

18 January 2012

Company Announcements Platform  
ASX Limited  
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2 The Esplanade  
PERTH WA 6000  
Via ASX Online

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### **ISSUE OF UNSECURED CONVERTIBLE NOTE**

Today Questus Limited (ASX Code: QSS) issued an Unsecured Convertible Note ("Note") to the value of \$500,000 pursuant to Section 708 of the *Corporations Act 2001* (Cth) (**Corporations Act**). The funds will be used as additional working capital for the Company.

The general terms of the Note are:

- Conversion price of 10 cents per share and a term of 24 months;
- Shall be convertible into up to 5 million Shares;
- Interest @ 10% is accrued daily and payable on the last day of each month; and
- Conversion of the Note will be at the Noteholder's sole discretion.

### **Notice under section 708A(5)(e) of the Corporations Act**

In accordance with Section 708A(5)(e) of the Corporations Act, the Company hereby advises that, in relation to the issue of these ordinary shares:

- (a) the Company issued the Convertible Note without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is given under Section 708A(5)(e) of the Corporations Act;
- (c) as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (d) as at the date of this notice, the Company has complied with section 674 of the Act;
- (e) as at the date of this notice, there is no information:
  - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:

- (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
- (B) the rights and liabilities attaching to the shares.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Elizabeth Lee', with a stylized flourish at the end.

**Ms Elizabeth Lee**  
**Company Secretary**