

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

QUICKSTEP HOLDINGS LIMITED

ABN

55 096 268 156

Quarter ended ("current quarter")

31 DECEMBER 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A '000	Year to date (6 months) \$A '000
1.1 Receipts from customers	30	100
1.2 Payments for		
(a) staff costs	(1,285)	(3,034)
(b) advertising and marketing	(58)	(70)
(c) research and development	(81)	(191)
(d) leased assets	(5)	(8)
(e) other working capital	(2,682)	(5,928)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	93	283
1.5 Interest and other costs of finance paid	(12)	(16)
1.6 Income taxes received/(paid) – R&D	-	-
1.7 Other (Climate Ready Grant & State Govt Grant)	173	372
Net operating cash flows	(3,827)	(8,492)

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	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(3,827)	(8,492)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets*	(3,653)	(6,042)
(e) other non-current assets	(2)	(3)
<i>*including in-house asset construction</i>		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other – investment in term deposits*	-	1,000
Net investing cash flows	(3,655)	(5,045)
1.14 Total operating and investing cash flows	(7,482)	(13,537)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc (net)	7,500	7,500
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	3442	3,910
1.18 Repayment of borrowings	(604)	(604)
1.19 Dividends paid	-	-
1.20 Other	(6)	(9)
Net financing cash flows	10,332	10,797
Net increase (decrease) in cash held	2,850	(2,740)
1.21 Cash at beginning of quarter/year to date	6,808	12,406
1.22 Effects of exchange rate changes on cash held in foreign currencies	(62)	(70)
1.23 Cash at end of quarter	9,596	9,596

* Investments in term deposits with an original maturity of greater than 3 months are cash flows related to investing activities. These deposits do not meet the strict definition of a cash equivalent within *AASB107 Cash Flow Statements* hence do not form part of Cash at the end of quarter. As at,31 December 2011 the total of Cash and investments in term deposits with an original maturity of greater than 3 months is \$10,286 (30 September 2011: \$7,498k).

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	248
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

	<u>\$A'000</u>
- Directors' remuneration (Item 1.24)	219
- Staff costs - marketing and promotion (Item 1.24)	29

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	10,000	3,442
3.2	Credit standby arrangements	NIL	NIL

Loan facility includes \$10M facility with capability to capitalise interest up to \$3.3M.

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	7,096	1,108
4.2 Deposits at call	2,500	5,700
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	9,596	6,808


As at 31 December 2011, the total of cash and investments in term deposits with an original maturity of greater than 3 months is \$10,286k (30 September 2011: \$7,498k).

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	NIL	NIL
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
 (Company Secretary)

Date: 31 January 2012

Print name: **Phillip MacLeod**

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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