



OFFER TO UNDERWRITE Q LIMITED SHARES

The Board of Directors of leading short term computer rental group, Hire Intelligence International Limited (ASX code: HII), wishes to advise that it has offered to underwrite a 6 for 5 rights issue of Q Limited shares (ASX code: QXQ) at 10 cents per share raising \$1,224,805 for a fee of 3% (\$36,744) plus all reasonable out of pocket expenses, legal expenses and third party disbursements (plus GST).

QXQ is a microcap with a market cap that has been as low as \$1.0 million but currently stands at \$1.4 million. It currently intends raising \$1.215 million by way of a 7 for 5 rights issue at 8.5 cents per share, underwritten by Beconwood, the family company of QXQ's Managing Director, for a 6% fee on funds raised (\$72,875). We have asked that QXQ instead appoint HII as underwriter.

Independent Experts have valued the company at between 5.5 and 11.0 cents per share inclusive of a 25% premium for control. Exclusive of a premium for control the value therefore is between 4.4 and 8.8 cents per share with a midpoint of 6.6 cents which yields a market cap of \$674,000.

The benefits to QXQ of accepting HII's offer to underwrite are clear:

- The average value of QXQ shares should be significantly higher after the rights issue
- Fewer new shares issued raising more capital while reducing dilution of existing shareholders
- Lower underwriting fee saving the company \$36,131
- Removes one of the hurdles that currently exist (i.e. approving a related party as underwriter)
- Enables the directors to meet their statutory obligations by avoiding any potential conflicts of interest through the use of related parties
- Enables QXQ directors to meet their statutory obligations by acting in the best interests of shareholders

In the event QXQ rejects our offer and its shareholders do not pass the resolution appointing Beconwood as underwriter we will consider calling a general meeting of QXQ shareholders to vote on appointing HII as underwriter.

In the event HII is appointed and no shareholders acquire any shares in terms of the rights issue HII would need to purchase \$1,224,805 of QXQ shares. If 50% of the shares are acquired it will result in a capital outlay of approximately \$613,000. In both instances associated costs will be incurred.

Tom Crage
Chairman & Managing Director
Hire Intelligence International Limited
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