



MEDIA RELEASE

13 December 2013

Qponics Limited releases Offer Information Statement

Brisbane-based Qponics Limited today announced that it has released an Offer Information Statement ("OIS") to raise up to \$5.5 million.

Qponics Limited is developing a unique aquaculture-algaeculture system for the production of algae and extraction of their EPA and DHA¹ Omegr₃[®] oils by the integration of algal photo-bioreactors into an ecologically balanced aquaculture-horticulture system to meet the demand for Omega-3 deficiency in most humans. This deficiency is associated with a number of diseases, most notably relating to heart and brain health, but is increasingly linked with a wide range of other illnesses. Recent research revealed that greater awareness of this deficiency is driving the demand of Omega3 at a rate of in the order of 12% to 14% per annum.

"With the selection of the chosen bioreactor for the Qponics system recently, all the required technology is now 'locked in' and we are now ready to build our demonstration plant which is intended to be scalable to a commercial operation," Dr Graeme Barnett, Qponics CEO and Managing Director, said.

Qponics announced on 11 November that the Company had selected Canadian company AlgaBloom Technologies to be the supplier of bioreactors to Qponics, after an exhaustive search and analysis of the available technologies worldwide. "It secures access to a state-of-the-art photo-bioreactor system for Qponics' pilot algae production project on the outskirts of Sydney, planned to be built in 2014."

Dr Barnett said, "We are now ready to build our demonstration plant, subject to raising the requisite capital and have now released an Offer Information Statement, which was lodged with Australian Securities and Investment Commission on 28 November."

Qponics also formally advises the withdrawal of its current Information Memorandum dated 21 May 2013 following the release of the OIS today.

Qponics' Offer Information Statement can be downloaded from the Company's website at:

<http://www.qponics.com/investor-relations>,

or is available from the Company's advisers, BlueMount Capital at:

http://www.fundingstrategies.com.au/index.php?com=com_deals¤tpage=2&ac=&action=view&itemid=13

¹ EPA: eicosapentaenoic acid; DHA: docosahexaenoic acid

ENDS

For more information on Qponics Limited visit www.qponics.com

About omega-3 oil:

EPA and DHA omega-3s are essential fatty acids that can only be sourced from our diet or through supplements which means that people who don't regularly eat oily fish (or other recommended marine animals, or take oil supplements derived from fish, other marine animals or algae), are deficient in EPA and DHA omega-3s. Omega-3 deficiency is associated with a number of diseases, most notably relating to heart and brain health, but is increasingly linked with a wide range of other illnesses.

About Qponics Limited:

Qponics Limited was founded as a public unlisted company in 2011 and is located at the Brisbane Technology Park, Brisbane, Australia. The Company's business philosophy is centred on the sustainable production from algae of high quality organic, vegetarian EPA and DHA omega-3 oils, on locations in close proximity to markets and distribution channels. Qponics is developing the world's first aquaculture-algaeculture system for the large-scale production of algae and their extracted oils through the integration of algal photo-bioreactors into an ecologically balanced aquaculture-horticulture system. In 2011 Qponics announced that it has signed contracts with UniQuest Pty Ltd, the commercial arm of the University of Queensland (UQ), to access the extensive library of Algae collected from Queensland waterways, and to improve the yields of EPA and DHA omega-3 fatty acids using methods developed by Professor Peer Schenk at UQ. In 2012 Qponics announced that it has reached agreement with UniQuest on the terms for licensing algae for the commercial production of omega-3 fatty acids and biomass. Also in 2012 Qponics announced that it had partnered with Nutrition Care Pharmaceuticals Pty Ltd, a Melbourne-based Australian owned and operated company that specialises in the fields of nutritional and herbal medicine, to provide Qponics with a route to market for its products.

Media enquiries:

Qponics: Dr Graeme Barnett on +61 (0) 413 052 310 or info@qponics.com

BlueMount Capital: Dr Mark Rainbird on +61 (0)7 3228 0469 or brisbane@bluemountcapital.com