

Quantum Energy Limited and Controlled Entities  
ABN: 19 003 677 245

Interim Financial Report

**Appendix 4D**

**Half-Year Report**

**Period ended 31 December 2014**

This information is provided under listing rule 4.2A.3 for the half-year ended 31 December 2014 and includes comparative information for the half-year ended 31 December 2013.

**Results for Announcement to the market**

	Half-year ended 31 December 2014 \$	Half-year ended 31 December 2013 \$	Amount change \$	% change
Revenue from ordinary activities	16,228,946	17,811,183	(1,582,237)	-9%
Profit (Loss) from continuing operations after tax attributed to members	529,869	746,701	(216,832)	-29%
Loss from discontinued activities after tax attributed to members	(419,137)	(5,764)	(413,373)	-7172%
Profit (Loss) for the period attributed to members	110,732	740,937	(630,205)	-85%

No dividends have been paid, declared or recommended by the Company during the half-year ended 31 December 2014.

**Net tangible assets per security**

	As at 31 December 2014 cents	As at 30 June 2014 cents
Net tangible assets per ordinary share	1.01	1.06

**Controlled entities**

On 18 July, 2014 the Group acquired a 41 % holding in Quantum Healthcare Thailand and a 84% holding in Quantum Healthcare Korea respectively. Further details are provided in note 9 of the interim financial report.

**Associates and joint venture entities**

No joint venture entities were acquired or disposed of during the period. During the period the Group disposed of its interest in its associate, Manly Warringah Sea Eagles Limited.

**Review report**

This report is based on accounts which have been reviewed.

Refer to the half-yearly financial report attached.



# **Quantum Energy Limited**

A.B.N. 19 003 677 245

**And its controlled entities**

**Half-Yearly Report  
31 December 2014**

## Interim Financial Report

### DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2014.

#### Directors

The names of the directors who held office during or since the end of the half-year are:

Phillip Sidney, Managing Director  
Drew Townsend, Chairman  
John Walstab, Director

#### Review of Operations

The Environmental Services Division continued to be impacted by the reduction in the level of government assistance provided to consumers in the renewable energy sector and the division has restructured to accommodate reduced sales activity. However, there has been a recent improvement in sales activity and the Group expects the results for the Environmental Services Division to improve in the second half of the year.

The Investment Division results are primarily impacted by the sale of Renewable Energy Certificates (RECs) at market prices. These prices tend to fluctuate as demand changes and impact the results accordingly.

During the year the group sold its share of investment in Manly Warringah Sea Eagles.

Quantum's healthcare division continues to consolidate recent acquisitions in SE Asia, building a strong medical equipment distribution network within the region. This period saw the consolidation of the results of Insight Oceania P/L, Quantum Healthcare P/L, Medishop P/L, Med-X Healthcare P/L, Quantum Healthcare Thailand Co Ltd and Quantum Healthcare Korea Co Ltd (formerly Oncology Total Solutions Korea Co Ltd), our Australian operation experienced a slowdown in the period due to key supplier product delivery issues but we expect a return to normal deliveries over the next twelve months. The Quantum Health Group provides specialised sales, service and clinical support for high-end medical imaging, Women's Health and Oncology equipment in South-East Asia. Quantum expects continued expansion and growth within the Health Group and will continue to seek new acquisition and partnership opportunities in healthcare in SE Asia.

#### Rounding of Amounts

The consolidated group has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded to the nearest \$1,000.

#### Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* for the half-year ended 31 December 2014 is set out on page 2.

This report is signed in accordance with a resolution of the Board of Directors.



Director Drew Townsend

Dated: 27 February 2015

**QUANTUM ENERGY LIMITED**

**ABN 19 003 677 245**

**AUDITOR'S INDEPENDENCE DECLARATION – REVIEW**

As lead auditor for the review of the financial report of Quantum Energy Limited for the half-year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Quantum Energy Limited and the entities it controlled during the period.



**Sydney, NSW**  
**27 February 2015**

**A G Smith**  
**Partner**

Quantum Energy Limited and Controlled Entities  
ABN: 19 003 677 245

Interim Financial Report

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>\$000</b>	<b>\$000</b>
	<b>Notes</b>	
Revenue from continuing activities	16,229	17,811
Cost of Sales	(8,790)	(10,180)
Advertising and promotion expenses	(369)	(38)
Depreciation and amortisation expense – non-manufacturing	(108)	(147)
Employee benefits expense	(5,089)	(4,100)
Finance costs	(451)	(379)
Insurance	(174)	(116)
Motor vehicle expenses	(269)	(203)
Occupancy (rent) expenses	(563)	(627)
Research and development expenditure	(292)	(168)
Travel expenses	(591)	(571)
Telephones & internet	(109)	(124)
Foreign Exchange	(923)	(80)
Profit on disposal of Renewable Energy Certificates	244	298
Fair value gain /(loss) on financial assets (Renewable Energy Certificates)	4	(42)
Profit on sale of associate	3,393	-
Share of profit in associate	-	516
Other expenses	(1,476)	(813)
<b>Profit from Continuing Operations before income tax</b>	<b>666</b>	<b>1,037</b>
Income tax (expense) credit	48	(291)
<b>Net profit from Continuing Operations</b>	<b>714</b>	<b>746</b>
<b>(Loss) from Discontinued Operations</b>	<b>(419)</b>	<b>(6)</b>
<b>Net profit after tax</b>	<b>295</b>	<b>740</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit or loss</b>		
Translation of foreign subsidiaries	1,211	349
<b>Total comprehensive income for the period</b>	<b>1,506</b>	<b>1,089</b>
<b>Profit/(loss) for the period is attributable to:</b>		
Non – controlling interests	185	-
Owners of the parent	110	746
	295	746
<b>Total comprehensive income for the period is attributable to:</b>		
Non – controlling interests	185	-
Owners of the parent	1,321	746
	1,506	746
<b>Earnings /(loss) per share from continuing operations attributable to the ordinary equity holders of the company</b>		
Basic earnings per share (cents per share)	0.05	0.07
Diluted earnings per share (cents per share)	0.05	0.07
<b>Earnings /(loss) per share for loss attributable to the ordinary equity holders of the company</b>		
Basic earnings per share (cents per share)	0.01	0.07
Diluted earnings per share (cents per share)	0.01	0.07

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Quantum Energy Limited and Controlled Entities  
ABN: 19 003 677 245

Interim Financial Report

**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2014**

	Note	Consolidated	
		31/12/2014 \$000	30/06/2014 \$000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		5,474	4,440
Trade and other receivables		6,142	4,797
Inventories		11,559	10,729
Financial assets		1,406	1,023
Other current assets		1,289	958
<b>TOTAL CURRENT ASSETS</b>		<b>25,870</b>	<b>21,947</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets		3,856	3,598
Investment accounted for using equity method	8	-	529
Property, plant and equipment		809	760
Deferred tax assets		1,669	2,010
Intangible assets		15,009	11,955
Other		1,021	690
<b>TOTAL NON-CURRENT ASSETS</b>		<b>22,364</b>	<b>19,542</b>
<b>TOTAL ASSETS</b>		<b>48,234</b>	<b>41,489</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		8,939	8,049
Borrowings		4,520	5,639
Short term provisions		1,656	1,618
<b>TOTAL CURRENT LIABILITIES</b>		<b>15,115</b>	<b>15,306</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings		6,017	1,289
Employee benefits		126	110
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,143</b>	<b>1,399</b>
<b>TOTAL LIABILITIES</b>		<b>21,258</b>	<b>16,705</b>
<b>NET ASSETS</b>		<b>26,976</b>	<b>24,784</b>
<b>EQUITY</b>			
Issued capital		83,789	83,789
Non-controlling interests		871	-
Reserves		1,724	513
Retained earnings (accumulated losses)		(59,408)	(59,518)
<b>TOTAL EQUITY</b>		<b>26,976</b>	<b>24,784</b>

The above balance sheet should be read in conjunction with the accompanying notes.

Quantum Energy Limited and Controlled Entities  
ABN: 19 003 677 245

Interim Financial Report

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	Attributable to the members of Quantum Energy Limited						Total
	Ordinary Share Capital	Undistributable Profits Reserve	Exchange Translation Reserve	Retained Profits (Losses)	Total	Attributable to non-controlling interest	
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
<b>Consolidated</b>							
Balance at 1 July 2013	83,789	504	119	(54,796)	29,616	-	29,616
Total comprehensive income (loss) for the period	-	-	349	740	1,089	-	1,089
Balance at 31 December 2013	83,789	504	468	(54,056)	30,705	-	30,705
Balance at 1 July 2014	83,789	504	9	(59,518)	24,784	-	24,784
Total comprehensive income (loss) for the period	-	-	1,211	110	1,321	185	1,506
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	686	686
Balance at 31 December 2014	83,789	504	1,220	(59,408)	26,105	871	26,976

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Quantum Energy Limited and Controlled Entities**  
**ABN: 19 003 677 245**

**Interim Financial Report**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>\$000</b>	<b>\$000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	19,812	19,068
Receipts from legal case settlement	-	56
Payments to suppliers and employees	(18,452)	(16,887)
Interest received	9	11
Finance costs	(163)	(194)
	<hr/>	<hr/>
Net cash provided by operating activities	<u>1,206</u>	<u>2,054</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	-	24
Payment for acquisition of subsidiaries net of cash acquired	4	-
Purchase of property, plant and equipment	-	(49)
Dividends received from unrelated entity	4	4
Payments for financial assets	(993)	(604)
Proceeds from sale of financial assets	1,253	1,130
Proceeds from sale of investment in associate	3,922	-
	<hr/>	<hr/>
Net cash provided by investing activities	<u>4,190</u>	<u>505</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loans (advanced)/repayments received	(132)	(428)
Repayment of borrowings	(1,561)	(222)
	<hr/>	<hr/>
Net cash used in financing activities	<u>(1,693)</u>	<u>(650)</u>
Net increase in cash held	3,703	1,909
Cash at beginning of period	1,771	1,457
Cash at end of period	<u><u>5,474</u></u>	<u><u>3,366</u></u>
<b>Cash balance made up of:</b>		
Cash at Bank	5,474	5,852
Overdraft	-	(2,486)
	<hr/>	<hr/>
	<u>5,474</u>	<u>3,366</u>

The above cash flow statement should be read in conjunction with the accompanying notes.



Interim Financial Report

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

**NOTE 1: BASIS OF PREPARATION**

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, and Australian Accounting Standard AASB 134: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2014 and any public announcements made by Quantum Energy Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2014 financial report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

*Reporting Basis and Conventions*

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected current assets, non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

*New Accounting Standards*

Certain new accounting standards and interpretations have been published that are not mandatory for the half-year reporting period. The group's assessment of the impact of these new standards and interpretations is that they will result in no significant changes to the amounts recognised or matters disclosed in future half-year report.

**NOTE 2: DIVIDENDS**

No amounts have been paid, declared or recommended by the company by way of dividend since the commencement of the financial period (2013: Nil).

**NOTE 3: DISCONTINUED OPERATIONS**

	31/12/2014	31/12/2013
	\$ 000	\$ 000
<b>(a) Financial Performance Information</b>		
Financial Performance information in relation to Discontinued operation as described in (c) below		
Revenue	-	-
Expenses	-	(8)
Net Loss before Income Tax	-	(8)
Income Tax expense /(credit)	419	(2)
Loss after income tax from Discontinued Operations	(419)	(6)
<b>(b) Cash Flow information</b>		
Cash flow information in relation to Discontinued operation as described in (e) below		
Net Cash (out) flow from Operating Activities	-	(2)
Net Cash (out) flow from Investing Activities	-	-
Net Cash (out) flow from Financing Activities	-	-

**(c) Discontinued Operation**

On 30 June 2011 the Company closed down its retail Solar Power Division. During the year ended 30 June 2013 the company sold its remaining assets and settled the liabilities attributable to this division. Deferred tax assets were written off in relation to this division during the half-year ended 31 December 2014.

Quantum Energy Limited and Controlled Entities  
ABN: 19 003 677 245

Interim Financial Report

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

**NOTE 4: SEGMENT INFORMATION**

	Environmental Services		Medical		Investments		Unallocated		Eliminations		Consolidated-Continuing Operations	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Total revenue	3,311	4,962	11,716	11,673	1,018	1,027	184	149	-	-	16,229	17,811
Profit/(Loss)	(1,980)	(1,121)	(235)	1,465	3,612	757	(335)	(283)	(348)	(72)	714	746

  

	31 Dec 2014	30 June 2014	31 Dec 2014	30 June 2014	31 Dec 2014	30 June 2014	31 Dec 2014	30 June 2014	31 Dec 2014	30 June 2014	31 Dec 2014	30 June 2014
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
	Segment assets	9,225	9,617	32,150	25,202	848	1,566	15,326	4,687	(9,315)	417	48,234
Segment liabilities	1,903	4,531	12,117	7,577	-	18	8,237	4,522	(1,002)	57	21,255	16,705

	Discontinued Operations		Consolidated	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	\$ 000	\$ 000	\$ 000	\$ 000
Total revenue	-	-	16,229	17,811
Profit/(Loss)	(419)	(6)	295	740

	31 Dec 2014	30 Jun 2014	31 Dec 2014	30 Jun 2014
Segment assets	-	-	48,234	41,489
Segment liabilities	3	-	21,258	16,705

The entity operates in three business segments, being the manufacturing and distribution of energy saving heat pump technology, hot water and heat/cooling systems, the distribution of high-end medical products and investments in Renewable Energy Certificates and other assets.

The Discontinued Operations segment is the retail Solar Division which was distributing and installing photovoltaic products to consumers. This division was closed in June 2011.

**Quantum Energy Limited and Controlled Entities**  
**ABN: 19 003 677 245**

**Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

**NOTE 5: CONTINGENT LIABILITIES**

The directors are not aware of any contingent liabilities.

**NOTE 6 EVENTS SUBSEQUENT TO REPORTING DATE**

There are no matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the consolidated entity, the results of these operations, or the state of the affairs of the consolidated entity in future financial periods.

**NOTE 7: IMPAIRMENT**

Goodwill has been tested for impairment at 31 December 2014 and the Directors believe no adjustment is required in relation to the carrying value of goodwill as at 31 December 2014.

**NOTE 8 INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD**

During the year Quantum sold its share of 37% in Manly Warringah Sea Eagles.

The group's share of the results of its associates and its aggregate assets and liabilities are as follows:

		Country of incorporation	Nature of relationship	Ownership interest %	Assets \$ 000	Liabilities \$ 000	Revenue \$ 000	Profit/(Loss) \$ 000
31/12/2014	Manly Warringah Sea Eagles Limited	Australia	Associate	-	-	-	-	-
31/12/2014	Quantum HQ	China	Joint Venture	50%	45	29	-	-
30/06/2014	Quantum HQ	China	Joint Venture	50%	45	29	41	(29)
30/06/2014	Manly Warringah Sea Eagles Limited	Australia	Associate	37%	1,237	1,855	7,010	471

Share of contingent liabilities of associate is \$ Nil (30 June 2014: \$ Nil).

**NOTE 9 ENTITIES ACQUIRED DURING THE PERIOD**

**(a) Summary of acquisitions**

On 18 July 2014 the Group acquired a 41 % holding in Quantum Healthcare Thailand Co., Ltd ("QHC Thailand") and a 84% holding in Quantum Healthcare Korea Co., Ltd ("QHC Korea"), distributors of high end medical equipment in Thailand and Korea respectively, to expand the Group's presence in this sector.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	<b>QHC Thailand \$'000</b>	<b>QHC Korea \$'000</b>
<b>Purchase consideration (refer to (b) below)</b>		
Contingent consideration	52	-
Deferred consideration	1,980	1,520
Cash paid	238	392
	<u>2,270</u>	<u>1,912</u>

Of the cash paid, \$238,000 in relation to the purchase of QHC Thailand was paid during the year ended 30 June 2014.

**Quantum Energy Limited and Controlled Entities**  
**ABN: 19 003 677 245**

**Interim Financial Report**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

**NOTE 9 ENTITIES ACQUIRED DURING THE PERIOD (continued)**

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value	
	QHC Thailand \$'000	QHC Korea \$'000
Cash	255	141
Stock	729	339
Trade Debtors	781	2,837
Other Assets	732	2,239
Trade creditors	(342)	(112)
Other creditors	(1,262)	(4,534)
	<hr/>	<hr/>
Net identifiable assets acquired	893	910
Less: non-controlling interests	(525)	(161)
Add: goodwill	1,902	1,163
Net assets acquired	<hr/> <u>2,270</u>	<hr/> <u>1,912</u>

The business combinations for QHC Thailand and QHC Korea have initially been accounted for on a provisional basis. The consolidated group retrospectively adjusts the provisional amounts recognized and also recognizes additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the date of acquisition. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer received all possible information possible to determine fair value.

(i) Contingent consideration

Additional amounts are payable for the acquisition of both subsidiaries if certain profit targets are met in future periods. Based upon the directors estimate of future profits, \$51,663 of additional contingent consideration has been included in the total purchase consideration.

(ii) Non-controlling interests

In accordance with its accounting policies, the group elected to recognise the non-controlling interest as a proportionate share of the acquired net identifiable assets.

**(b) Purchase consideration – cash flow**

	\$'000
Outflow of cash to acquire, net of cash acquired	
Cash consideration	392
Less cash balances acquired	(396)
Inflow of cash- investing activities	<hr/> <u>4</u>

Interim Financial Report

**DIRECTORS' DECLARATION**

In the opinion of the directors,

1. The financial statements and notes, as set out on pages 3 to 10 are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
  - b. giving a true and fair view of the consolidated group's financial position as at 31 December 2014 and of its performance for the half-year ended on that date.
2. There are reasonable grounds to believe that Quantum Energy Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.



Director: Drew Townsend  
Dated: 27 February 2015

**QUANTUM ENERGY LIMITED****ABN 19 003 677 245****INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Quantum Energy Limited:

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Quantum Energy Limited ("the Company") which comprises the consolidated balance sheet as at 31 December 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration for the consolidated entity, comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

**Directors' Responsibility for the Half-Year Financial Report**

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

**HLB Mann Judd (NSW Partnership) ABN 34 482 821 289**

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Liability limited by a scheme approved under Professional Standards Legislation

**QUANTUM ENERGY LIMITED**

**ABN 19 003 677 245**

**INDEPENDENT AUDITOR'S REVIEW REPORT (continued)**

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Quantum Energy Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Matters relating to the electronic presentation of the reviewed half-year financial report**

This review report relates to the half-year financial report of the company for the half-year ended 31 December 2014 published in the concise financial report and included on the Company's website. The Company's directors are responsible for the integrity of the Company's website. We have not been engaged to report on the integrity of this website. The review report refers only to the half-year financial report identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the half-year financial report. If users of the half-year financial report are concerned with the inherent risks arising from publication on a website they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information contained in this website version of the half-year financial report.

A handwritten signature in black ink that reads 'HLB Mann Judd'.

**HLB Mann Judd**  
**Chartered Accountants**

A handwritten signature in black ink that reads 'A G Smith'.

**A G Smith**  
**Partner**

**Sydney, NSW**  
**27 February 2015**