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ASX Code QSS

884 Canning Highway
Applecross WA 6153
PO Box 1346
Canning Bridge WA 6153
Telephone 08 6310 5040
Facsimile 08 9364 7333
invest@questus.com.au
www.questus.com.au
ACN 100 460 035

ASX ANNOUNCEMENT – MARKET UPDATE

Questus Limited (the Company) wishes to update the market following the recent voluntary suspension of the company's shares at the request of the Company.

The Board is pleased to announce that the Company has entered into a Heads of Agreement with Crest Capital Asia Pte Limited (Crest Capital) for the recapitalisation of the Company.

Crest Capital is a Singapore-based private equity and fund manager with Australian investments in the retirement housing and NRAS real estate development sectors. Crest Capital is a substantial private equity investor with about US\$1 billion in funds under management, with offices also in Jakarta and Beijing.

The recapitalisation will see Crest Capital acquire a 51% interest in the Company in consideration for the provision of the following to the Company:

- A \$10 million Working Capital Facility; and
- A \$20 million Development Loan Facility for the development of NRAS properties, and
- A \$100 million Property Acquisition Funding Facility for the acquisition of property developments with NRAS allocations.

As previously advised, the Bank of Queensland issued a Statutory Demand upon the Company for \$13.5 million against a Guarantee and Indemnity provided in relation to the Questus Land Development Fund, of which the Company is the Fund Manager.

As a consequence of Crest's investment the Board is pleased to advise that agreement has been reached with Bank of Queensland for the full and final satisfaction of this Statutory Demand.

The Board are continuing to progress with the full terms of the recapitalisation which is subject to Shareholder Approval at an Extraordinary General Meeting of the Company. An Independent Experts Report will be prepared and provided to Shareholders along

with the Notice of Meeting and Explanatory Memorandum. The Board believe that the Company should remain in a voluntary suspension until the full details and implications of the transaction are provided to Shareholders.

The Board is confident that Crest Capital will bring greater strength and capacity to the Company, which will substantially accelerate the Company's ability to maximise its involvement and profitability in the delivery of its allocated 4,303 NRAS entitlements across Australia through to June 2016.

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About Questus Limited

Questus Limited (QSS) is an Australian Securities Exchange listed Western Australian based funds and investment company.

Questus Limited is focused on providing innovative investment solutions for a range of investment funds, property based trusts, syndicates, super fund property warrants and capital structuring services.

Questus was founded in 2003 and brings a wealth of experience and an established reputation in developing innovative and boutique investment products for the wholesale and retail investment markets.

For further information contact:

**David Somerville
Chairman
Questus Limited
T: +61 8 6310 5040**