

Bluestone Global Limited **ASX:BUE**

30 April 2014

ASX ANNOUNCEMENT

Quarterly Cash Flow Statement (Appendix 4C) for the quarter ended 31 March 2014

- **26% quarter-on-quarter increase in net operating cash flow**
- **Successful completion of placement and loan note facility**
- **Divestment of underperforming businesses**

Contingent workforce specialist Bluestone Global Limited (the **Company**) presents its consolidated Quarterly Cash Flow Report for the quarter ended 31 March 2014.

The Company continues to successfully progress its financial and operational restructure program as outlined in previous market announcements, and most recently in the investor update provided to the market on 14 April 2014: '**Quarterly Update Investor Presentation**'.

The March quarterly cashflow has been impacted by the following key factors:

- Improvement in net operating cashflows in the March 2014 quarter over the previous quarter of 26% reflecting the turnaround being undertaken by the Company;
- Completion of the initial share placement with Valdez Group Pty Ltd resulting in an increase in equity of \$520,000 (less costs);
- Successful completion of the \$4 million, 2 year, loan note facility at 10% interest accruing monthly and payable on expiry;
- Disposal of businesses including an outflow of \$49,000 representing the cash conceded on disposal of Ultimate Skills Philippines Inc.;

- Repayment of borrowings including \$1.5 million paid to the ATO in line with the terms of the settlement deed announced to the market on the 16 January 2014.

CEO Stephen Sasse said that the results of the turnaround are in line with expectations as are the current strategies to drive operational and financial improvements.

- ENDS-

For further information, please contact:

Investor enquiries

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About Bluestone Global Limited

Bluestone Global Limited is a provider of contingent workforce solutions. We procure, deploy and administer temporary workers, contractors and operate managed services solutions for clients. Supported by a national footprint of more than 20 branches, we deliver cost effective, compliant and innovative results across all sectors of the market.

Rule 4.7B

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

Bluestone Global Limited

ABN

42 009 296 324

Quarter ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	58,670	182,391
1.2 Payments for		
(a) staff costs	(48,759)	(167,419)
(b) advertising and marketing	(125)	(503)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(6,931)	(11,579)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	(648)	(2,713)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	2,207	177

+ 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 (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	2,207	177
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses	-	(167)
(b) equity investments (item 5)	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(112)	(219)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	(49)
(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 -Cash balance of subsidiary acquired	-	-
Net investing cash flows	(112)	(435)
1.14 Total operating and investing cash flows	2,095	(258)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	330	59
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	4,378	4,378
1.18 Repayment of borrowings	(6,874)	(3,894)
1.19 Dividends paid	-	-
1.20 Other	-	-
Net financing cash flows	(2,166)	543
Net increase (decrease) in cash held	(71)	285
1.21 Cash at beginning of quarter/year to date	1,576	1,219
1.22 Exchange rate adjustments	(3)	(2)
1.23 Cash at end of quarter/year to date	1,502	1,502

+ 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	154
1.25	Aggregate amount of loans to the parties included in item 1.11	Not Applicable

1.26 Explanation necessary for an understanding of the transactions

Includes payments to directors for directors fees, salaries and related on-costs to executive & non-executive directors and their associates for services provided.

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

Not Applicable

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

Not Applicable

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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 - Debtor finance facility funding	40,000	13,790

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	1,502	1,576
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other	-	-
Total: cash at end of quarter (item 1.23)	1,502	1,576

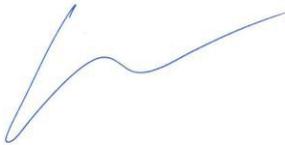
Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(b))	Disposals (Item 1.10(a))
5.1 Name of entity	Not Applicable	Ultimate Skills Phillipines Inc
5.2 Place of incorporation or registration		Phillippines
5.3 Consideration for acquisition or disposal		(49,000)
5.4 Total net assets		69,000
5.5 Nature of business		Recruitment & migration services

+ 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.



Stephen Sasse
Chief Executive Officer
30 April 2014

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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 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.

+ See chapter 19 for defined terms.