

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

Questus Limited

ABN

26 100 460 035

Quarter ended ("current quarter")

31 December 2010

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	536	1,114
1.2 Payments for (a) staff costs	(237)	(492)
(b) advertising and marketing	(3)	(4)
(c) research and development	-	-
(d) leased assets	(4)	(9)
(e) other working capital	(660)	(885)
1.3 Dividends received	-	1
1.4 Interest and other items of a similar nature received	94	139
1.5 Interest and other costs of finance paid	(19)	(48)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(293)	(184)

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	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(293)	(184)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) investments	(15)	(20)
(c) intellectual property	-	-
(d) physical non-current assets	(3)	(3)
(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	(361)	(1,151)
1.12 Loans repaid by other entities	364	881
1.13 Other (provide details if material)	-	-
Net investing cash flows	(15)	(293)
1.14 Total operating and investing cash flows	(308)	(477)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	307	317
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	307	317
Net increase (decrease) in cash held	(1)	(160)
1.21 Cash at beginning of quarter/year to date	883	1,042
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	882	882

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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'ooo
1.24	Aggregate amount of payments to the parties included in item 1.2	134
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Remuneration for services rendered

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

The Company issued 2,444,444 Shares in full and final settlement of a \$110,000 Debenture Note on the 11 October 2010.
The Company issued 711,111 Shares to a creditor in full and final settlement of \$32,000 outstanding amount on the 11 October 2010.

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.

		Amount available \$A'ooo	Amount used \$A'ooo
3.1	Loan facilities	307	307
3.2	Credit standby arrangements		
Debiture Note issued to the company for \$150,000 and insurance premium funding facility for \$156,636 established during the quarter.			

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Reconciliation of cash

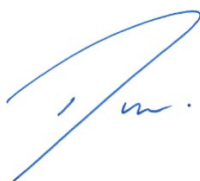
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	491	422
4.2 Deposits at call	391	461
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	882	883

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: Date: 31 January 2011
 (Director/Company secretary)

Print name: Robert Olde

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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 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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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