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11<sup>th</sup> August 2009

Hendrike Koehler  
Adviser, Issuers  
Australia Securities Exchange Limited  
GPO Box D187  
PERTH WA 6840

Email: [Hendrike.Koehler@asx.com.au](mailto:Hendrike.Koehler@asx.com.au)

Dear Hendrike

**Response to ASX Query – Appendix 4C Questus Ltd**

I refer to your letter dated 10 August 2009 in respect of Questus Limited (the Company) Appendix 4C for the quarter ended 30 June 2009. Our response to the questions raised in your letter are provided below.

**Question 1.**

There are other factors that should be taken into account in assessing the Company's cash position.

The Company has recently established a new fund to participate in the National Rental Affordability Scheme. Over the past three months the Company has incurred one off establishment costs and marketing expenses in relation to this fund without any material inflows. In the next quarter and periods thereafter the revenue inflows will increase with confirmed revenue inflows in excess of \$800,000 expected in the September and December quarters. The Company's expectations for additional future revenue inflows from this fund are very positive and mirror the response to the recent marketing campaign.

The Company expects the revenue inflows from its other core activities to increase given the worst of the Global Financial Crisis appears to be behind us. The Company is close to finalizing capital raising activities that will result in additional revenue inflows of approximately \$240,000 in the next two quarters.

The Company anticipates that it will have sufficient cash to fund its activities at the required levels for the next two quarters.

Question 2.

The Company does not expect to have future negative operating cash inflows similar to that reported in the Appendix 4C for the quarter ended 30 June 2009. The Company is working closely with its existing and new customers, plus material third parties to ensure that revenues received are in accordance with the company's expectations. As stated above the Company expects revenues to increase now that the worst of the Global Financials Crisis is behind us and investor confidence is returning.

Question 3.

The Company continually explores new ideas and ventures that assist the Company achieve its business objectives. In relation to its current activities the Company has recently increased its marketing activity and the number of BDM's marketing its products.

Question 4.

The Company can confirm that it is in compliance with Listing Rule 3.1

Question 5.

With regards to listing rule 12.2 and the matters discussed in the notes to the rule the Company advises that it maintains a solvent balance sheet with current assets in excess of current liabilities and the company's total assets far exceed the total liabilities

The Board of Directors believe that the Company's financial condition and outlook is adequate to warrant the continued quotation of its security

We trust the above information fully satisfies your questions.

Yours sincerely



**David James Somerville**  
**Executive Chairman**



10 August 2009

Jamie Kelly  
Company Secretary  
Questus Limited  
PO Box 1346  
CANNING BRIDGE WA 6153

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Dear Jamie

**Questus Limited (the "Company")**

I refer to the Company's Quarterly Report in the form of Appendix 4C for the period ended 30 June 2009, released to ASX Limited ("ASX") on 31 July 2009 (the "Appendix 4C").

ASX notes that the Company has reported the following.

1. Receipts from customers of \$593,000.
2. Net negative operating cash flows for the quarter of \$244,000.
3. Cash at end of quarter of \$321,000.

In light of the information contained in the Appendix 4C please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 4C, taking into account future administration costs, the Company may not have sufficient cash to fund its activities. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 4C for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?

5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

**Listing rule 3.1**

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

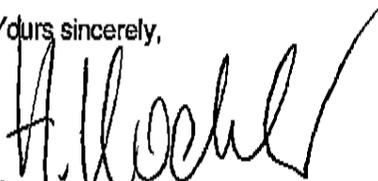
This letter and your response may be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than 5:00 p.m. W.D.S.T. on Wednesday 12 August 2009.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries, please do not hesitate to contact me on 9224 0015.

Yours sincerely,



Hendrike Koehler  
**Adviser, Issuers**