX**") during the 5 trading days immediately prior to the date of announcement of this offer, free of brokerage and commission.

In introducing the **SPP**, **Q** is particularly mindful of the number of long standing shareholders who no longer hold a marketable parcel of shares. The **SPP** provides these shareholders in particular with the opportunity to hold an economic parcel of shares in **Q**.

SPP

The Board is pleased to offer to all shareholders who are registered as holders of Q Shares at 5pm (EST) on the record date of **13 December 2004** and whose registered address is in Australia ("**Eligible Shareholders**"), an opportunity to participate in the **SPP**. Details of the **Offer** are set out in this letter and the enclosed Terms and Conditions together with an Entitlement and Acceptance Form in respect of the **Q Shares**.

The average closing market price of **Q Shares** traded on **ASX** during the five (5) trading days immediately prior to the date of this **Offer** was 1.82 cents.

Shareholders Eligible to Participate in the SPP

The right to participate in the **Offer** under the **SPP** is available exclusively to **Eligible Shareholders**.

Use of Funds

The funds raised under the **SPP** will be used to assist **Q** in investigating and assessing potential acquisition opportunities (as previously advised to shareholders at **Q's** recent AGM), and for general working capital purposes.

Subscription and Application Procedure

If you would like to participate in the **Offer**, please return your completed Entitlement and Acceptance Form (enclosed), together with your cheque for the purchase price for the number of **Q Shares** you wish to acquire, on or before the **closing date of 5pm (EST) on 29 December 2004.** Late applications will not be accepted.

Please note the amount of investment per shareholder is either **$2,000**, **$3,000**, or **$5,000**. The maximum investment any shareholder may apply for will remain $5,000 even if a shareholder receives more than one **Offer** (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

Additional Information and Important Dates

Q Shares allotted under the **SPP** will be issued no later than 3 business days after the closing date of the **Offer**. Application for quotation on **ASX** of the new **Q Shares** will be made immediately following the issue of those **Q Shares**.

This offer under the **SPP** is limited to 10,794,772 Shares.

If **Q** rejects or partially rejects an application or purported application, **Q** will promptly return to the shareholder the relevant application monies, without interest.

On the trading day immediately prior to the date of the **Offer**, the last closing price of the **Q Shares** traded on **ASX** was 1.7 cents. The market price of the **Q Shares** in **Q** may rise and fall between the date of the **Offer** and the date that any **Q Shares** are allotted to you as a result of your acceptance of this **Offer**. This means that the subscription price you pay for the **Q Shares** may exceed the market price of the **Q Shares** at the date of allotment of the **Q Shares** under this **Offer**. The **Board** recommends that you obtain your own financial advice in relation to the **Offer** and consider potential price movements of **Q Shares** prior to accepting this **Offer**.

Shortfall Placement

If less than 10,794,772 **Q Shares** are applied for pursuant to this offer, the shortfall may be placed at the discretion of the **Board**, provided that the total number of **Q Shares** under the **SPP** and the placement does not exceed 10,794,772 **Q Shares.**

ASX

The **ASX** Listing Rules provide an exception to Listing Rule 7.1 which effectively permits **Q** to issue to **Eligible Shareholders** the **Q Shares** made under this **Offer** without shareholder approval. A similar exception from Listing Rule 10.11 permits **Q** to issue the **Q Shares** under the **SPP** to the directors of **Q** (and their controlled entities) in their capacity as **Eligible Shareholders**, without shareholder approval.

Indicative Timetable

Announcement of Plan	13 December 2004
Record Date (5.00pm EST)	13 December 2004
Opening date of Offer	13 December 2004
Closing date of Offer	29 December 2004
Issue of Shares under the Plan	31 December 2004
Dispatch date for holding statements	4 January 2005
Quotation of Shares on ASX	7 January 2005

These dates are indicative only. **Q** may vary the dates and times of the **Offer** without notice. Accordingly, shareholders are encouraged to submit their Entitlement and Acceptance Forms as early as possible.

Holders of Small Parcels of Shares

A marketable parcel is defined by **ASX** as a parcel of securities with a market value of less than $500. You will understand and appreciate that **Q** incurs considerable costs to administer shareholdings and in providing Annual Reports, Notices of Meetings and other information to its shareholders. In the case of small holdings, these expenses often outweigh the value of the **Q Shares**.

In order to reduce these costs, it is **Q's** intention to in the future, seek to sell the **Q Shares** held by holders of non-marketable parcels. Holders of small parcels of **Q Shares** will be provided with full details of their rights and obligations prior to **Q** proceeding with such a course of action.

If you wish to participate in the **SPP** please ensure that you return the completed "Entitlement and Acceptance Form" prior to the closing date of the **Offer**.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company Secretary, on 03 9691 4910 of the Managing Director, on 03 9691 4900.

Yours faithfully

Paul G Choiselat
Managing Director
Q Ltd

Q LTD

A.B.N. 13 083 160 909

Share Purchase Plan

Terms and Conditions

Purpose:
The purpose of the Share Purchase Plan ("**SPP**") is to offer shareholders of Q Ltd ("**Q**") the opportunity to acquire:

- additional fully paid ordinary shares in **Q** ("**Q Shares**");
- up to a maximum of A$5,000 in any 12 month period;
- at a discount to the market price of **Q Shares** on the Australian Stock Exchange ("**ASX**");
- without the need to pay brokerage or related transaction costs; and
- without the need for **Q** to issue a prospectus,

upon such terms and conditions as the board of directors ("**Board**") of **Q**, in its absolute discretion, sees fit.

Participation:
Participation in the **SPP** is open to all persons who, as at the date specified by **Q** for determination of participation in the **SPP** ("**Record Date**")

- are holders of fully paid ordinary shares in **Q**; and
- are registered with an Australian address.

Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the **SPP**.

Participation in the **SPP** is optional and is subject to these terms and conditions.

Offer:
Offers made under the **SPP** are non-renounceable, meaning that eligible shareholders may not transfer their rights to others in respect of those **Q Shares** being offered under the **SPP**.

Each offer will be made on the same terms and conditions. All eligible shareholders of **Q** will receive the same offer, irrespective of the number of shares they hold on the **Record Date**.

An offer may, at the discretion of the Board, be made under the **SPP** once a year, unless the **Board** determines otherwise.

Maximum subscription in any 12 month period:
The maximum amount, which any shareholder may subscribe for in any consecutive 12 month period, is $5,000. This limit applies to each shareholder even if that person holds shares in more than one capacity (ie: as a sole holder and as a first or subsequent named holder of two or more joint holders).

The **Board** in its discretion may determine the minimum amount for participation, the multiple of **Q Shares** to be offered under the **SPP** and the period the offer is open to eligible shareholders.

Key Dates:
Eligible shareholders will be separately advised of the particular dates applying on the occasion of each offer made by **Q** under the **SPP**.

Issue Price of Q Shares:
The issue price of **Q Shares** under the **SPP** will be notified to the eligible shareholders when an offer is made. ASX rules require that **Q Shares** issued under the **SPP** are to be issued at a price per **Q Share** which is equal to the average closing market price of **Q Shares** traded on the **ASX** during the 5 trading days immediately preceding the date of the offer, less a discount of up to 20%.

Applications and Notices:
At the **Board's** discretion, **Q** will send eligible shareholders a letter of offer and acceptance procedures, inviting them to subscribe for **Q Shares** under the **SPP**, and accompanied by the

terms and conditions of the **SPP** and an entitlement & acceptance form.

Applications will not be accepted after the closing date of an offer.

Over subscriptions to an offer will be refunded without interest.

Notices made by **Q** to shareholders may be given in any manner prescribed by its Constitution.

Underwriting:
An offer may be underwritten and the underwriters and/or sub-underwriters ("**Underwriters**") may be issued with **Q Shares** pursuant to the **SPP** where eligible shareholders fail to subscribe for the maximum number of shares available to them under the offer. The **Board** may pay a fee to **Underwriters**.

Issue of Q Shares
Q will issue **Q Shares** under the **SPP** as soon as reasonably practicable after the closing date specified by the **Board** in the relevant offer.

Q Shares issued under the **SPP** will rank equally in all respects with existing fully paid ordinary shares in **Q** from the date of issue.

Shareholding statements or CHESS notifications will be issued in respect of all **Q Shares** issued under the **SPP**. **Q** will, after the issue of **Q Shares** under the **SPP**, make application for those shares to be listed for quotation on the official list of **ASX**.

Modification and Termination of the SPP:
Q may modify or terminate the **SPP** at any time.

Q will notify **ASX** of any modification to, or termination of, the **SPP**. The omission to give notice of any modification to, or termination of, the **SPP** or the failure of **ASX** to receive such notice will not invalidate the modification or termination.

Q may issue to any person fewer **Q Shares** than the person applied for under the **SPP** if the issue of the **Q Shares** applied for would contravene any applicable law or the Listing Rules of **ASX**.

Dispute Resolution:
Q may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the **SPP**, whether generally or in relation to any participant, application or **Q Shares**. The decision of **Q** in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

Q reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of **Q** under these conditions may be exercised by the **Board** or any delegate of the **Board**.

Questions and Contact Details
In the event of any questions regarding the **SPP** or how to deal with this offer, eligible shareholders should contact their stockbroker or professional adviser, or **Q** (Company Secretary, on 03 9691 4910, or Managing Director, on 03 9691 4900).