

FEDERAL COURT OF AUSTRALIA

NOTICE AS TO PROPOSED SETTLEMENT OF THE QUINTIS LTD CLASS ACTION

A. Important Information

- 1 This notice has been published because a settlement has been reached with Quintis Ltd (**Quintis**) in relation to two shareholder class actions brought against it.
- 2 The two shareholder class actions are:
 - (a) Geoffrey Peter Davis v Quintis which has been brought on behalf of persons who acquired an interest in ordinary shares in Quintis in the period commencing on 31 August 2015 and concluding on 15 May 2017, including those persons who already had an interest in ordinary shares in Quintis before 31 August 2015 (**Davis Class Action**); and
 - (b) Excel Texel Pty Ltd v Quintis which has been brought on behalf of subset of persons who acquired an interest in ordinary shares in Quintis between 1 July 2015 and 10 May 2017 (**Excel Texel Class Action**).
- 3 The solicitors acting for the applicants in the Davis Class Action are Piper Alderman, and a company called LCM Operations Pty Ltd is funding that case.
- 4 The solicitors acting for the applicants in the Excel Texel Class Action are Gadens, and a company called Ironbark Funding Navy Pty Ltd is funding that case.
- 5 A judge of the Federal Court of Australia (**Federal Court**) must decide whether the settlement with Quintis is reasonable. The judge will have a hearing at 10:15am on 7 May 2020 to decide whether the settlement is reasonable.
- 6 This notice, if approved by the Federal Court, explains some things about the settlement to allow you to work out whether you agree or disagree with it.

B. What is the settlement?

- 7 Quintis has agreed to pay the balance remaining of the sublimit of Quintis' insurance to settle both the Davis Class Action and the Excel Texel Class Action, which is approximately \$4.37 million (**Settlement Sum**). The Settlement Sum is the only available asset of Quintis to meet the claims of the Davis Class Action and the Excel Texel Class Action. The Applicants in the Davis Class Action will at the hearing before the Federal Court at 10:15am on 7 May 2020 seek approval of the settlement that was reached with Quintis.
- 8 The settlement with Quintis does not allocate the proportion of the Settlement Sum that is to be distributed between the Davis Class Action and the Excel Texel Class Action. An agreement has not been reached with the Applicants in the Davis Class Action and the Applicants in the Excel Texel Class Action as to how the Settlement Sum should be allocated between the two class actions.
- 9 The Applicants in the Excel Texel Class Action have indicated that they will seek an order at the hearing at 10:15am on 7 May 2020 that the Federal Court allocate 50% of the Settlement Sum to the Excel Texel Class Action. That is opposed by the Applicants in the Davis Class Action. The position of the Applicants in the Davis Class Action is that any allocation between the two class actions is premature at this stage of the proceedings.

C. What do I need to do?

<i>If you <u>support</u> the proposed settlement with Quintis</i>	<ul style="list-style-type: none"> You do not have to do anything.
<i>If you <u>disagree</u> with the position of the Applicants in the Davis Class Action (namely, that the Settlement Sum should be allocated between the two class actions at a later stage)</i>	<ul style="list-style-type: none"> You should tell the Judge and the parties why. This is best done by sending written material for the Federal Court to consider well before the hearing. This should be done by sending the material to nswdr@fedcourt.gov.au, and the court would prefer if this was sent by 27 April 2020. You can also tell the Court your concerns at the hearing. Arrangements will be made to allow you do this if you want. Due to the coronavirus, a hearing will probably not happen in a courtroom where people come along in person, and if you want to speak, this will likely involve providing you with a video link or telephone link. If you want to speak to the Judge about the settlement at the hearing this can be arranged by you sending an email to nswdr@fedcourt.gov.au.

D. How can I find out more information?

- 10 If you want any more information or documents, you should not contact the Federal Court but instead:
- download documents from <https://piperalderman.com.au/class-actions/quintis-limited-class-action/> or https://www.lcmfinance.com/class_action/quintis/;
 - email Piper Alderman, the solicitors for the Applicants in the Davis Class Action, at QINshareholder@piperalderman.com.au or call +61 2 9253 9999 and ask to speak to Jordana Yencken-Nissenbaum;
 - email LCM Operations Pty Ltd, the litigation funder for the Applicants in the Davis Class Action, at staylor@lcmfinance.com or call +61 2 8098 1390 and ask to speak to Susanna Taylor.
- 11 Please consider the above matters carefully. If there is anything of which you are unsure, you should contact Piper Alderman, LCM or seek your own legal advice from your own solicitor.