

# health corporation Limited

ACN 116 800 269

21 July 2011

ASX Release

ASX Code: HEA

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## JUNE 2011 QUARTERLY REPORT

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### Highlights

- Completion of \$972k placement to sophisticated investors, following shareholder approval
- Appointment of new director
- Review of new investment opportunities

### Completion of \$972k Placement

Following shareholder approval the company completed a placement on 27 June to an investment syndicate of 81,020,950 fully paid ordinary shares at 1.2 cents each to raise \$972,251 before costs. The funds raised will go towards providing additional working capital for the Company.

Following completion of the placement the company had \$1.072m cash in the bank at 30 June.

### Appointment of New Director

The Board appointed Mr James Malone as Non- Executive Director on 30 June 2011. Mr Malone has worked as an accountant, stockbroker, business analyst and chief executive officer of medium sized businesses for the past 23 years. Mr Malone has a Bachelor of Commerce degree from the University of Western Australia and is a Member of the Australian Society of Certified Practising Accountants. Mr Malone's expertise is in the area of business development, investor relations, capital raisings, ASX liaison and financial and administrative management. Mr Malone is currently director of Richmond Mining Limited, Australian American Mining Corp, Quest Petroleum NL, Forge Resources Limited and Exalt Resources Limited.

### Review of New Investment Opportunities

The Company has continued to review new strategic investment opportunities. At this stage, no decision to acquire, farm-in or joint venture into any project has been made and the process of project review is continuing.

The Company is looking forward to an exciting future following the major asset restructure in late 2010 with the disposal of its loss making businesses and more recently the changes made to the Board, management and its corporate strategy to find a new lead asset or project. The Company's strategic vision is to focus on value creation for shareholders through making an investment in a company or project with world class assets and an experienced management team.

*For and on behalf of the Board*

**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

Health Corporation Ltd

ABN

30 116 800 269

Quarter ended

30 June 2011

**Consolidated statement of cash flows**

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from customers	1	504
1.2 Payments for (a) staff costs	(28)	(327)
(b) advertising and marketing	(5)	(41)
(c) research and development	-	-
(d) leased assets	-	(18)
(e) other working capital	(27)	(725)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	24
1.5 Interest and other costs of finance paid	-	(24)
1.6 TAX rebate for research and development	-	117
1.7 Other - Rebates	-	108
<b>Net operating cash flows</b>	<b>(54)</b>	<b>(382)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date \$A'000
1.8 Net operating cash flows (carried forward)	(54)	(382)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	(5)
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
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	-	(2)
1.12 Loans repaid by other entities	-	-
1.13 Other - cash disposed of on disposal of subsidiaries following shareholder approval	-	(47)
<b>Net investing cash flows</b>	-	(54)
<b>1.14 Total operating and investing cash flows</b>	(54)	(436)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	960	1,409
1.16 Cost of share issue	-	(40)
1.17 Proceeds from borrowings	-	85
1.18 Repayment of borrowings	-	(5)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
<b>Net financing cash flows</b>	960	1,449
<b>Net increase (decrease) in cash held</b>	906	1,013
1.21 Cash at beginning of quarter/year to date	166	59
1.22 Exchange rate adjustments to item 1.20	-	-
<b>1.23 Cash at end of quarter</b>	<b>1,072</b>	<b>1,072</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the director**

**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	20
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil

1.26 Explanation necessary for an understanding of the transactions

Directors' fees.

**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	-	-
3.2	Credit standby arrangements	-	-

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**Appendix 4C**  
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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	1,072	166
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)		1,072	166

**Acquisitions and disposals of business entities**

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity		
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:



Print name:

Rachel Jelleff  
 Company Secretary

Date: 21 July 2011

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+ 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.