

**30 November 2011**

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**CHAIRMAN'S ADDRESS PRESENTED AT QUESTUS LIMITED  
ANNUAL GENERAL MEETING 10:00AM, 30 NOVEMBER 2011**

**Introduction and Welcome**

Good morning Ladies and Gentlemen. My name is David Somerville and I am the Executive Chairman of Questus Limited.

I would like to welcome all shareholders and guests to the 2011 Annual General Meeting of the Company.

Before we commence with the formal business of this meeting, I would like to take this opportunity to introduce you to my fellow directors, Robert Olde and Anthony Brennan.

Ms Elizabeth Lee, our Company Secretary is attending via video/teleconference today.

I would also like to introduce Mr Tutu Phong, Audit Partner at RSM Bird Cameron, the Company's auditor, who is in attendance in the room to answer any queries shareholders may wish to address to him.

As there is a quorum present, I therefore declare the meeting open.

**Chairman's Address and Presentation**

I am pleased to present to you today, the Chairman's address to the shareholders of Questus Limited.

**Financial Performance 2011**

As advised in our Annual Report to Shareholders, the results for the Company for the Financial year ended 30 June 2011 shows a net loss after income tax of \$896,283, which compares to a profit in 2010 of \$13,826. This result is comprised of two components – firstly an operational loss from activities within the year of \$596,000 and secondly a write down in asset value of \$300,000.

The write down in assets relates to the Company's investment in DNA NRAS Ltd, and the operational losses are due to the overall costs incurred in our general business activities, due to an increased commitment in financial resources due to the Company's continued focus and growth of involvement in the National Rental Affordability Scheme ("NRAS").

Before addressing the activities within the NRAS, I wish to update the other components of the

Company.

### **Questus Land Development Fund**

As previously reported Questus Funds Management Limited (“QFML”) as the “Responsible Entity” for the Questus Land Development Fund has entered into a Memorandum of Understanding with Addwealth Pty Ltd (“Addwealth”) to assist in seeking to restructure the Fund and refinance facilities for the underlying projects within the Fund. The Company anticipates that the refinance and restructure of the matured loan facilities will occur over the next quarter.

I am pleased to report that Addwealth, through the Addwealth Achiever Fund has continued to pledge its support to the QLDF and in addition to the Convertible Note of \$9.6m announced last year, Addwealth is presently negotiating with bankers to the Funds underlying assets to seek the refinance and restructure of the projects’ senior debt.

### **Questus Waterfront Property Trust**

Questus Asset Management Pty Ltd a 100% owned subsidiary of Questus currently holds a 7% interest in the Port Rockingham Marina Project.

As previously reported, in this continued difficult funding market, the Port Rockingham Marina Project has been unable to obtain development finance for the project, which has delayed the progress of this opportunity.

The developers of the Project have continued to seek equity and debt funding opportunities both onshore and offshore and Questus is supportive of the developers in these activities. Questus believes that the underlying project is a strong one in a high need area, which upon completion would provide income streams for up to 63 years being the term of the extension achieved on the Seabed lease.

And now to our participation in the Federal Government’s National Rental Affordability Scheme (NRAS).

Questus has now been successful in receiving a total of 3,405 entitlements in the NRAS, which has paved our way towards becoming one of the major providers of NRAS properties across Australia.

The delivery of Approved NRAS homes to the investment market is undertaken through the Questus Residential Investment Fund (QRIF). The QRIF was established specifically to participate in the NRAS on a large-scale basis by matching investors to approved NRAS properties across Australia.

## **Questus Residential Investment Fund**

Questus has spent the last three years building and developing relationships, applying for NRAS entitlements and building distribution markets, and models which will provide the basis for delivery of thousands of investment properties into the affordable housing sector. This includes major national developers and key community housing groups across Australia. Questus has formed strong alliances with Gold Coast Housing Company/Horizon Housing in Queensland, Foundation Housing and Access Housing in WA, Unity Housing in SA, and Link Housing in NSW.

In consortium with some of Australia's largest home-builders and developers, Questus will now be delivering NRAS properties in Western Australia, Queensland, New South Wales and South Australia into 2014.

An additional and exciting development under the NRAS has been the awarding to Questus of NRAS in the NorthWest which was achieved through the creation of a North West NRAS delivery model for application in the remote mining towns of Western Australia.

With the support of the WA Department of Housing, Landcorp, and the Regional Shires of the North West of WA, Questus had been successful in receiving 920 entitlements for delivery by 30 June 2014. This will require the delivery of on average of 30 NRAS dwellings per month, for the next 30 months, a substantial delivery target! In addition, a further application for a further 920 dwellings for delivery by 2016 is still pending.

The Board of Questus are extremely positive about its long term participation in NRAS together with various consortium parties in the affordable housing sector, and providing a return to strong profits from 2011/2012 and beyond.

## **The Future**

The immediate future for Questus is for the delivery of these 3,405 NRAS entitlements across Australia.

Over the next three years, the successful delivery of these dwellings in concert with our delivery partners will see substantial revenues and profits derived by the Company.

The Board of Questus are very positive about further opportunities which are now being presented to the Company to participate in affordable housing solutions across Australia.

The affordable housing sector is an important sector within Australia's property industry which is seeing high need and a growing gap between supply and demand.

The Board believes that together with current NRAS entitlements and future opportunities, Questus can become a substantial participant in this sector in the long term.

### **Closing**

In closing, I would firstly like to thank my fellow Directors, Rob Olde and Tony Brennan, and all Senior Executives and Staff of the Company who have put in extraordinary efforts through some very frustrating times over the past few years. I can assure our Shareholders and Staff that the opportunities going forward for the Company are substantial and we thank everyone for their continued support and I look forward to re-building value to Shareholders through our activities in the NRAS and affordable housing sector.

**This concludes the Chairman's address**

**ENDS**

**For further information please contact:**

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### **About Questus Limited**

***Questus Limited (QSS) is an Australian Securities Exchange listed Western Australian based funds and investment company.***

***Questus Limited is focused on providing innovative investment solutions for a range of investment funds, property based trusts, syndicates, super fund property warrants and capital structuring services.***

***Questus was founded in 2004 and brings a wealth of experience and an established reputation in developing innovative and boutique investment products for the wholesale and retail investment markets.***