Form **604**Corporations Act 671B

Notice of change in interests of substantial holder

To: Company Name/Scheme: QUESTE COMMUNICATIONS LTD (QUE)

ACN/ARSN 081 688 164

1. Details of substantial holder(1)

name FAROOQ KHAN

and associated company:

Island Australia Pty Ltd (A.C.N. 073 447 300)

ACN/ARSN (if applicable)

There was a change in the interests of the substantial holder on 21 January 2014.

The previous notice was given to the company on 30 April 2012.

The previous notice was dated 30 April 2012.

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate⁽²⁾ had a relevant interest⁽³⁾ in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of	Previous notice		Present notice		
securities(4)	Person's votes	Voting power ⁽⁵⁾	Person's votes	Voting power ⁽⁵⁾	
Ordinary Shares	5,954,944	19.898%	5,954,944	20.837%	
Voting power is based on QUE's total voting shares	29,927,379 total voting shares comprising 28,404,879 fully paid ordinary shares and 1,522,500 voting shares attributable to 20,000,000 partly paid shares (paid to 1.5225 cents with 18.4775 cents per share outstanding)		28,578,566 total voting shares comprising 27,817,316 fully paid ordinary shares and 761,250 voting shares attributable to 10,000,000 partly paid shares (paid to 1.5225 cents with 18.4775 cents per share outstanding) (a)		

Note (a): Refer QUE ASX market announcement dated 22 January 2014 : Results of Equal Access Buy-Back and Appendix 3F Final Buy Back Notice

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change ⁽⁶⁾	Consideration given in relation to change ⁽⁷⁾	Class and number of securities affected	Person's votes affected
21		An increase in percentage voting			
January	Farooq Khan	power pursuant to the cancellation of			
2014	and Island	shares bought-back by QUE (b)	N/A	5,954,944	5,954,944

Note (b): An equal access scheme share buy-back pursuant to:

- Section 257B(2) of the Corporations Act;
- Shareholder approval at QUE's 2013 AGM refer <u>Information Memorandum</u> containing the notice of AGM, explanatory statement and Independent Expert's Report dated 23 October 2013; and
- QUE <u>Share Buy-Back Offer Booklet</u> dated 11 December 2013.

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder ⁽⁸⁾	Nature of relevant interest ⁽⁶⁾	Class and number of securities	Person's votes
Farooq Khan	Farooq Khan	Farooq Khan	Registered holder of shares in the Company	2,286,367	Ordinary Shares
Farooq Khan	Island	Island	Taken under section 608(3)(b) of the Corporations Act to have a relevant interest in shares in QUE held by Island, by reason of Farooq Khan having control of Island	3,668,577	Ordinary Shares
TOTALS				5,954,944	

5. Changes in association

The persons who have become associates⁽²⁾ of, ceased to be associates of, or have change the nature of their association⁽⁹⁾ with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

6. Addresses

The addresses of persons named in this form are as follows:

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Name	Address
Farooq Khan	C/- 1/346 Barker Road, Subiaco, Western Australia 6008
Island Australia Pty Ltd (A.C.N. 073 447 300) (Island)	C/- 1/346 Barker Road, Subiaco, Western Australia 6008

Signature				
J	print name	Farooq Khan	capacity	Personally and as Director of Island
		11/		
	sign here	12 Lu	date	23 January 2014

DIRECTIONS

(a) any relevant agreement or other circumstance because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act.

⁽¹⁾ If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.

⁽²⁾ See the definition of "associate" in section 9 of the Corporations Act.

⁽³⁾ See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act.

⁽⁴⁾ The voting shares of a company constitute one class unless divided into separate classes.

⁽⁵⁾ The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

⁽⁶⁾ Include details of:

⁽⁷⁾ Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired

⁽⁸⁾ If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".

⁽⁹⁾ Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.