

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 | Fully paid ordinary shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 387,344,222 fully paid ordinary 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) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

<p>4 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 <p>the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment. Yes - fully paid ordinary shares. The shares are under voluntary escrow until 30 December 2014.</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> <ul style="list-style-type: none"> • 	<p>Yes – fully paid ordinary shares.</p>
<p>5 Issue price or consideration</p>	<p>\$0.002 per share.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Placement of shares to professional and sophisticated investors as announced to ASX on 21 May 2015 to raise approximately \$775,000 (before issue related costs) for the continued development of the Company’s streaming service and working capital.</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>24 October 2014</p>
6c	<p>Number of +securities issued without security holder approval under rule 7.1</p>	<p>210,959,579 fully paid ordinary shares.</p>
6d	<p>Number of +securities issued with security holder approval under rule 7.1A</p>	<p>176,384,643 fully paid ordinary shares.</p>
6e	<p>Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>Nil.</p>
6f	<p>Number of +securities issued under an exception in rule 7.2</p>	<p>Nil.</p>
6g	<p>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.</p>	<p>Yes. Date on which the prices were agreed – 21 May 2015. Issue Date – 28 May 2015. Issue Price - \$0.002. 15 day VWAP to 21 May 2015- \$0.00245. 75% of 15 day VWAP to 21 May 2015 - \$0.0018. Source: IRESS</p>
6h	<p>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</p>	<p>Not applicable.</p>

+ See chapter 19 for defined terms.

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 – nil.
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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.	28 May 2015.
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8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		2,203,890,654	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.
		93,930,032	Redeemable convertible preference shares.
		48,033,333	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
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| 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

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 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 | |

+ See chapter 19 for defined terms.

- 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 *in full* through a broker?
- 31 How do security holders sell *part* 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

(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

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
- 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
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+ See chapter 19 for defined terms.

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)

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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.



Sign here: Date: 28 May 2015
(Company secretary)

Print name: SUSAN HUNTER

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+ See chapter 19 for defined terms.

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	1,155,651,941
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"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</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> 	11/7/14 – 204,176,899 shares (approved by shareholders on 24/10/14). 29/8/14 – 160,825,600 shares (Exception 15). 5/12/14 – 3,950,000 (Exception 9) 19/12/14 - 216,938,243 shares – (Exception 1). 19/12/14 - 22,303,749 shares – (Exception 3).
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	1,763,846,432
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>

Multiply “A” by 0.15	264,576,964
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>Note:</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>29/8/14 – issue of 2,700,000 shares.</p> <p>24/11/14 – issue of 50,000,000 shares.</p> <p>1/5/15 – 917,385 Redeemable convertible preference shares.</p> <p>28/5/15 – 210,959,579 fully paid ordinary shares.</p>
“C”	264,576,964
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>	264,576,964
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	264,576,964
<p>Total [“A” x 0.15] – “C”</p>	<p>0</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>	1,763,846,432
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	176,384,643
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 <i>Notes:</i> <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> 	28/5/15 - 176,384,643 fully paid ordinary shares.
“E”	176,384,643

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>	176,384,643
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	176,384,643
Total [“A” x 0.10] – “E”	0 <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 28 May 2015, Quickflix Ltd (ASX: QFX) (**Quickflix** or **the Company**) issued 210,959,579 fully paid ordinary shares under the Company's available placement capacity under Listing Rule 7.1 and 176,384,643 fully paid ordinary shares under the Company's available placement capacity under Listing Rule 7.1A at an issue price of \$0.002 per share to professional and sophisticated investors to raise approximately \$775,000 (before issue related costs) (**the Placement**). These fully paid ordinary shares were the subject of an Appendix 3B announcement to the Australian Securities Exchange (**ASX**) attached.

Quickflix provides the following information as required under ASX Listing Rule 3.10.5A in relation to the issue of 176,384,643 fully paid ordinary shares under the Company's available placement capacity under Listing Rule 7.1A:

a) The dilutive effect of the Placement on existing shareholders is as follows –

Number of shares on issue prior to the Placement: 1,816,546,432.

Issue of shares under ASX Listing Rule 7.1A (176,384,643 shares)	8.0%
Issue of shares under ASX Listing Rule 7.1 (210,959,579 shares)	9.6%
Total dilution as a result of Placement	17.6%

Number of shares on issue following the Placement: 2,203,890,654.

Details of the approximate percentage of the issued capital following the completion of the Placement held by pre-Placement shareholders and new shareholders are as follows. Please note this information relates specifically to the portion of shareholders issued under ASX Listing Rule 7.1A, that is, 176,384,643 shares only.

Pre-Placement shareholders who did not participate in the ASX Listing Rule 7.1A Placement	100%
Pre-Placement shareholders who did participate in the ASX Listing Rule 7.1A Placement	0%
Participants in the ASX Listing Rule 7.1A Placement who were not previously shareholders	100%

b) The placement was considered to be a cost effective and efficient mechanism for raising funds and delivers approximately \$775,000 (before issue related costs) for the continued development of the Company's streaming service and working capital.

It is noted that the Company undertook a renounceable entitlement offer in late 2014.

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

d) A fee of 5% of the total amount raised of approximately \$775,000 (before issue related costs) was paid to various brokers in the Placement.