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26 May 2009

Dear Shareholder,

**ASX ANNOUNCEMENT
NOTICE UNDER SECTION 708AA OF THE CORPORATIONS ACT 2001**

On 10 June 2009 Quantum Resources Limited (**Company**) is proposing to dispatch to eligible Shareholders an offer document in respect of an underwritten pro rata non-renounceable offer of approximately 407,351,028 fully paid ordinary new shares at an issue price of \$0.005 each to raise approximately \$2,036,756 on the basis of one (1) new share for every one (1) share held as at the record date of 4 June 2009 (**Offer**).

The Company hereby gives notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Act**) that:

- (a) the Company will offer the Shares under the Offer without disclosure under Part 6D.2 of the Act;
- (b) at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act;
- (c) at the date of this notice, there is no information to be disclosed which is excluded information (as defined in section 708AA(8) of the Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document;
- (d) the potential effect the issue of Shares under the Offer will have on the control of the Company is as follows:
 - (i) if all Shareholders take up their entitlements under the Offer, then the issue of the Shares under the Offer will have no effect on the control of the Company;
 - (ii) if some or all members do not take up their entitlements under the Offer then the placement of the shortfall will be dealt with pursuant to the underwriting agreement with Wilzed Pty Ltd (**Underwriter**), a company of which the Chairman and Managing Director of Quantum, Mr. JI Gutnick, is a Director. Shareholder approval for the underwriting was granted at a shareholders meeting on 26 May, 2009.

An analysis of the potential changes in control of the Company has been undertaken to indicate the effect on Wilzed's relevant interests in the Company assuming a 25%, 50% and 100% shortfall. The results are detailed below in Table 1.

Table 1	Shares held by Wilzed Pty Ltd	Voting Power %
Existing Holding prior to Offer	0	0
0% Shortfall	0	0
25% Shortfall	101,837,814	12.5%
50% Shortfall	203,675,629	25%
100% Shortfall	407,351,258	50%

Further, Edensor Nominees Pty Ltd (**Edensor**) has previously lodged a substantial shareholder notice with the Company that discloses that Edensor holds 75,592,482 shares in the Company, being a 20.67% interest. Mr J I Gutnick is a shareholder and Director of Edensor.

For the purpose of disclosing to shareholders the potential effect the issue of the new shares may have on control of the Company, if the holdings of Edensor and Wilzed were combined, an analysis of the changes in control of the Company to indicate the effect on Wilzed and Edensor's relevant interests in the Company is detailed below in Table 2:

Table 2	Shares held by Wilzed and Edensor	Voting Power %
Existing Holding prior to Offer	75,592,482	20.67%
0% Shortfall	75,592,482	20.67%
25% Shortfall	177,430,296	33.17%
50% Shortfall	279,268,111	45.67%
100% Shortfall	482,943,740	70.67%



PETER LEE
Company Secretary