



Quantum Resources Limited

(ASX: QUR)

ASX and Media Release

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LogiTag and Multinational Telecommunications Company Motorola contract with Israeli Governmental Postal Authority

Highlights:

- **LogiTag and Motorola to deploy one of the largest RFID projects in the world**
- **Motorola and LogiTag to RFID-enable Israel Post mail and distribution facilities**
- **Contract valued at AUD 1 million to LogiTag**
- **LogiTag's pipeline of new business opportunities and tenders in progress continues to grow**

Quantum Resources Limited (ASX:QUR) (**Quantum** or the **Company**) is pleased to announce that

LogiTag Systems Limited (**LogiTag**), together with multinational telecommunications company Motorola as prime contractor, has secured a contract to supply RFID technology to the Israeli Governmental Postal Authority (**Contract**).

As shareholders are aware, Quantum has entered into a binding share purchase agreement to purchase 100% of the issued share capital in LogiTag, an Israeli based leading provider of cloud-based RFID technology software and equipment.

The Contract, which is valued at several million USD (with LogiTag's share of the contract worth approximately AUD 1 million), will see LogiTag's LogiPlatform cloud and RFID based technology being implemented to track and manage mail bags and mail items for the Israeli Governmental Postal Authority. The installed system will enable the Israeli Governmental Postal Authority to automate its ability to track the movement of mail bags from sorting facilities to distribution facilities and back, including during transit in vehicles. The system will also enable monitoring of the level of service provided to the end customer, through the monitoring of the entire route of each mail item from the sender to the recipient.

LogiTag will manufacture and install its RFID hardware in conjunction with Motorola who, as project partner, will manage the system integration. Motorola has a global footprint in more than 100 countries and is a leading global provider of mission-critical communication infrastructure. Under Contract, Motorola and LogiTag will build a multilayered customised hardware and software solution based on LogiTag's out of the box products.

The worldwide market for postal delivery services is estimated at USD 242 billion. LogiTag and Motorola are pioneering new ground in this collaboration that will see the world's leading mission-critical communication infrastructure being used to track monitor and improve the logistics process of the Israel Post. The project is a nationwide project, and management teams have been dedicated to manage the implementation. The project, which will involve approximately 150

stationary "RFID enabled interest point's control" at sorting and distribution facilities; more than 300 transport vehicles; and more than 120 post boxes, will be one of the largest RFID projects accomplished worldwide.

The technology employed under this project is expected to vastly change the entire Israeli postal working process and dramatically improve the postal system efficiency, thus reducing costs to the Israeli Government. Additionally, the project is expected to improve the overall security of the mail and delivery process and reduce loss of mail items, thereby improving satisfaction levels of end customers.

Commenting on the project, **LogiTag's Chief Executive Officer Shlomo Matityaho** said, "We are excited to have been selected for such an integral, country-wide project; the largest of its kind in the world.

"There were two main goals for the project; to improve postal delivery in the country, and to monitor the postal service. Given our advanced RFID technology and cloud based application, along with our valuable knowledge and experience, we will be able to deliver a working solution in a matter of several months. In addition, I believe this project confirms the market's ripe position for RFID in general, and validates our end-to-end capabilities. I look forward to working on similar future projects in the times to come."

Update on timetable for acquisition of LogiTag

Quantum is well progressed in its preparation of transaction documents relating to its acquisition of LogiTag and re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

Quantum now expects to be in a position to lodge a prospectus and a notice of general meeting (and associated documents) to seek shareholder approval for a change to the nature and scale of its activities in March 2016.

The acquisition is now expected to be completed in April 2016, upon which it is proposed that the Company's name will change to "**LogiTag Systems Limited**" and its ASX issuer code will change to ASX: **LOG**.

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