

12 October 2015

Dear Shareholder,

PARTIALLY UNDERWRITTEN NON-RENOUNCEABLE RIGHTS ISSUE – ELIGIBLE SHAREHOLDERS

Q Technology Group Limited (“**Q Technology**” or “**Company**”) announced on 9 October 2015 a partially underwritten non-renounceable rights issue (“**Rights Issue**”) of 1 fully paid ordinary share (“**New Shares**”) for every 1 existing share held as at 7.00pm (AEDT) on 16 October 2015 (“**Record Date**”) to shareholders with a registered address in Australia or New Zealand (“**Eligible Shareholders**”).

The Rights Issue is being carried out pursuant to an offer document dated 9 October 2015 (**Information Booklet**) in accordance with section 708AA of the *Corporations Act 2001* (Cth) as modified by Australian Securities and Investments Commission Class Order 08/35.

Details of the Rights Issue

Pursuant to the Rights Issue, Q Technology will issue up to 196,065,483 New Shares at an issue price of \$0.004 per New Share to raise up to \$784,261.93.

The Rights Issue is partially underwritten up to an amount of \$440,135.00 by:

- (a) Helmsman Funds Management Limited (ACN 100 489 763) as trustee for the Helmsman Capital Fund Trust IIA;
- (b) Mr Edmond Tern;
- (c) Cherryoak Investments Pty Ltd (ACN 101 363 642);
- (d) Nineteen25 Pty Limited (ACN 138 742 319);
- (e) Talston Pty Limited (ACN 006 377 859);
- (f) Mr Peter Higgins and Mrs Jayne Higgins; and
- (g) Rosa Investment Group Pty Ltd (ACN 111 581 134).

(“**Underwriters**”).

The Company will apply to ASX for quotation of the New Shares. The New Shares will rank equally in all respects with the Company’s existing shares. Shareholders who choose not to take up their entitlement will receive no value in respect of their entitlement and their shareholding in the Company will be diluted.

Use of funds

The Company intends to apply the proceeds of the Rights Issue to provide additional working capital to fund the acquisition of additional inventory for new products.

Timetables

The Company anticipates the Rights Issue to be conducted in accordance with the following timetable:

Date*	Event
Friday 9 October 2015	ASX Announcement of Rights Issue
	Lodgement of Rights Issue Information Booklet, Cleansing Notice and Appendix 3B
Monday 12 October 2015	Company sends letter to shareholders containing information of the Rights Issue and timetable
Wednesday, 14 October 2015	Ex Date
Friday, 16 October 2015	Record Date for Rights Issue (7.00pm AEDT)
Wednesday, 21 October 2015	Dispatch of Rights Issue Information Booklet and Entitlement and Acceptance Forms
	Offer Opens
Friday, 20 November 2015	Closing Date
Monday, 23 November 2015	Quotation on a deferred settlement basis
Wednesday, 25 November 2015	Shortfall notification date
Thursday, 26 November 2015	Rights Issue allotment date
Friday 27 November 2015	Trading Date

*This Timetable is indicative only. Applicants are encouraged to submit their Entitlement and Acceptance Form and Application Monies as soon as possible after the Rights Issue opens. The Directors may vary these dates, in consultation with the Underwriter, subject to the Listing Rules. An extension of the Closing Date will delay the anticipated date for allotment and issue of the New Shares.

Eligible Shareholders will receive a copy of the Information Booklet shortly. A copy of the Information Booklet has been lodged with ASX and can be found on its website www.asx.com.au.

Douglas Potter
Chairman

About Q Technology Group Limited

Q Technology Group Limited is based in Melbourne, Victoria. The Group has annualised revenues of approximately \$25 million and comprises Q Security Services, a leader in the supply and support of high quality CCTV, video switching, networking, alarm & access control products in the Australasian market.

For more information on the Company please visit
<http://www.qtechnologygroup.com.au> or <http://www.qsecuritysystems.com.au>