

June 2005 Monthly Cash Flow Report

Name of entity

QUESTE COMMUNICATIONS LIMITED and controlled entities

ACN or ARBN

081 688 164

Month Ended

30 June 2005

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)

- Professional fees

Net operating cash flows

	Company		Consolidated	
	Current Month June 2005 \$' 000	Year to Date 12 months \$' 000	Current Month June 2005 \$' 000	Year to Date 12 months \$' 000
1.1 Receipts from customers	-	-	-	-
1.2 Payments for				
(a) staff costs	(46)	(321)	(63)	(547)
(b) advertising and marketing	-	-	-	-
(c) research and development	-	-	-	-
(d) leased assets	-	-	-	-
(e) other working capital	19	54	20	(302)
1.3 Dividends received	-	417	-	182
1.4 Interest and other items of a similar nature received	-	2	2	512
1.5 Interest and other costs of finance paid	-	-	-	(1)
1.6 Income taxes paid	-	4	(4)	(991)
1.7 Other (provide details if material)				
- Professional fees	-	(6)	(10)	(446)
Net operating cash flows	(27)	150	(55)	(1,593)

Note:

The Company currently has a 48.2% 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 June 2005 \$' 000	Year to Date 12 months \$' 000	Current Month June 2005 \$' 000	Year to Date 12 months \$' 000
1.8 Net operating cash flows (carried forward)	(27)	150	(55)	(1,593)
Cash flows related to investing activities				
1.9 Payment for acquisition of:				
(a) businesses (item 5)	-	-	-	-
(b) equity investments	-	(469)	(1,498)	(23,448)
(c) intellectual property	-	-	-	-
(d) physical non-current assets	-	-	-	(3,790)
(e) other non-current assets	-	-	-	(14)
1.10 Proceeds from disposal of:				
(a) businesses (item 5)	-	-	-	-
(b) equity investments	46	294	1,725	11,837
(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)	-	-	-	-
(a) <i>Net income from options</i>	-	-	14	103
Net investing cash flows	46	(175)	241	(15,312)
1.14 Total operating and investing cash flows	19	(25)	186	(16,905)
Cash flows related to financing activities				
1.15 Proceeds from issues of shares, options, etc.	-	-	-	8
1.16 Proceeds from sale of forfeited shares	-	-	-	-
1.17 Proceeds from borrowings	-	-	-	-
1.18 Repayment of borrowings	-	-	-	-
1.19 Dividends paid	-	-	(1)	(421)
1.20 Other (provide details if material)	-	-	-	-
Payments in relation to share buy back	-	-	(746)	(749)
Net financing cash flows	-	-	(747)	(1,162)
Net increase (decrease) in cash held	19	(25)	(561)	(18,067)
1.21 Cash at beginning of month/year to date	55	99	707	18,213
1.22 Exchange rate adjustments to item 1.20	-	-	-	-
1.23 Cash at end of month	74	74	146	146

**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 June 2005 \$' 000
1.24 Aggregate amount of payments to the parties included in item 1.2	45
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) \$27,595- Salaries and fees paid by the Company to Directors;
(2) \$17,399 - Salaries 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

On 30 June 2005, Central Exchange Limited (CXL) issued 812,810 fully paid ordinary shares as part consideration for the settlement of:

(a) The acquisition of 3,167,152 shares in Scarborough Equities Limited (SCB) from Sofcom Limited (SOF) pursuant to CXL's exercise under an Option Deed between CXL and SOF dated 2 May 2005 (as amended by Deed of Variation dated 30 May 2005) – the total consideration was \$669,219 (based on SCB's last published NTA backing (post tax) as at 31 May 2005 of \$0.2113 per share) satisfied by the payment of \$200,000 cash and the issue of 453,659 fully paid ordinary shares in CXL to SOF;

(b) The acquisition of 2,100,000 shares in Bentley International Limited (BEL) from SOF pursuant to a First Tranche BEL Share Sale Agreement between SOF and CXL (dated 30 May 2005) – the total consideration was \$946,470 (based on BEL's last published NTA backing (post tax) as at 31 May 2005 of \$0.4507 per share) satisfied by the payment of \$575,000 cash and the issue of 359,151 fully paid ordinary shares in CXL to SOF, as approved by SOF shareholders on 30 June 2005.

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

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

	Company		Consolidated	
	Current Month \$' 000	Previous Month \$' 000	Current Month \$' 000	Previous Month \$' 000
4.1 Cash on hand and at bank	74	55	146	707
4.2 Deposits at call	-	-	-	-
4.3 Bank overdraft	-	-	-	-
4.4 Other (Bank Bills)	-	-	-	-
Total: cash at end of month (item 1.22)	74	55	146	707

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 July 2005**

Victor Ho
Company Secretary

Notes:

The **Company** currently holds the following listed share investments:

	No Shares	% Interest	Last Closing Price	Market Value
Shares in Central Exchange Ltd (CXL)	8,303,779	46.61%	\$0.5600	\$4,650,116
Shares in Altera Capital Ltd (AEA)	10,699,428	17.25%	suspended	
Shares in Other Listed Securities (liquid investments)	various		various	\$3,036,000
				<u>\$7,686,116</u>

Share investments are regarded as liquid assets to supplement the Company's cash reserves.