

May 2004 Monthly Cash Flow Report

Name of entity

QUESTE COMMUNICATIONS LIMITED and controlled entities

ACN or ARBN

081 688 164

Month Ended

31 May 2004

Consolidated statement of cash flows

Cash flows related to operating activities

1.1 Receipts from customers

1.2 Payments for

(a) staff costs

(b) advertising and marketing

(c) research and development

(d) leased assets

(e) other working capital

1.3 Dividends received

1.4 Interest and other items of a similar nature received

1.5 Interest and other costs of finance paid

1.6 Income taxes paid

1.7 Other (provide details if material)

(a) *Settlement Deed payment*

Net operating cash flows

	Company		Consolidated	
	Current Month May 2004 \$' 000	Year to Date 11 months \$' 000	Current Month May 2004 \$' 000	Year to Date 11 months \$' 000
1.1 Receipts from customers	-	-	-	1
1.2 Payments for				
(a) staff costs	(46)	(405)	(58)	(451)
(b) advertising and marketing	-	-	-	-
(c) research and development	-	-	-	-
(d) leased assets	-	-	-	-
(e) other working capital	(23)	69	(44)	(193)
1.3 Dividends received	-	0	-	2
1.4 Interest and other items of a similar nature received	7	119	88	427
1.5 Interest and other costs of finance paid	-	(0)	-	-
1.6 Income taxes paid	-	1	-	1
1.7 Other (provide details if material)				
(a) <i>Settlement Deed payment</i>	-	-	-	19,051
Net operating cash flows	(62)	(216)	(14)	18,838

Note:

The Company currently has a 48.817% interest in ASX listed Central Exchange Limited ("CXL").

CXL is a controlled entity of the Company pursuant to Accounting Standard AASB 1024 "Consolidated Accounts."

Therefore, the Consolidated columns in this Monthly Cash Flow Report takes into account the cash flows of the Company and its controlled entities, including CXL.

	Company		Consolidated	
	Current Month May 2004 \$' 000	Current Month 11 months \$' 000	Current Month May 2004 \$' 000	Year to Date 11 months \$' 000
1.8 Net operating cash flows (carried forward)	(62)	(216)	(14)	18,838
Cash flows related to investing activities				
1.9 Payment for acquisition of:				
(a) businesses (item 5)	-	-	-	-
(b) equity investments	(371)	(2,111)	(784)	(3,559)
(c) intellectual property	-	-	-	-
(d) physical non-current assets	-	-	-	-
(e) other non-current assets	-	-	-	-
1.10 Proceeds from disposal of:				
(a) businesses (item 5)	-	-	-	-
(b) equity investments	-	916	31	996
(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)	-	-	-	-
Net investing cash flows	(371)	(1,195)	(753)	(2,563)
1.14 Total operating and investing cash flows	(433)	(1,410)	(767)	16,275
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	-	-	-	-
1.18 Repayment of borrowings	-	-	-	-
1.19 Dividends paid	-	-	-	-
1.20 Other (provide details if material)	-	-	-	-
Net financing cash flows	-	-	-	-
Net increase (decrease) in cash held	(433)	(1,410)	(767)	16,275
1.21 Cash at beginning of month/year to date	2,064	3,041	20,504	3,462
1.22 Exchange rate adjustments to item 1.20	-	-	-	-
1.23 Cash at end of month	1,631	1,631	19,737	19,737

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 Month May 2004 \$' 000
1.24 Aggregate amount of payments to the parties included in item 1.2	25
1.25 Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

- (1) \$13,365 - Salaries, fees and superannuation paid by the Company to Directors;
(2) \$12,180 - Salaries and superannuation paid by Central Exchange Ltd to its Directors.

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

None.

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

None.

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

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

Reconciliation of cash	Company		Consolidated	
	Current Month \$' 000	Previous Month \$' 000	Current Month \$' 000	Previous Month \$' 000
Reconciliation of cash at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows				
4.1 Cash on hand and at bank	386	571	1,069	1,591
4.2 Deposits at call	-	-	-	-
4.3 Bank overdraft	-	-	-	-
4.4 Other (Bank Bills)	1,245	1,493	18,668	18,913
Total: cash at end of month (item 1.22)	1,631	2,064	19,737	20,504

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 Law (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.

Date: **14 June 2004**

Victor Ho
Company Secretary