



ASX Release

Non renounceable Rights Issue - Section 708AA Notice

Monday 19 May 2008: Section 708AA Notice

Non-renounceable Rights Issue - 1 for 3.5 shares at 24 cents per share, to raise approximately \$10 million (before costs)

3Q Holdings Limited (Company) announced on 5 May 2008 its intention to offer shareholders a non-renounceable Rights Issue of 1 ordinary share for every 3.5 shares held on the record date. The Rights Issue is for the issue of 42,127,274 (subject to rounding) shares at \$0.24 each to raise a total of approximately \$10 million (before costs).

This notice is given under paragraphs (2) (f) and (7) of the section 708AA of the Corporations Act. Accordingly, the Company makes the following statements:

- The Company will offer the relevant securities for issue without disclosure to investors under Part 6D of the Corporations Act. That is, without a prospectus.
- 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.
- If all shareholders were to take up their entitlement, there would be no change in control of the Company. If no shareholders were to take up their entitlement, then a shortfall of up to 22.2% of the Company may be placed by the Directors with professional or sophisticated investors. It is expected that three major shareholders holding some 84% of the Company will not take up their entitlement. At this stage it is not possible for the Company to anticipate the extent to which other shareholders will take up their entitlements. As the Company expects some of the other shareholders to take up their entitlements, and it expects to place the shortfall with a number of professional or sophisticated investors, the Company does not expect the issue to have any material effect on control of the Company.

Alan Treisman
Company Secretary
Dated 19 May 2008