ASX Circular

Date: 29 April 2011

Key topics
1. Q Limited
2. Accelerated non renounceable offer
3. ASX Code:QXQ

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Q LIMITED – ACCELERATED NON-RENOUNCEABLE PRO RATA ENTITLEMENT OFFER TO RAISE APPROXIMATELY $1.5 MILLION.

Participating Organisations are advised that Q Limited (the "Company") has announced an accelerated non-renounceable pro rata entitlement offer. Qualifying securityholders will be invited to subscribe for 1 new share ("New Shares") for every existing ordinary share held, at an issue price of $0.023 per share, to raise approximately $1.5 million (the "Entitlement Offer").

The Entitlement Offer has two components:

- An institutional entitlement offer, where offers have been made to qualifying institutional securityholders for them to apply for their pro-rata entitlement (the "Institutional Entitlement Offer"); and

- A retail entitlement offer, where an offer will be made to qualifying retail securityholders for them to apply for their pro-rata entitlement (the "Retail Entitlement Offer").

The Record Date for the Entitlement Offer is 5 May 2011.

The Retail Entitlement Offer is expected to close on 27 May 2011.

The Company will ignore changes in security holdings which occur after the commencement of the trading halt on Monday, 2 May 2011 (other than registrations of transactions which were effected through the ASX Trading Platform before the commencement of the trading halt).

New Shares issued under the Entitlement Offer will rank equally with existing shares on issue.

The indicative timetable in relation to the Entitlement Offer is as follows:

Event	Date
Announcement Date Issuer announces Offer and lodge Appendix 3Bs and Cleansing Notices (After market closes ie pre-open 2 May) Issuer obtain Trading Halt on ASX (to commence on 2 May) Institutional Entitlement Offer opens	29 April
Institutional Entitlement Offer closes	3 May
Result of Institutional Entitlement Offer announced to market via ASX (Pre-open) Lodge Offer Document with ASX Trading halt lifted Trading resumes on an ex-basis	4 May
Record Date	5 May
First Settlement Date Settlement of the Institutional Entitlement Offer	6 May
Issuer despatches Offer Document and announces despatch completed Retail Entitlement Offer opens	9 May
First Issue Date Issuer complete allotment and issue of Institutional Offer Shares under Institutional Entitlement Offer	11 May
Shares issued on the First Issue Date commence trading on ASX (normal basis)	12 May
Retail Closing Date	27 May
Retail Shortfall Notification Date [ASX release] Result of Retail Entitlement Offer announced to market	30 May
Second Issue Date Issuer complete allotment and issue of Retail Offer Shares Despatch of holding statements	2 June
Shares issued on the Second Issue Date commence trading on ASX (normal basis)	3 June

Settlement Issues

Despite the fact that securities are trading “ex entitlement” on ASX Trade, CHESS will not recognise for settlement purposes the “ex entitlement” or the “cum entitlement” tag on CHESS messages and CHESS will not maintain cum balances during the deemed “CHESS ex-period”, i.e. the period commencing on the deemed CHESS Ex-Date up to and including the record date. However, a record date cum balance <u>will be available the business day following the record date, which will be equal to the registered holding balance at CHESS end of day on the record date</u>. As a result any transfer that occurs prior to record date will be effectively transferred on a “cum” basis.

Therefore, Participants must ensure that any transfer, including the priming of Broker Entrepot Accounts, is conducted in accordance with the basis of quote. For example, a transfer in relation to a transaction conducted on an ex-basis should ordinarily only occur post record date.

CHESS <u>will</u> perform automatic diary adjustments to “cum entitlement” settlement obligations outstanding as at the record date.

Trading issues

ASX will not price a “cum” market with respect to trading in the Company’s securities. <u>Persons who acquire the Company’s securities after the commencement of the trading halt on Monday, 2 May 2011 are not entitled to participate in the Entitlement Offer.</u>

Further information

For further details, please refer to the Company’s announcements or contact the Company.