

CORETRACK MARKET UPDATE

ASX ANNOUNCEMENT

30 APRIL 2012

Coretrack Limited (ASX:CKK) is pleased to provide an update to the market on its most recent activities.

Core Level Recorder System

The Company is approaching the commercialisation of its Core Level Recorder System on two fronts;

1. Ongoing Business Development Work to secure regular down hole contracts for the CLRS with a dedicated Business Development Manager engaged; and
2. The Company is currently engaging in discussions with large international technology companies with a view to joint venturing or otherwise expediting the commercialisation of the CLRS technology. Discussions to date have been positive.

Corporate

The Board and management of Coretrack are actively seeking corporate opportunities for the Company. The Company has executed a number of NDA's and is currently in discussions with two parties.

The Company recently auctioned its surplus drilling equipment realising \$2.1 million after accounting for GST and the costs of the auction.

Coretrack also has approximately \$100,000 worth of equipment yet to be sold at its Bibra Lake Premises and has paid \$1.08 million for further equipment that has recently been manufactured or refurbished at international factories. These items include a mud tank system, 2 x PZ9 equivalent mud pumps and a 10 000 PSI Blow Out Preventer (BOP). The Company are actively seeking buyers for this equipment which is either new or fully refurbished.

Coretrack is in advanced negotiations with a company that is interested in leasing the Company's large Bibra Lake headquarters and expects that smaller, less expensive premises will be leased in the immediate future. The larger premises is no longer required given that the Company is no longer operating its drilling business "Globe Drill".

All staff at Coretrack's subsidiary Globe Drill have been made redundant and the Company's overheads have now been significantly reduced.

Legal

Coretrack is continuing to prepare its legal case against its former deep hole drilling rig technology Licensor “Strange Investments”.

The two questions to be decided by the Courts are as follows;

1. Ownership of the GT3000 deep hole drilling rig

Strange Investments are attempting to claim ownership of the drill rig which was paid for by Coretrack shareholders and Coretrack are vigorously defending this position.

2. Unlawful Termination of Coretrack’s IP License Agreement

Coretrack contends that its IP license Agreement with Strange Investments was unlawfully terminated by Strange Investments and will be seeking a ruling from the Court on this matter and should it be successful it intends to make a claim against Strange Investments for damages.

Further Information:

Bernie Kelly

Chief Executive Officer

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

Coretrack Limited

ABN

80 112 379 503

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

	Current Quarter \$A'000	Year to date (9 Months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from Customers	327	428
1.2 Payments for (a) staff costs	(720)	(2,093)
(b) for Advertising and marketing	-	(54)
(c) for research and development	(38)	(57)
(d) leased assets	(1)	(38)
(e) other working capital	(1,314)	(3,010)
1.3 Dividends received	-	-
Interest and other items of a similar nature		
1.4 Received	32	204
1.5 Interest and other costs of finance Paid	(107)	(216)
1.6 Income taxes paid	-	-
1.7 Other - GST (payment)/receipt (to)/from ATO inter bank account	-	239
1.8 Net operating cash flows	(1,821)	(4,597)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	(16)	(81)
(d) physical non-current assets	(34)	(1,411)
(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	17	17

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Quarterly report for entities
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	(e) other non-current assets	-	-
1.11	Loan to other entities	-	-
1.12	Loan repaid by other entities	-	-
1.13	Deposits on Asset Purchases	-	(784)
	Net investing cash flows	(33)	(2,259)
1.14	Total operating and investing cash flows	(1,855)	(6,856)
	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 (convertible notes)	-	209
1.18	Payment of borrowings	-	(169)
1.19	Dividends paid	-	-
1.20	Other - capital raising costs (convertible notes)	-	(18)
	Net financing cash flows	-	22
	Net increase (decrease) in cash held	(1,855)	(6,834)
1.21	Cash at the Beginning of quarter/year to date	3,761	8,740
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at the end of quarter	1,907	1,907

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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'000
1.24	Aggregate amount of payments to the parties included in item 1.2	72
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 **Explanation necessary for an understanding of the transactions**

The figure in 1.24 includes Director Fees

Receipts from Customers includes partial payment for the Newcrest, Telfer workscope, further payment will be recognised in the next financial quarter.

In addition, payments received relating to the auction of Coretrack/Globe Drill assets on March 27th and further subsequent sales, including the receipt of any payment for overseas assets will also be recognised in the next financial quarter.

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

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

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	1,907	3,761
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	1,907	3,761

Acquisitions and disposals of business entities

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

+ See chapter 19 for defined terms.

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: ..30 April 2012.....
(Director/Company secretary)

Winton Willesee
Print name:

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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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