

Pearl Healthcare Limited
Quarterly Cash flow Update – June 2011 Quarter

Pearl Healthcare Limited has today placed on company announcements the quarterly cashflow report (ASX Appendix 4C).

Net operating cash inflow for the June 2011 quarter was \$249,000, a decrease of \$395,000 when compared to the June 2010 quarter's net inflow of \$644,000.

Receipts of \$3,429,000 from customers showed a decline of \$400,000 in the June quarter compared to the June 2010 quarter. Payments of \$3,114,000 were marginally lower in the latest quarter compared to the June 2010 quarter figure of \$3,129,000.

For further information, please contact:

Greg Plummer
Executive Chairman
(03) 9853 1700

28 July 2011

Rule 4.7B

+ See chapter 19 for defined terms.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2006.

Name of entity

Pearl Healthcare Limited

ABN

58 009 259 189

Quarter ended ("current quarter")

30 June 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 Months) \$A'000
1.1	Receipts from customers	3,429	13,451
1.2	Payments for (a) staff costs	(2,023)	(8,068)
	(b) advertising and marketing	(18)	(88)
	(c) research and development		
	(d) leased assets	(192)	(687)
	(e) other working capital	(881)	(4,395)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received		3
1.5	Interest and other costs of finance paid	(66)	(233)
1.6	Income taxes paid		
1.7	Other (provide details if material)		
Net operating cash flows		249	(17)

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

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	249	(17)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(232)	(516)
(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		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
	(232)	(516)
Net investing cash flows		
1.14 Total operating and investing cash flows	17	(533)
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		430
1.18 Repayment of borrowings	30	
1.19 Dividends paid		
1.20 Other (provide details if material)		
	30	430
Net financing cash flows		
Net increase (decrease) in cash held	(13)	(103)
1.21 Cash at beginning of quarter/year to date	210	300
1.22 Exchange rate adjustments to item 1.20		
	197	197
1.23 Cash at end of quarter		

+ 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	\$36
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Directors fees \$35,507	

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

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- 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

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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 The loan facilities consist of a debtors finance facility with a maximum facility amount of \$1.5M. The actual amount available varies daily depending on the terms of the agreement. A fully drawn shareholder loan of \$1.5M is not included in the Financing facility amount disclosed.	844	549
3.2 Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

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	97	54
4.2	Deposits at call	21	21
4.3	Bank overdraft		
4.4	Other (Undeposited Funds)	79	134
Total: cash at end of quarter (item 1.23)		197	209

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: Greg Plummer
 (Executive Chairman)

Date: 28 July 2011

Print name: Greg Plummer

+ 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.

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