



14 July 2014

Company Announcements
Australian Securities Exchange
Level 40
Central Park
152 - 158 St Georges Terrace
Perth WA 6000

Dear Sir/Madam

Appendix 3B

Quickflix Limited (ASX:QFX) ("Quickflix" or "the Company") announces that issue of 204,176,899 fully paid ordinary shares at 0.9 cents each raising \$1.8 million (before costs) from a private placement to sophisticated and institutional investors announced on 4 July 2014 was completed on 11 July 2014. The funds raised from this issue of shares will be applied to working capital, investment in content and marketing to accelerate the Company's growth strategy; together with supporting strategic initiatives.

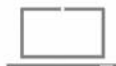
The Company has also issued 1,711,765 redeemable convertible preference shares to Home Box Office Inc in satisfaction of dividends owed for the March 2014 and June 2014 quarters.

An Appendix 3B is attached to this announcement.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Hunter'.

Susan Hunter
Company Secretary



Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Quickflix Ltd

ABN

62 102 459 352

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | 1. Fully Paid Ordinary Shares.
2. Redeemable convertible preference shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 204,176,899 Fully paid ordinary shares.
2. 1,711,765 Redeemable convertible preference shares. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Fully paid ordinary shares.

2. The full terms of the redeemable convertible preference shares are set out in Annexure A to the 30 October 2013 Notice of Annual General Meeting of Shareholders lodged on ASX on 27 September 2013. |

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>1. Yes - fully paid ordinary shares.</p> <p>2. No - the redeemable convertible preference shares are a class of unquoted security. Following conversion into fully paid ordinary shares, the shares will rank equally with existing quoted fully paid ordinary shares.</p>
5	Issue price or consideration	<p>1. \$0.009 per fully paid ordinary share.</p> <p>2. Deemed issued price of \$0.12 per redeemable convertible preference share.</p>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1. Issue of shares to sophisticated and institutional investors as announced on 4 July 2014.</p> <p>2. Consideration for accumulated dividends due to Home Box Office Inc. for the March 2014 and June 2014 quarters.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
6b	<p>The date the security holder resolution under rule 7.1A was passed</p>	<p>30 October 2013</p>

6c	Number of +securities issued without security holder approval under rule 7.1	95,264,827 fully paid ordinary shares and 1,711,765 redeemable convertible preference shares.
6d	Number of +securities issued with security holder approval under rule 7.1A	108,912,072 fully paid ordinary shares.
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil.
6f	Number of +securities issued under an exception in rule 7.2	Nil.
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Yes. Date on which the prices were agreed – 4 July 2014. Issue Date – 11 July 2014. Issue Price - \$0.009. 15 day VWAP to 3 July 2014- \$0.0098. 75% of 15 day VWAP to 3 July 2014 - \$0.0074. Source: Capital IQ
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	ASX Listing Rule 7.1 – nil. ASX Listing Rule 7.1A – 18,235.
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	11 July 2014.

+ See chapter 19 for defined terms.

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		1,359,828,840	Ordinary shares. (Code: QFX)

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		2,500,000	Options exercisable at \$0.085 on or before 9 December 2015.
		36,500,000	Director Options exercisable at \$0.022 on or before 3 June 2016.
		42,215,251	Options exercisable at \$0.0302 on or before 8 March 2018 subject to the terms and conditions in the 6 March 2013 Prospectus.
		91,165,092	Redeemable convertible preference shares.
		11,700,000	Employee Performance Rights.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.
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Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	+Issue date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of +securities
(tick one)
- (a) ☒ +Securities described in Part 1
NOTE - only the 204,176,899 fully paid ordinary shares should be quoted.
- (b) ☐ All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought

Not applicable.
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:
 - the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

+ See chapter 19 for defined terms.

42 Number and ⁺class of all ⁺securities quoted on ASX (including the ⁺securities in clause 38)

Number	⁺ Class

Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

SP Hunter .

Sign here: Date: 14 July 2014
(Company secretary)

Print name: SUSAN HUNTER

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ⁺ ordinary securities on issue 12 months before the ⁺ issue date or date of agreement to issue	526,669,605
Add the following: <ul style="list-style-type: none"> Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approval Number of partly paid ⁺ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	17/9/13 - issue of 70,000,000 shares (approved by shareholders on 30/10/13). 25/10/13 - 341,734,611 shares under ASX Listing Rule 7.2. (Exceptions 1 and 2) 5/11/13 - 140,000,000 shares (approved by shareholders on 30/10/13). 5/11/13 - 404,123 shares (Exception 3). 5/11/13 - 4,768,750 shares (Exception 9). 4/2/14 - 5,725,984 shares (Exception 9).
Subtract the number of fully paid ⁺ ordinary securities cancelled during that 12 month period	Nil
“A”	1,089,303,073
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>

Multiply "A" by 0.15	163,395,460
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>5/11/13 - issue of 66,348,868 shares.</p> <p>11/7/13 – issue of 1,781,765 redeemable convertible preference shares.</p> <p>11/7/13 – issue of 95,264,827 shares.</p>
"C"	163,395,460
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
<p>"A" x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	163,395,460
<p>Subtract "C"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	163,395,460
Total ["A" x 0.15] – "C"	<p>Nil</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,089,303,073
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	108,930,307
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	11/7/14 - 108,912,072 shares.
“E”	108,912,072

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	108,930,307
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	108,912,072
Total [“A” x 0.10] – “E”	18,235 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.

ADDITIONAL INFORMATION REQUIRED UNDER ASX LISTING RULE 3.10.5A

On 11 July 2014, Quickflix Limited (ASX: QFX) ("Quickflix " or "the Company") issued 204,176,899 fully paid ordinary shares ("Shares") in the capital of the Company at an issue price of \$0.009 per share to raise approximately \$1.8 million (before issue related costs). These Shares were the subject of an Appendix 3B announcement to the Australian Securities Exchange attached. 108,912,072 Shares were issued pursuant the Company's available placement capacity under Listing Rule 7.1A and 95,264,827 Shares were issued under the Company's available placement capacity under Listing Rule 7.1.

Quickflix provides the following information as required under ASX Listing Rule 3.10.5A in relation to the placement of 108,912,072 Shares issued under ASX Listing Rule 7.1A:

a) Dilution to existing shareholders as a result of the 108,912,072 Shares issued pursuant to the placement under Listing Rule 7.1A is 9.4%, dilution to existing shareholders as a result of the 95,264,827 Shares issued pursuant to the placement under Listing Rule 7.1 is 8.2% and the total dilution to existing shareholders as a result of the total 204,176,899 Shares issued pursuant to the placement under both Listing Rule 7.1 and 7.1A is 17.6%.

The placement participants were sophisticated and institutional investors.

b) Quickflix undertook a placement of Shares under the Company's available ASX Listing Rule 7.1 and 7.1A placement capacity to provide the Company with ready access to funds to be applied to working capital, investment in content and marketing to accelerate the Company's growth strategy; together with supporting strategic initiatives. The placement was considered to be a cost effective and efficient mechanism for raising funds. It is noted that the Company undertook an entitlement issue in late 2013.

c) No underwriting arrangements were entered into in relation to the placement.

d) A fee of 6% of the total amount raised of approximately \$1.8 million was paid to Cashel Corporate Finance in relation to the placement.