



Q LTD

Q Limited

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Announcement To The

AUSTRALIAN STOCK EXCHANGE

Printing and related services provider, **Q Ltd** announces the acquisition of 3 Dimension Interactive Pty Ltd, ACN 104 904 396 ("**3Di**"), by **Q Ltd**.

Q Ltd and **3Di** have entered into a conditional agreement with the current shareholder of **3Di**, Mark Halstead, relating to the purchase of the shares in **3Di**.

The acquisition of **3Di** forms part of **Q Ltd's** strategy of acquiring profitable and cash flow positive companies or businesses with a strong client base that will add value to the existing printing and related services offered by **Q Ltd** to largely advertising agencies and other marketers. The acquisition will enable **Q Ltd** to take advantage of the wider Australasian market currently serviced by **3Di** and build shareholder value over time. The **3Di** acquisition follows the de-merger in August 2004 of former subsidiary, Jumbuck Entertainment Ltd. At the time of the de-merger, **Q Ltd** had stated its intention of acquiring established businesses and raising equity at that time. **Q Ltd** advises that it intends funding the acquisition from a loan facility provided by its banker, ANZ Banking Group Ltd.

Background about 3Di

3Di is an interactive sales and marketing network bringing pioneering new media marketing solutions through websites, email, broadband, streaming media, and wireless mediums.

3Di are a team of people who passionately believe that the future of marketing is in mediums that provide interactivity. As a Sales and Marketing Network they represent over 30 premium local and international websites and permissioned databases.

Founded in June 2003, **3Di** has been at the forefront of the interactive advertising medium in Australia. The team has extensive experience within the online advertising market dating back to 1999.

The acquisition by **Q Ltd** places **3Di** in a stronger position for growth within the interactive industry and comes at a time when advertisers are continuing to invest more into the interactive medium. Interactive media forms part of the online advertising sector. In May 2005, the Audit Bureau of Verification Services reported that online advertising in Australia had grown by 64% in 2004 to \$388 million. This will give **Q Ltd** the opportunity of participating in a high revenue growth industry.

3Di works very closely with Australia's top 50 advertising agencies and their respective clients and now has a broader offering through the existing business of **Q Ltd**.



OPERATING UNIT

QDi Direct Press

Transaction Description

Q Ltd and **3Di** have entered into an agreement, which is subject to a number of conditions including due diligence. The parties are working towards satisfaction of the conditions within the next few weeks. The agreement is to be settled within five (5) business days of the conditions being satisfied.

The purchase price will be based on a multiple of historical and future earnings of the **3Di** Business with an initial instalment of \$375,000. The Vendor has agreed to accept a combination of cash and shares in **Q Ltd** at a 10% discount to VWAP calculated on the period leading up to Settlement.

Mr Mark Halstead, former owner and Managing Director of **3Di**, has accepted **Q Ltd's** invitation to join the Board of **Q Ltd** once the acquisition has been finalised. Mr Halstead will also continue in the role of Managing Director of **3Di**.

Advisors To 3Di

The sale to **Q Ltd** has been led by corporate advisory company, Obelisk Capital. Obelisk Capital introduced the Purchaser and Vendor, through its relationship as corporate advisor to **3Di**.

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