



QUANTUM ENERGY LIMITED (ASX:QTM) – QUANTUM HEALTHCARE PTY LIMITED (QHC) ACHIEVES EBIT IN EXCESS OF \$5M TO 30 JUNE 2018 RESULTING IN THE ISSUE OF ADDITIONAL QTM SHARES TO THE QHC SELLERS

On 5 April 2018 Quantum Energy Limited (**ASX : QTM**) (Company) announced that it had reached agreement with the then 20% minority shareholders (the Sellers) of Quantum Healthcare Pty Limited (QHC) to acquire the Sellers' 20% interest in QHC (the Acquisition).

As a result of the Acquisition on 5 April 2018 QTM's aggregate ownership of QHC increased from its then existing 80% to 100%, thereby securing QHC as a wholly owned subsidiary of QTM on and from 5 April 2018.

As set out in QTM's Announcement on 5 April 2018, the terms of the Acquisition included terms that:

- if QHC achieves EBIT of greater than A\$5 million for the financial year ending on 30 June 2018, QTM will on or about 30 September 2018 issue the Sellers a further 20 million QTM shares at 2.4 cents per share;
- if QHC achieves an aggregate EBIT of greater than A\$11 million for the 2 year period from 1 July 2017 to 30 June 2019, QTM will on or about 30 September 2019 issue the Sellers a further 30 million QTM shares at 2.4 cents per share; and
- if the respective EBIT targets are achieved by QHC and further QTM shares are issued to the Sellers, such further shares will be subject to a 2 year voluntary escrow from their issue date, being through to on or about 30 September 2020 and 30 September 2021 respectively.

QTM advises that with the release of the QTM Group Annual Report on 28th September, QTM can confirm the audited EBIT achieved by QHC for the financial year ending 30 June 2018 is AUD \$6,306,000.

QTM's CEO and Managing Director, Mr Walstab said " This is a very pleasing result for Quantum and demonstrates that Quantum's moving to become a one hundred percent owner of Quantum Healthcare has facilitated enhanced growth and profitability of the Quantum Group's overall results for the year". Mr Walstab added "Quantum Healthcare is well placed to build on this performance into the 2019 year with a focus on opportunities in international healthcare markets."

With QHC's 2018 EBIT exceeding \$5M, QTM has, in accordance with the QHC Acquisition Agreement, issued 20 million QTM shares to the QHC Sellers, which shares are subject to a 2 year voluntary escrow through to 3 October 2020.

In relation to the issue of the QTM shares QTM attaches an Appendix 3B and a Section 708A Notice.

On behalf of the Board

Mr John Walstab
CEO/Managing Director

NOTICE UNDER SECTION 708A OF THE CORPORATIONS ACT, 2001

Quantum Energy Limited (**ASX : QTM**) advises that it has today issued a total of 20 million fully paid ordinary shares (**Shares**) in accordance with the QHC Acquisition Agreement dated 5 April 2018.

An Appendix 3B relating to this issue is attached to QTM's Announcement dated 3 October 2018.

QTM, the Issuer, advises that:

- (a) the Shares were issued by the Issuer without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (Act);
- (b) this notice is being given under section 708(5)(e) of the Act;
- (c) as at the date of this notice, the Issuer has complied with:
 - (i) the provisions of Chapter 2M of the Act, as they apply to the Issuer; and
 - (ii) section 674 of the Act; and
- (d) as at the date of this notice, there is no information that is 'excluded information' within the meanings of section 708A(7) and 708A(8) of the Act.

On Behalf of the Board



Mr John Walstab

CEO/Managing Director

3 October 2018