

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

QUESTE COMMUNICATIONS LTD and controlled entity

ABN

58 081 688 164

Quarter Ended (current quarter)

31 December 2019

Consolidated statement of cash flows	Company		Consolidated	
	Current Quarter	Year to Date	Current Quarter	Year to Date
	Dec19	6 months	Dec19	6 months
	\$A' 000	\$A' 000	\$A' 000	\$A' 000
1. Cash flows from operating activities				
1.1 Receipts from customers	-	-	19	19
1.2 Payments for				
(a) research and development	-	-	-	-
(b) product manufacturing and operating costs	-	-	-	-
(c) advertising and marketing	-	-	-	-
(d) leased assets	-	-	-	-
(e) staff costs	(65)	(77)	(171)	(399)
(f) administration and corporate costs	(9)	(34)	(47)	(139)
1.3 Dividends received (see note 3)	-	-	-	-
1.4 Interest received	-	1	1	3
1.5 Interest and other costs of finance paid	-	-	-	-
1.6 Income taxes paid	-	-	-	-
1.7 Government grants and tax incentives	-	-	-	-
1.8 Other (provide details if material)	28	28	28	28
1.9 Net cash from / (used in) operating activities	(46)	(82)	(170)	(488)
2. Cash flows from investing activities				
2.1 Payments to acquire:				
(a) property, plant and equipment	-	-	-	-
(b) businesses (see item 10)	-	-	-	-
(c) investments	-	-	-	-
(d) intellectual property	-	-	-	-
(e) other non-current assets	-	-	-	-

Notes:

The Company currently has a 59.86% (30 September 2019: 59.86%) interest in ASX listed investment company, Orion Equities Limited ("OEQ"). OEQ is a controlled entity of the Company under the Accounting Standards. Therefore, the Consolidated columns in this Monthly Cash Flow Report takes into account the cash flows of the Company and its controlled entity, including OEQ.

Consolidated statement of cash flows	Company		Consolidated	
	Current Quarter	Year to Date	Current Quarter	Year to Date
	Dec19 \$A' 000	6 months \$A' 000	Dec19 \$A' 000	6 months \$A' 000
2. Cash flows from investing activities (continued)				
2.2 Proceeds from the disposal of:				
(a) property, plant and equipment	-	-	-	-
(b) businesses (see item 10)	-	-	-	-
(c) investments	-	-	-	-
(d) intellectual property	-	-	-	-
(e) other non-current assets	-	-	-	-
2.3 Cash flows from loans to other entities	-	-	-	-
2.4 Dividends received (see note 3)	-	-	-	-
2.5 Other (provide details if material)	-	-	-	-
2.6 Net cash from / (used in) investing activities	-	-	-	-
3. Cash flows from financing activities				
3.1 Proceeds from issues of shares	-	-	-	-
3.2 Proceeds from issue of convertible notes	-	-	-	-
3.3 Proceeds from exercise of share options	-	-	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-	-	-
3.5 Proceeds from borrowings	50	50	-	-
3.6 Repayment of borrowings	-	-	-	-
3.7 Transaction costs related to loans and borrowings	-	-	-	-
3.8 Dividends paid	-	-	-	-
3.9 Other (provide details if material)	-	-	-	-
3.10 Net cash from / (used in) financing activities	50	50	-	-
4. Net increase / (decrease) in cash and cash equivalents for the period				
4.1 Cash and cash equivalents at beginning of quarter/year to date	23	59	554	872
4.2 Net cash from/(used in) operating activities (item 1.9 above)	(46)	(82)	(170)	(488)
4.3 Net cash from/(used in) investing activities (item 2.6 above)	-	-	-	-
4.4 Net cash from/(used in) financing activities (item 3.10 above)	50	50	-	-
4.5 Effect of movement in exchange rates on cash held	-	-	-	-
4.6 Cash and cash equivalents at end of quarter	27	27	384	384

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Company		Consolidated	
	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter
	Dec19 \$A' 000	Sep 19 \$A' 000	Dec19 \$A' 000	Sep 19 \$A' 000
5.1 Bank balances	3	-	360	531
5.2 Call deposits	24	23	24	23
5.3 Bank overdrafts	-	-	-	-
5.4 Other (provide details)	-	-	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	27	23	384	554

6. Payments to directors of the entity and their associates	Current Quarter \$A' 000
6.1 Aggregate amount of payments to these parties included in item 1.2	(106)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Payments for Item 6.1 includes: (1) Attributable to the Company: and (2) Attributable to Controlled Entity, OEQ.	

7. Payments to related entities of the entity and their associates	Current Quarter \$A' 000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
Nil	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A' 000	Amount drawn at quarter end \$A' 000
8.1 Loan facilities	150	50
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after month end, include details of those facilities as well.

Note: OEQ and QUE have entered into a Loan Agreement for OEQ to advance up to \$150,000 to QUE. The loan is unsecured and matures on 30 June 2020 and accrues interest at 10% pa.

9. Estimated cash outflows for next quarter	Company	Consolidated
	\$A' 000	\$A' 000
9.1 Research and development	-	-
9.2 Product manufacturing and operating costs	-	-
9.3 Advertising and marketing	-	-
9.4 Leased assets	-	-
9.5 Staff costs	15	103
9.6 Administration and corporate costs	10	50
9.7 Other (provide details if material)	-	-
9.8 Total estimated cash outflows	25	153

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.



14 January 2020

Victor Ho
Company Secretary

The **Company** currently holds the following listed share investments and investments in unlisted managed funds:

			31-Dec-19	
	No Shares/Units	% Interest	Last Bid Price	Market Value
Shares in Orion Equities Limited (OEQ)	9,367,653	59.86 %	\$0.0740	\$693,206
Shares in Bentley Capital Limited (BEL)	1,225,752	1.61 %	\$0.0400	\$49,030
				<u>\$742,236</u>

The above investments are regarded as liquid assets to supplement the Company's cash reserves.

See Chapter 19 of ASX Listing Rules 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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

FOR FURTHER INFORMATION

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