



Wednesday, 3 April 2013

MARKET ANNOUNCEMENT

Corporate Update

The Company is conducting a review of its operations moving forward with reference to various corporate overheads associated with its ongoing business. The objective of such review is to identify savings and efficiencies in the operations of the Company to maximise value for all shareholders.

The Company is also in the process of reviewing the capital management initiative announced on the 17th April 2012 which related to an on market buyback of shares within the "10/12" limit pursuant to Part 2J.1 of Division 2 of the Corporations Act 2001.

As a consequence of the same, the Company is pleased to provide the following update.

Director and Management Overheads

To assist the Company in reducing its corporate overheads, Chairman and Managing Director, Mr Farooq Khan has voluntarily agreed to immediately reduce his salary by 50%. This will result in a saving to the Company of approximately \$68,000 per annum.

In addition, after a review of the appropriate Board numbers for a company the size of Queste, current Non-Executive Directors, Mr Simon Cato and Mr Azhar Chaudhri have also voluntarily agreed to step down as Directors of the Company, effective immediately.

The Board is very grateful for this action which will further assist the Company in the reduction of its corporate overheads.

The Board also offers its sincere thanks to both Mr Chaudhri and Mr Cato for their valuable service as Directors of the Company over many years.

Given the constitution of the Company requires at least three directors, Mr Victor Ho, currently the Company Secretary of Queste, has agreed to join the Board as an Executive Director. Mr Ho will join the Board at no further cost to the Company beyond his current executive remuneration.

Post the Board restructure referred to above, the Board of the Company will comprise Mr Farooq Khan as Executive Chairman and Managing Director, Mr Victor Ho as Executive Director and Mr Yaqoob Khan as Non-Executive Director.



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Corporate Overheads

The Company has also conducted a review of various overheads associated with its ongoing operations as an ASX listed company with particular reference to its office and administration expenses.

As part of such review, the Company has determined to undertake a series of changes to reduce its ongoing corporate overhead expenses starting with its current rental of office premises which expires on 30 June 2013.

The Company proposes to seek alternate office accommodation at a reduced rental upon the expiry of its current lease. In conjunction with the same the Company will be implementing a series of changes to reduce the general overheads associated with its operations. Whilst this process is ongoing, it is not possible to quantify the potential savings that the Company is able to achieve, but the objective of the Company would be to achieve significant savings in this regard.

Capital Management

On the 17th April 2012, the Company announced a capital management initiative comprising an on market buyback of shares within the "10%/12 month" limit pursuant to Part 2J.1 of Division 2 of the Corporations Act 2001.

The Company is currently working with its advisors to review such initiative and identify possible alternatives to the same.

When this review is complete, which the Company expects to be completed in the next 4-6 weeks, the Company will make an announcement on its findings and the initiative best determined for the Company.

Such initiatives involve examining various alternatives, some of which may require shareholder approval which will also be outlined at that time.

Further information:

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