



3Q Holdings Limited ♦ 42 089 058 293

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Australia

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www.threeq.com.au

Share Purchase Plan - Section 708AA Notice

11 April 2011: Section 708AA Notice

Share Purchase Plan

3Q Holdings Limited today announced its proposal to conduct a Share Purchase Plan.

The Board has set out its reasons for offering the Share Purchase Plan (and the associated unmarketable parcel sale facility) in greater detail in the documents filed today with the ASX in relation to each of those proposals. Those reasons are primarily around providing the Company with an improved capital structure.

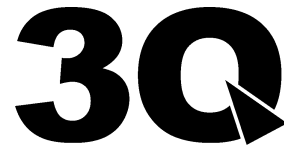
It is clear that an improved capital structure is appropriate for the Company, and will assist the Company should the Board consider any corporate action at a future time.

The Board is also pleased to advise that the Company recently won a material new customer in the UK, using the Island Pacific merchandising and planning solution. While the value of the contract is anticipated to be around \$1.4m over this and the coming financial year, that value is contingent on completion and acceptance of certain analytical and design work, and various acceptance tests. At this stage there is no certainty that the entire sum will be realised. The Board has chosen to include the advice of this otherwise confidential and incomplete transaction in this Notice for completeness.

Pursuant to ASIC Class Order [CO 09/425], the Company makes the following statements:

- The Company will offer fully paid ordinary shares for issue under a share purchase plan without disclosure to investors under Part 6D.2 of the Corporations Act.
- The Company is giving this notice under ASIC Class Order [CO 09/425].
- As at the date of this notice, the Company has complied with:
 - the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - its continuous disclosure obligations under section 674 of the Corporations Act.
- As at the date of this notice, there is no excluded information (as described in sections 708AA(8) and (9) of the Corporations Act) to be disclosed by the Company.

Alan Treisman
Company Secretary



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11 April 2011

Dear Shareholder

Unmarketable parcel sale facility – first notice

You are recorded on the share register of 3Q Holdings Limited (**TQH**) as the holder of an unmarketable parcel of shares.

Under the ASX Listing Rules, any shareholding valued at less than \$500 is considered to be an unmarketable parcel. The last sale price of TQH's shares on 5 April 2011 was \$0.052. On this basis, an unmarketable parcel at this date is 9,615 or less TQH shares.

TQH incurs considerable expense in administering its share register and providing shareholder communications to each shareholder. In some cases, these expenses are greater than the value of the underlying shares in an unmarketable parcel.

To reduce these costs and to give shareholders with unmarketable parcels the ability to dispose of their shares without brokerage and other expenses, the Board of TQH has resolved to implement a forced sale of the shares of those shareholders who do not inform TQH that they wish to retain their unmarketable parcel of shares (by returning the enclosed share retention form). The mechanism for this is set out in clause 3 of the TQH Constitution and in the ASX Listing Rules.

Accordingly, TQH gives you formal notice pursuant to clause 3.13 of the TQH Constitution that, if your TQH shareholding constitutes an unmarketable parcel at the close of ASX trading on 30 May 2011, TQH intends to offer your shares (along with the shares of other shareholders with unmarketable parcels who have not given notice to TQH that they wish to retain the shares) for sale on the ASX at the highest possible price (the **Unmarketable Parcel Sale Facility**).

Several of the TQH Directors have indicated their intention to stand in the market to acquire shares sold via the Unmarketable Share Sale Facility and it is therefore possible that one or more TQH Directors may acquire shares under the facility. If a Director does participate in the on-market sale, each Director has agreed that they will purchase TQH shares for no less than \$0.06.

If you wish to retain your TQH shares, you must complete, sign and return the enclosed share retention form, so that it is received by 5.00pm (Melbourne time) on 9 June 2011.

Options in dealing with your TQH Shares

The Board has also announced that it is making a Share Purchase Plan available to shareholders.

As a result of the combined Unmarketable Parcel Sale Facility and Share Purchase Plan, you have a range of options to increase your holding of TQH shares, to sell your shares at no cost, or to retain your current holding.

You may acquire more TQH shares

Under the terms of the Share Purchase Plan offer, eligible shareholders are able to apply for \$15,000 worth of fully paid ordinary shares in the Company (**New Shares**) at a price of A\$0.06 per New Share. For further details, see the enclosed documentation regarding the Share Purchase Plan. If you apply for shares under the Share Purchase Plan, you do not need to return the enclosed share retention form.

You may sell your holding

You may take advantage of the Unmarketable Parcel Sale Facility put in place for TQH to sell your holding on-market without paying brokerage costs. You need take no action to take advantage of this facility. Further details are included in the fact sheet below. Unless you complete, and return the form indicating that you wish to retain your holding by 5.00pm (Melbourne time) on 9 June 2011, if you still hold less than \$500 worth of TQH Shares on that date, those shares will be sold on-market and the proceeds paid to you.

You may retain your holding

You may retain your holding without acquiring further shares. If you wish to do this, please complete and return the enclosed form, so that it is received by 5.00pm (Melbourne time) on 9 June 2011.

I encourage you to read all the materials in relation to these arrangements (including the Fact Sheet below and documentation regarding the Share Purchase Plan) before deciding whether to retain your holding, to apply for more shares or to have TQH to sell your holding. If you have any questions you should consult your stockbroker, accountant or other licensed financial adviser.

Should you require further assistance, please do not hesitate to contact the Offer Information Line on 1300 568 292 (within Australia) or +61 3 9415 4165 (outside Australia).

Yours sincerely



Shaun Rosen
Chairman, 3Q Holdings Limited

Unmarketable Parcel Sale Facility – Fact Sheet

Acquiring further shares

What is the Share Purchase Plan?

The Share Purchase Plan enables eligible shareholders to buy more TQH ordinary shares without brokerage or other transaction costs. The Share Purchase Plan offer period closes at 5.00pm on 30 May 2011. See the separate documentation relating to the Share Purchase Plan for further details

Selling your shares via the Unmarketable Parcel Sale Facility

What are the arrangements for selling unmarketable parcels of shares?

Those shareholders whose shareholding is valued at less than \$500 at the close of ASX trading on 9 June 2011 can take advantage of the opportunity to have their shares sold on-market without incurring brokerage costs via the Unmarketable Parcel Sale Facility. TQH will arrange the sale and will send the proceeds to you.

What do I need to do to take advantage of these arrangements?

No action is required from you.

When will my shares be sold?

TQH is entitled to arrange the sale of unmarketable parcels after it meets certain notice requirements to shareholders about its intention to sell those shares. Enclosed with this Fact Sheet is the first of these two notices.

We anticipate that the required notice periods will expire, and consequently the on-market sale of the shares will occur, on or around 10 June 2011.

TQH reserves the right to withdraw the sale process at any time prior to the sale occurring.

What will the sale price be?

The aggregate unmarketable parcels will be sold on the ASX at the highest possible price available at that time. Under the TQH constitution, the price at which the shares can be sold cannot be less than the simple average of the last ASX sale price for each of the 10 trading days immediately preceding the date of the on-market sale. Your shares will therefore not be sold on the ASX at the highest possible price at that time if that price does not meet this requirement.

You should be aware that the price for TQH shares that are sold under the facility is not fixed; may be less than the market price of TQH shares at any given time (provided it meets the pricing requirement set out in the TQH constitution); and may not be the best execution price on the trading day or trading days that your shares are sold. Your shares will be pooled with all other on-market sales and the price will be the volume weighted average price achieved for the sale of all the unmarketable parcels.

TQH will bear all costs of the sale of shares under the Unmarketable Parcel Sale Facility.

It is possible that one or more of the Directors of TQH may acquire shares on-market via the Unmarketable Share Sale Facility. If a Director does participate in the on-market sale, each Director has agreed that they will purchase TQH shares for no less than \$0.06.

When will I receive the sale proceeds?

The proceeds from the sale of the shares will be held in a separate bank account established by TQH for that purpose and will be paid to the relevant shareholders on a pro-rata basis (in accordance with the number of shares sold by each relevant shareholder) within 14 days of TQH receiving the proceeds of the sale.

We anticipate that sale proceeds will be sent to you by post on or around 17 June 2011.

Retain your current holding

What if I want to retain my current holding, what do I need to do?

If you want to retain your current holding, you must complete the enclosed form, and return it so that it is received by 5.00pm (Melbourne time) on 9 June 2011.

Further questions

Need help?

Should you require further assistance, please do not hesitate to contact the Offer Information Line on 1300 568 292 (within Australia) or + 61 3 9415 4165 (outside Australia).

We recommend that you consult your stockbroker, accountant or licensed financial adviser before making any decision to participate in the Unmarketable Parcel Sale Facility or Share Purchase Plan.

11 April 2011



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Dear Shareholder

Share Purchase Plan Offer

3Q Holdings Limited (**TQH**) invites eligible shareholders to participate in the Share Purchase Plan (**SPP**) by subscribing for \$15,000 of new fully paid ordinary shares in TQH.

Under the SPP, TQH will offer all its shareholders resident in Australia and New Zealand, irrespective of the size of their respective shareholding, the opportunity to subscribe for A\$15,000 worth of fully paid ordinary shares in TQH at a price of A\$0.06 per share.

No brokerage, commission, stamp duty or other transaction costs will be payable by eligible shareholders in respect of the shares.

Purpose of the Offer

The Offer is structured to encourage loyal, smaller shareholders to increase their holding in TQH.

When to apply

The SPP will open on 15 April 2011 and will remain open until 5.00pm (Melbourne time) on 30 May 2011.

How to apply

To participate in the offer, please:

- return your application form, together with your cheque, bank draft or money order drawn on an Australian bank in Australia dollars; or
- pay directly via BPAY[®] on the internet,

by no later than 5.00pm (Melbourne time) on 30 May 2011.

I encourage you to carefully read and consider the full details of the SPP set out in the attached Terms and Conditions. If you are in any doubt as to the action you should take, please contact your professional adviser.

Should you require further assistance, please do not hesitate to contact the Offer Information line on 1300 568 292 (within Australia) or +61 3 9415 4165 (outside Australia).

Yours sincerely

A handwritten signature in black ink, appearing to be 'Shaun Rosen', written over a series of horizontal lines.

Shaun Rosen
Chairman, 3Q Holdings Limited

Share Purchase Plan Terms and Conditions

Important dates*

Friday 8 April 2011	Record Date
Tuesday 12 April 2011	Documents mailed to eligible shareholders
Friday 15 April 2011	Offer opens
Monday 30 May 2011	Offer closes Application forms must be received by the registry no later than 5.00pm (Melbourne time)
Friday 10 June 2011	Anticipated allotment of New Shares

*TQH has the discretion to alter these dates.

Eligibility

You are eligible to participate in the SPP if you were a registered shareholder in 3Q Holdings Limited at 7.00pm (Melbourne time) on 8 April 2011 with a registered address in Australia or New Zealand, provided that you are not, or are not acting for the account or benefit of, a US Person (as defined in Regulation S under the US Securities Act of 1933).

TQH has determined that it is not practical for TQH shareholders with registered addresses in other jurisdictions to participate in the SPP.

Participation by eligible shareholders

Single holders – If you are the only registered holder of a holding of TQH shares, but you receive more than one offer under the Offer (for example, due to multiple registered holdings), you may only apply for one maximum parcel of New Shares.

Joint holders – If you are recorded with one or more other persons as the joint holder of TQH shares, that joint holding is considered to be a single registered holding for the purpose of the Offer, and the joint holders are entitled to participate in the SPP in respect of that single holding only. If the same joint holders receive more than one offer under the SPP due to multiple registered holdings, the joint holders may only apply for one maximum parcel of New Shares.

Custodians, trustees and nominees – If you are a custodian, trustee or nominee within the definition of custodian in ASIC Class Order [CO 09/425] and hold TQH shares on behalf of one or more persons, certain special provisions will apply to you, and you should contact TQH directly for further detail if required.

If you hold TQH shares as a trustee or nominee for another person, but are not a custodian as defined above, the rules for multiple single holdings (set out above) apply.

Application for New Shares

If you elect to participate in the SPP, you must make an application for \$15,000 worth of shares, being 250,000 shares in TQH (**New Shares**). You do not have to apply for New Shares if you do not wish to.

The Offer is non-renounceable, so you cannot transfer your right to purchase New Shares under the SPP to anyone else.

The \$15,000 limit applies even if you receive more than one offer in different capacities. The aggregated maximum amount any one investor participating in this SPP, or any similar arrangement in the 12 months prior to this offer, is \$15,000.

By completing and submitting the application form (together with a cheque, bank draft or money order) or by submitting payment via BPAY[®] on the internet:

- you certify that the aggregate of the application price paid by you for:

- (i) the New Shares the subject of the application form; and
 - (ii) any other New Shares applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the application form, does not exceed A\$15,000; and
- you represent that you are an eligible shareholder;
 - you acknowledge that the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws; and
 - you agree not to send any materials relating to the SPP to any person in the United States or that is, or is acting for the account or benefit of a U.S. person.

TQH reserves the right to reject any application for New Shares under the SPP to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

Refunds

If for any reason no New Shares are purchased for you or you submit a cheque that exceeds the amount nominated on the application form or applications are scaled back (see below), then the excess will be refunded to you without interest.

Maximum number of TQH shares being issued

In the event that applications in aggregate exceed more than 24,000,000 New Shares, the applications may be scaled back on a pro rata basis. In that case, you will receive fewer New Shares than you applied for and TQH will send you a refund cheque for the remaining balance of your refund monies.

Costs to participants

No brokerage, commissions or other transaction costs will be payable by participants in respect of the application or allotment of New Shares under the SPP. If you buy New Shares through the SPP, you will pay the Offer Price per New Share under the SPP.

Offer Price

The Offer Price for each New Share under the SPP is \$0.06. The Offer Price is a discount to the average market price of shares in TQH traded on the ASX in the five days on which shares were traded up to 8 April 2011.

The market price of shares in TQH may rise and fall between the date of this Offer and the date that the New Shares are allotted and issued to you under this SPP. This means that the price you pay per New Share under this SPP may be greater or less than the prevailing price on market at the time that New Shares are allotted and issued to you. We recommend that you seek financial advice from a qualified advisor before you decide to participate in this SPP.

Offer period

The Offer is open from 15 April 2011 and will remain open until 5.00pm (Melbourne time) on 30 May 2011. Applications received after that time will not be accepted.

Allotment of New Shares and confirmation

It is anticipated that the New Shares will be allocated under the SPP on or around 10 June 2011, and we expect that they will be quoted on the ASX on the following trading day. You should receive your holding statement or confirmation advice shortly after this date. An application will be made for the listing of the New Shares as soon as practicable.

These New Shares will rank equally with all other allotted fully paid ordinary shares.

Withdrawal of application

Applications and cash contributions cannot be withdrawn, in whole or part, during the Offer.

Dispute resolution and SPP changes, suspension or termination

TQH may settle in any manner it thinks fit, any dispute or anomalies which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any application of New Shares and the decisions of TQH will be conclusive and binding on all persons to whom the determination relates. TQH reserves the right to waive compliance with any provision of the terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible shareholders even where TQH does not notify you of that event.

This Offer is governed by the law in force in New South Wales. By accepting this offer, you submit to the non exclusive jurisdiction of the courts in New South Wales.