

9 October 2018

Dear Shareholder

#### **PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE**

We are writing to you as a registered holder of shares in Quantify Technology Holdings Limited (**Company**).

As announced to ASX on 8 October 2018, the Company is undertaking a fully underwritten pro rata non-renounceable offer of ordinary fully paid shares (**Shares**) to eligible shareholders. The offer is on the basis of eight (8) new shares (**New Shares**) for every eleven (11) Shares held by eligible shareholders of the Company as at 5.00pm WST on 11 October 2018 (**Record Date**) at an issue price of \$0.01 per Share, to raise up to \$3,993,652 (**Offer**).

The Offer is being made without a prospectus in accordance with section 708AA of the Corporations Act 2001 (Cth) (as amended by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84).

An Offer Document in relation to the Offer has been lodged with ASX setting out the terms and the timetable for the Offer, as shown below. A copy of the Offer Document is available on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code: QFY) and on the Company's website at [www.quantifytechnology.com](http://www.quantifytechnology.com).

#### **Underwriting and Use of Proceeds**

The Offer is fully underwritten by Pinnacle Corporate Finance Pty Limited. Proceeds of the capital raisings will contribute towards the continued commercialisation of Quantify Technology's IoT solution including development and refinement of Quantify's solution, marketing and sales of Quantify's solution and for general working capital. The cash costs of the Offer will be approximately \$265,000.

#### **Information about the Offer**

1. The Offer is being made to eligible shareholders, being persons who are registered as shareholders of the Company on the Record Date and have a registered address in Australia or New Zealand. In calculating entitlements under the Offer, fractions will be rounded down to the nearest whole number. Shareholders who, at the Record Date, do not have an address registered in either Australia or New Zealand will not be eligible to participate in the Offer.
2. Eligible Shareholder who take up all of their entitlement under the Offer may apply for Shares in addition to their Entitlement (Additional Shares).
3. The Offer opens on 16 October 2018 and is expected to close at 5.00pm (WST) on 6 November 2018.
4. The Offer is non-renounceable which means that entitlements to participate in the Offer are not tradeable on the ASX or otherwise transferable.
5. Up to 399,365,259 New Shares may be issued under the Offer (based on the current capital structure of the Company), and an additional 25,000,000 New Shares to the Underwriter, resulting in total ordinary fully paid shares in the Company of up to 973,492,491 shares. New Shares issued under the Offer will rank equally with the Company's existing fully paid ordinary shares.
6. There is no minimum subscription under the Offer. The Offer is fully underwritten.
7. The Underwriter may at its discretion make a placement to professional and sophisticated investors of any entitlements under the Offer which are not taken up by shareholders ("**Shortfall**"). The Underwriter has given an undertaking to ensure that no party will receive Shortfall Shares that would result in that party having a relevant interest in more than 19.9% of the total Shares on issue on completion of the Offer, or increase their holding from a starting point that is above 20% to a greater percentage on completion of the Offer than was held prior to the Offer.

## Timetable

The Offer is proposed to be conducted according to the following timetable:

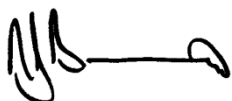
Event	Date
Announcement of Rights Issue and Appendix 3B	8 October 2018
Release of Offer Document and section 708AA notice to ASX	8 October 2018
Notice sent to Shareholders	9 October 2018
"Ex" Date (date from which Shares commence trading without the entitlement to participate in the Offer)	10 October 2018
Record Date 5.00pm (WST) (date for determining Entitlements of Eligible Shareholders to participate in the Offer)	11 October 2018
Offer Document and Entitlement and Acceptance Form sent to Eligible Shareholders	16 October 2018
Offer Opening Date	16 October 2018
Last date to extend the Offer Closing Date	1 November 2018
Offer Closing Date 5.00pm (WST)	6 November 2018
Shares quoted on a deferred settlement basis	7 November 2018
ASX notified of under subscriptions	9 November 2018
Anticipated date for the issue of the New Shares	13 November 2018
Deferred settlement trading ends	13 November 2018
Normal trading (on a T+2 basis) commences	14 November 2018

**Note:** The dates in the above timetable are indicative only and subject to change. Further, the dates are subject to the Listing Rules and other applicable laws. The Directors reserve the right to vary these dates.

You are not required to do anything in response to this letter. This letter is provided for your information only and does not constitute an offer of New Shares under the Offer. An offer document will be sent to eligible shareholders on about 16 October 2018.

## Further information

For further information, please see the Company's announcements on ASX ([www.asx.com.au](http://www.asx.com.au)) (ASX code: QFY) and on the Company's website ([www.quantifytechnology.com](http://www.quantifytechnology.com)) or contact the Company on (08) 6268 2622 during normal business hours.



Neville Bassett

**Company Secretary**