

Appendix 3C

Announcement of buy-back (*except* minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

| | |
|---|----------------|
| Name of entity | ABN/ARSN |
| QUESTE COMMUNICATIONS LTD (ASX: QUE) | 58 081 688 164 |

We (the entity) give ASX the following information.

Information about buy-back

| | | |
|---|---|--|
| 1 | Type of buy-back | Equal access scheme share buy-back pursuant to section 257B(2) of the Corporations Act (Buy-Back) |
| 2 | +Class of shares/units which is the subject of the buy-back (<i>eg, ordinary/preference</i>) | Ordinary |
| 3 | Voting rights (<i>eg, one for one</i>) | (a) listed fully paid ordinary shares – one for one; and (b) unlisted partly paid ordinary shares ¹ - these shares carry voting rights proportional to the amount paid up per share. |
| 4 | Fully paid/partly paid (<i>and if partly paid, details of how much has been paid and how much is outstanding</i>) | (a) listed fully paid ordinary shares; and (b) unlisted partly paid ordinary shares; each paid to 1.5225 cents with 18.4775 cents per partly paid ordinary share outstanding. |
| 5 | Number of shares/units in the +class on issue | (a) 27,155,358 listed fully paid ordinary shares; and (b) 5,193,000 unlisted partly paid ordinary shares. |

¹ The terms of issue of the partly paid shares are disclosed in the Prospectus for the initial public offering of shares in the Company dated 6 August 1998 and also more recently, in the Company's [Share Buy-Back Offer Booklet dated 24 March 2016](#) and released on ASX on 31 March 2016

⁺ See chapter 19 for defined terms.

| | | |
|---|--|---|
| 6 | Whether shareholder/unitholder approval is required for buy-back | <p>Yes.</p> <p>Approved by shareholders at QUE's Annual General Meeting held on 30 November 2017.</p> <p>Refer:</p> <ul style="list-style-type: none"> • QUE's Annual General Meeting Info Memorandum released on ASX on 31 October 2017; • QUE's ASX Announcement dated 30 November 2017: Results of 2017 AGM. |
| 7 | Reason for buy-back | <p>As part of an on-going review of capital management initiatives having regard to QUE's financial position and the lack of liquidity in trading of QUE shares on ASX.</p> |
| 8 | Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid) | <p>Shareholders should refer to a Share Buy-Back Offer Booklet and Acceptance Form which will be posted to all relevant shareholders, released on ASX and lodged with ASIC on or about 11 December 2017.</p> |

On-market buy-back

| | | |
|----|--|----------------|
| 9 | Name of broker who will act on the company's behalf | Not applicable |
| 10 | Deleted 30/9/2001. | Not applicable |
| 11 | <p>If the company/trust intends to buy back a maximum number of shares - that number</p> <p>Note: This requires a figure to be included, not a percentage.</p> | Not applicable |
| 12 | <p>If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention</p> | Not applicable |
| 13 | <p>If the company/trust intends to buy back shares/units if conditions are met - those conditions</p> | Not applicable |

Employee share scheme buy-back

| | | |
|----|---|----------------|
| 14 | Number of shares proposed to be bought back | Not applicable |
| 15 | Price to be offered for shares | Not applicable |

+ See chapter 19 for defined terms.

Selective buy-back

| | | |
|----|--|----------------|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | Not applicable |
| 17 | Number of shares proposed to be bought back | Not applicable |
| 18 | Price to be offered for shares | Not applicable |

Equal access scheme

| | | |
|----|---|---|
| 19 | Percentage of shares proposed to be bought back | <p>The proposed Buy-Back will operate in the following manner:</p> <p>(a) Subject to a maximum Buy-Back consideration of \$300,000 (Buy-Back Cap):</p> <p style="margin-left: 20px;">(i) Queste will offer to buy back the fully paid ordinary shares in the Company of each shareholder at a price of 5 cents per share (FPO Price); and</p> <p style="margin-left: 20px;">(ii) Queste will offer to buy back the partly paid ordinary shares in the Company from the holder thereof at a price of 0.25 cent per share (PPO Price);</p> <p>(b) The Buy-Back consideration of up to \$300,000 will be satisfied by payment of cash and the undertaking of an in-specie distribution of ASX-listed shares in another company held by Queste, as follows:</p> <p style="margin-left: 20px;">(i) Cash Component: As to one-third (by value) – payment of up to \$100,000 cash; and</p> <p style="margin-left: 20px;">(ii) Scrip Component: As to two-thirds (by value) – distribution of fully paid ordinary shares in Bentley Capital Limited ABN 87 008 108 218 (ASX:BEL) (Bentley or BEL) held by Queste up to the value of \$200,000; and</p> <p>(c) If the value of Buy-Back acceptances exceeds the Buy-Back Cap (\$300,000) Queste will scale back the number of shares to be bought back on a pro-rata basis (including as between the cash and scrip consideration components) determined by reference to the value of the Buy-Back consideration in respect of acceptances received for fully paid and partly paid ordinary shares (the Scale-Back).</p> |
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⁺ See chapter 19 for defined terms.

The maximum total Buy-Back consideration has been set at \$300,000 (the Buy-Back Cap), comprising:

- (a) **Cash Component:** up to \$100,000 cash; and
- (b) **Scrip Component:** up to \$200,000 attributable to the value of 1,300,000 shares in Bentley Capital Limited (ASX:BEL), being equivalent to a value of 15.3846 cents per BEL.

The Buy-Back consideration will be satisfied as follows:

- (a) **Cash Component:** One-third (by value) of an accepting shareholder's Buy-Back consideration will be satisfied by Queste paying cash; and
- (b) **Scrip Component:** Two-thirds (by value) of an accepting shareholder's Buy-Back consideration will be satisfied by Queste distributing shares in Bentley based on a deemed value of 15.3846 cents per BEL share (rounded to the nearest whole share in BEL).

| | | |
|----|--|-----------------|
| 20 | Total number of shares proposed to be bought back if all offers are accepted | Refer above |
| 21 | Price to be offered for shares | Refer above |
| 22 | +Record date for participation in offer Cross reference: Appendix 7A, clause 9. | 7 December 2017 |

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.
- or, for trusts only:*
1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
 2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sign here:
(Company Secretary)

Date: 5 December 2017

Print name: VICTOR HO

+ See chapter 19 for defined terms.