

3Q Holdings Limited  
ABN 42 089 058 293

Notice of Annual General Meeting  
and  
Explanatory Memorandum to Shareholders

A proxy form is enclosed

Please read the Notice and Explanatory Memorandum carefully.

If you are unable to attend the meeting please complete and return the enclosed proxy form in accordance with the specified instructions.



# Notice

## 3Q Holdings Limited ABN 42 089 058 293 (Company)

### Notice of annual general meeting

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Notice is given that the 2007 annual general meeting of the Company will be held at Ground Floor, 35 Spring Street, Bondi Junction, NSW 2022, on Thursday, 29 November 2007 at 2.00pm.

### Ordinary business

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#### **2007 Financial Statements and Reports**

To receive and consider the Financial Statements of the Company and its controlled entities and the Reports of the Directors and Auditor for the year ended 30 June 2007.

#### **Resolution 1 – Adoption of Remuneration Report**

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That the Remuneration Report for the year ended 30 June 2007 be adopted."*

Note: The Remuneration Report is set out on pages 13 to 18 of the 2007 Annual Report. The vote on this resolution is advisory only and does not bind the Directors of the Company.

#### **Resolution 2 – Re-election of Directors**

To consider, and if thought fit, to pass the following resolutions as **ordinary resolutions**:

- (a) *"That Alan Treisman, being a Director of the Company who retires by rotation under rule 13.2 of the Company's constitution, and being eligible, is re-elected as a Director of the Company."*
- (b) *"That Mark McGeachen, having been appointed as a Director of the Company since the last annual general meeting and who retires under rule 13.4 of the Company's constitution and being eligible, is re-elected as a Director of the Company."*

## Special business

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### Resolution 3 - Ratification of share issue

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given to the issue on 5 April 2007 of 9,389,500 shares to AR Investments Limited, as detailed in the Explanatory Memorandum included in this Notice."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this resolution by AR Investments Limited and its associates, except where the vote is cast in the circumstances set out in paragraph (b) of the Notes below.

### Resolution 4 – Issue of shares to Alan Treisman

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rules 10.11 and for all other purposes, approval is given for the issue of up to 100,000 ordinary shares to Alan Treisman (or his nominee) on the terms and conditions set out in the Explanatory Memorandum included in this Notice."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this resolution by Alan Treisman and his associates, except where the vote is cast in the circumstances set out in paragraph (b) of the Notes below.

## Notes

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### Explanatory Memorandum

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice.

### Entitlement to vote

- (a) It has been determined that under the *Corporations Regulations 2001* (Cth) regulation 7.11.37, for the purposes of the annual general meeting, shares will be taken to be held by the persons who are the registered holders at 5.00pm on 27 November 2007. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.
- (b) The Company will disregard any votes cast on Resolutions 3 and 4 by any person who participated or will participate in the relevant issue of shares and any associates of such persons, unless the vote is cast in the following circumstances:
- by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form;
  - by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides; or

- by the nominee of a beneficial owner who has directed the nominee to vote for or against the resolution and the beneficial owner has confirmed to the nominee in writing that the beneficial owner is neither the (named) person (or a member of the class of persons) excluded from voting or an associate of the (named) person (or a member of the class of persons) excluded from voting.

## Proxies

A shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be a shareholder and can be either an individual or a body corporate. If a shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the *Corporations Act 2001* (Cth); and
- provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If such evidence is not received before the meeting, then the body corporate (through its representative) will not be permitted to act as a proxy.

A shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes.

A Proxy Form accompanies this Notice and to be effective must be received at the Company's office:

Company Secretary, Ground Floor, 35 Spring Street, Bondi Junction, NSW  
2022

OR by facsimile: (02) 9387 7110 (International +61 2 9387 7110)

OR, by electronic address [alan@threeq.com.au](mailto:alan@threeq.com.au).

by no later than 2.00pm on 27 November 2007.

## Accessing your 2007 Annual Report online

The 2007 Annual Report is available for shareholders to access and download from <http://www.threeq.com.au/announce/3Qannualreport2007FINAL28sept07-web.pdf>. If you would like to receive a hard copy of the 2007 Annual Report free of charge you can contact Alan Treisman, Company Secretary on 02 9389 3555.

Shareholders who have specifically requested a hard copy of the 2007 Annual Report will receive it together with this Notice or otherwise separately in the mail.

## By Order of the Board

17<sup>th</sup> October 2007



Alan Treisman  
Company Secretary

# Explanatory Memorandum

**3Q Holdings Limited 42 089 058 293**

## Explanatory Memorandum

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This Explanatory Memorandum has been prepared to assist shareholders to understand the business to be put to shareholders at the forthcoming annual general meeting.

## Ordinary business

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### **2007 Financial Statements and Reports**

The *Corporations Act 2001* (Cth) (**Corporations Act**) requires:

- the Reports of the Directors and Auditor; and
- the annual financial report, including the Financial Statements of the Company for the year ended 30 June 2007,

to be laid before the annual general meeting. The Corporations Act does not require a vote of shareholders on the reports or statements. However, shareholders will be given ample opportunity to raise questions or comments on the management of the Company.

Also, a reasonable opportunity will be given to members as a whole at the meeting to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the Financial Statements and the independence of the Auditor in relation to the conduct of the audit.

### **Resolution 1 – Adoption of Remuneration Report**

Shareholders are asked to adopt the Company's Remuneration Report for the year ended 30 June 2007. The Remuneration Report is set out on pages 13 to 18 of the 2007 Annual Report, and is available from the Company's website <http://www.threeq.com.au/announce/3QAnnualreport2007FINAL28sept07-web.pdf>.

The vote on Resolution 1 is advisory only and does not bind the Directors. However, a reasonable opportunity for discussion of the Remuneration Report will be provided at the meeting.

The Directors recommend that shareholders vote in favour of Resolution 1.

### **Resolution 2 – Re-election of Directors**

In accordance with rule 13.2 of the Company's Constitution, Alan Treisman retires by rotation and, being eligible, offers himself for re-election.

Mark McGeachen was appointed as a Director since the last annual general meeting. In accordance with rule 13.4 of the Company's Constitution, Mark McGeachen holds office only until the next annual general meeting and therefore offers himself for re-election.

The experience, qualifications and other information about the candidates appear below:

**Alan Treisman**

Executive Director, Company Secretary & Chief Financial Officer

Alan Treisman joined the Board as Executive Director and CFO on 22 December 2005. He completed a Bachelor of Commerce degree and a Bachelor of Accountancy degree in 1989, and qualified as a Chartered Accountant in 1990. Alan joined Divergent Technologies in 1994 where he worked for almost 8 years as Financial Controller and then Finance Director. He has had more than 9 years experience in the information technology industry. He now combines the role of working in the Mergers and Acquisitions team with Shaun Rosen, with that of Chief Financial Officer and Company Secretary.

**Mark McGeachen**

Executive Director

Mark joined the board on 5 April 2007 as part of the acquisition of AdvanceRetail Technology Limited, where he had served as Managing Director. As one of the initial founders of AdvanceRetail Technology Limited, Mark has experience in international software sales, as well as consulting experience with a number of the regions leading retailers. He has more than 23 years experience in the information technology sector, including over 17 years experience in the retail software market.

The Directors (Alan Treisman and Mark McGeachen not participating), recommend that shareholders vote in favour of Resolutions 2(a) and 2(b).

**Resolution 3 - Ratification of share issue**

On 5 April 2007, the Company issued 9,389,500 ordinary shares in the Company to AR Investments Limited as part consideration in respect of the acquisition of all of the assets of AdvanceRetail Technology Limited and AdvanceRetail Technology Pty Ltd pursuant to a business sale agreement dated 13 March 2007.

Rule 7.1 of the ASX Listing Rules (**Listing Rules**) restricts listed companies from issuing more than 15% of their share capital in a 12 month period without shareholder approval. The Company has not exceeded this 15% limit.

Listing Rule 7.4 allows the Company to ratify an issue of shares for the purposes of the 15% rule outlined above. If a resolution is passed, the shares the subject of the relevant issue will not be counted towards the 15% threshold, as shareholders will have approved the issue by ratifying it.

The effect of Resolution 3 is to refresh the capacity of the Company to issue shares, options and other securities without the need to seek further shareholder approval and will afford the Company greater flexibility when seeking further capital.

In accordance with Listing Rule 7.5, those persons who received shares under the share issue set out below and their associates, are excluded from voting on the resolution to ratify the issue under which they received shares. This voting exclusion statement is contained in the Notice.

The following information is provided in relation to the issue pursuant to and in accordance with Listing Rule 7.5:

|                                   |   |
|-----------------------------------|---|
| Number of shares allotted         | 9,389,500   |
| Price at which shares were issued | 38.17 cents per share   |
| Terms of the shares               | The shares have the same terms as the existing ordinary shares on issue |
| Name of allottee                  | AR Investments Limited  |

|                         |  |
|-------------------------|--|
| Use of the funds raised | The shares were issued as part consideration in respect of the acquisition of all of the assets of AdvanceRetail Technology Limited and AdvanceRetail Technology Pty Ltd pursuant to a business sale agreement dated 13 March 2007 |
|-------------------------|--|

The total number of ordinary shares issued pursuant to Resolution 3 equate to approximately 6.37% of the issued capital of the Company immediately after the share issue referred to in Resolution 3.

The Directors (other than any Director who is an associate of the allottee) recommend that shareholders vote in favour of Resolution 3.

#### **Resolution 4 – Issue of shares to Alan Treisman**

Resolution 4 seeks shareholder approval for the allotment and issue of up to 100,000 ordinary shares in the Company to Alan Treisman.

Listing Rule 10.11 provides that an entity must not issue or agree to issue equity securities to a director of the entity without the approval of holders of ordinary securities. The effect of Resolution 4 is therefore to approve the issue of shares to Alan Treisman on the terms set out below. In addition, if shareholders approve Resolution 4 in accordance with Listing Rule 10.11, approval is not required under Listing Rule 7.1 and the shares granted to Alan Treisman will not count towards the 15% limit for the purposes of Listing Rule 7.1.

If Resolution 4 is passed, a maximum of 100,000 shares will be issued to Alan Treisman or his nominee.

In accordance with Listing Rule 10.13, those persons who received shares under the share issue set out below and their associates, are excluded from voting on the resolution to ratify the issue under which they received shares. This voting exclusion statement is contained in the Notice.

The following information is provided in relation to the issue pursuant to and in accordance with Listing Rule 10.13:

|                                       |   |
|---------------------------------------|---|
| Name of person                        | Alan Treisman   |
| Maximum number of shares to be issued | 100,000   |
| Date by which shares will be issued   | The shares will be issued no later than one month after the date of the meeting and it is intended that allotment will occur on the same date |
| Price at which shares will be issued  | No cash consideration is payable  |
| Terms of the shares                   | The shares will have the same terms as the existing ordinary shares on issue  |
| Intended use of funds raised          | The issue constitutes a bonus to Alan Treisman for the services provided in connection with the AdvanceRetail acquisition                     |

The Directors (other than Alan Treisman) recommend that shareholders vote in favour of Resolution 4.





**3Q Holdings Limited**  
 ABN 42 089 058 293

# Proxy Form

**All correspondence to:**  
 3Q Holdings Limited  
 Ground Floor, 35 Spring Street,  
 Bondi Junction  
 NSW 2022  
 Australia  
 Enquiries (within Australia) (02) 9389 3555  
 (outside Australia) 61 2 9389 3555  
 alan@threeq.com.au

Mark this box with an 'X' if you have made any changes to your address details (see reverse)

## Appointment of Proxy

I/We

being a member/s of 3Q Holdings Limited and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X')    **OR**   

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of 3Q Holdings Limited to be held at Ground Floor, 35 Spring Street, Bondi Junction NSW 2022 on Thursday 29 November 2007 at 2.00pm and at any adjournment of that meeting.

### IMPORTANT: FOR RESOLUTIONS BELOW




If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on the resolutions below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by him, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolutions below and your votes will not be counted in computing the required majority if a poll is called on the resolutions. The Chairman of the Meeting intends to vote undirected proxies in favour of each of the resolutions.

### Voting directions to your proxy – please mark to indicate your directions

|               |                                  | For                      | Against                  | Abstain*                 |
|---------------|----------------------------------|--------------------------|--------------------------|--------------------------|
| Resolution 1. | Adoption of Remuneration Report  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2. | Re-election of Directors         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3. | Ratification of share issue      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4. | Issue of shares to Alan Treisman | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

\*If you mark the Abstain box for a particular resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder 1

Security Holder 2

Security Holder 3




Sole Director and  
Sole Company Secretary

Director

Director/Company Secretary

.....  
Contact Name

.....  
Contact Daytime Telephone

/ /  
Date

## How to complete the Proxy Form

### 1 Your Address

This is your address as it appears on the Company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

### 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the Company. Do not write the name of the issuer company or the registered securityholder in the space.

### 3 Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each Resolution. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as he or she chooses. If you mark more than one box for a resolution your vote on that resolution will be invalid.

### 4 Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's office or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

### 5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate 'Certificate of Appointment of Corporate Representative' should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

### Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at 2.00pm on Thursday, 29 November 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

#### Documents may be lodged using the reply paid envelope or:

IN PERSON

Company's Office – Ground Floor, 35 Spring Street, Bondi Junction  
NSW 2022

BY MAIL

Company's Office – Ground Floor, 35 Spring Street, Bondi Junction  
NSW 2022

BY FAX

61 2 9387 7110

