

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

Notice is given that the 2011 annual general meeting of the Company will be held at Ground Floor, 35 Spring Street, Bondi Junction, NSW 2022, on Wednesday, 30 November 2011 at 10.00am.

Ordinary business

2011 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 2011.

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 2011 be adopted."

Note: The Remuneration Report is set out on pages 8 to 10 of the 2011 Annual Report. The vote on this resolution is advisory only and does not bind the Directors of the Company.

Resolution 2 – Re-election of Director – Stephe Wilks

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

"That Stephe Wilks, 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."

Further information

Explanatory Memorandum

Shareholders should review and consider the information set out in the Explanatory Memorandum accompanying and forming part of this Notice.

Entitlement to vote

For the purposes of the annual general meeting, shares will be taken to be held by the persons who are the registered holders at 10.00am on 28 November 2011.

Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1 (Adoption of remuneration report) by or on behalf of a member of the Company's key management personnel (details of whose remuneration are included in the remuneration report) or a closely related party of that person, unless they are cast by that person as a proxy for a person entitled to vote, in accordance with the directions on the proxy form.

The Chairman intends to vote all available proxies held by him in favour of each resolution. Please refer to the proxy form accompanying this notice of meeting for more information.

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 two or more votes may appoint two 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 email to alan@threeq.com.au

by no later than 10.00am on 28 November 2011.

Accessing your 2011 Annual Report online

The 2011 Annual Report is available for shareholders to access and download from <http://www.threeq.com.au/investor-relations/3q-reports.html>

If you would like to receive a hard copy of the 2011 Annual Report free of charge you can contact Alan Treisman, Company Secretary, on 02 9369 8591.

Shareholders who have specifically requested a hard copy of the 2011 Annual Report will receive it together with this Notice or otherwise separately in the mail.

By Order of the Board

22 October 2011

A handwritten signature in black ink, appearing to read 'A Treisman', written over a light grey rectangular background.

Alan Treisman
Company Secretary

Explanatory Memorandum

3Q Holdings Limited ABN 42 089 058 293

Explanatory Memorandum

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

2011 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 2011,

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 2011. The Remuneration Report is set out on pages 8 to 10 of the 2011 Annual Report, and is available from the Company's website

http://www.threeq.com.au/~threeq/images/stories/docs/annual_reports/3q_annual_report_2011_final.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 Board will consider the outcome of the vote and comments made by shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies. If 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must stand for re-election.

The Company encourages all shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

Resolution 2 – Re-election of Director – Stephe Wilks

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

The experience, qualifications and other information about the candidate appear below.

Stephe Wilks – Non-Executive Director

Stephe holds Bachelor of Science and Law degrees from Macquarie University and a Master of Laws from Sydney University.

He has over 20 years experience in industry in a variety of senior management roles including Regional Director Regulatory Affairs with BT Asia Pacific (1995 to 1998), Director Regulatory and Public Affairs at Optus, and Managing Director of XYZed (1998 to 2002), Chief Operating Officer of Nextgen Networks (2002 to 2003), Chief Operating Officer at Personal Broadband Australia and Consulting Director at NM Rothschild & Sons (2003 to 2005).

Stephe is an active non-executive director with public and private company experience. He is presently a non-executive Director of Service Stream Limited, and Tel.Pacific Limited; and an Advisory Board member of the Network Insight Group.



3Q Holdings Limited
 ABN 42 089 058 293

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

Proxy Form

All correspondence to:
 3Q Holdings Limited
 Ground Floor, 35 Spring Street,
 Bondi Junction
 NSW 2022
 Australia
 Enquiries (within Australia) (02) 9369 8500
 (outside Australia) 61 2 9369 8500
 alan@threeq.com.au

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 Wednesday, 30 November 2011 at 10.00 am and at any adjournment of that meeting. For undirected proxies, the Chairman intends to vote in favour of each resolution including resolutions in which he has an interest. If you appoint the Chairman as your proxy and do not direct him how to vote, the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

Important for Resolution 1 – If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

By marking box 2 below, you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Resolution 1 as set out below and in the Notice of Meeting. If you do not mark box 2 below, and you have not directed your proxy how to vote on Resolution 1, the Chairman of the Meeting will not cast your votes on Resolution 1 and your votes will not be counted in computing the required majority if a poll is called on Resolution 1. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote by either marking the boxes below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chairman of the Meeting will vote in favour of Resolution 1).

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 1.

I/We direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Resolution 1 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Resolution 1 is connected directly or indirectly with the remuneration of key management personnel and even if the Chairman of the Meeting has an interest in the outcome of these items and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

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 – Stephe Wilks	<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 security holder in the space. For undirected proxies the Chairman intends to vote in favour of the resolutions and, if you appoint the Chairman your proxy and do not direct him how to vote, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

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 10 am on Monday 28 November 2011. 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

