

Appendix 4C

Quarterly Report for entities admitted on the basis of commitments

Name of entity

QUESTE COMMUNICATIONS LIMITED and controlled entities

ACN or ARBN

081 688 164

Quarter Ended

31 December 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)

Net operating cash flows

Company		Consolidated	
Current Quarter Dec 2004 \$' 000	Year to Date 6 months \$' 000	Current Quarter Dec 2004 \$' 000	Year to Date 6 months \$' 000
-	-	-	-
(89)	(170)	(149)	(280)
-	-	-	-
-	-	-	-
-	3	(69)	(204)
-	417	132	153
-	2	139	315
-	-	(1)	(1)
-	-	-	-
(6)	(6)	(289)	(289)
(95)	246	(237)	(306)

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 Quarterly Cash Flow Report takes into account the cash flows of the Company and its controlled entities, including CXL.

	Company		Consolidated	
	Current Quarter Dec 2004 \$' 000	Year to Date 6 months \$' 000	Current Quarter Dec 2004 \$' 000	Year to Date 6 months \$' 000
1.8 Net operating cash flows (carried forward)	(95)	246	(237)	(306)
Cash flows related to investing activities				
1.9 Payment for acquisition of:				
(a) businesses (item 5)	-	-	-	-
(b) equity investments	-	(469)	(5,225)	(11,545)
(c) intellectual property	-	-	-	-
(d) physical non-current assets	-	-	(50)	(50)
(e) other non-current assets	-	-	-	-
1.10 Proceeds from disposal of:				
(a) businesses (item 5)	-	-	-	-
(b) equity investments	100	176	3,816	5,665
(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)	-	-	-	-
Hedging contracts	-	-	36	49
Net investing cash flows	100	(293)	(1,423)	(5,881)
1.14 Total operating and investing cash flows	5	(47)	(1,660)	(6,187)
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	-	-	(9)	(413)
1.20 Other (provide details if material)	-	-	-	-
Payments in relation to share buy back	-	-	-	(2)
Net financing cash flows	-	-	(9)	(407)
Net increase (decrease) in cash held	5	(47)	(1,669)	(6,594)
1.21 Cash at beginning of quarter/year to date	47	99	13,288	18,213
1.22 Exchange rate adjustments to item 1.20	-	-	-	-
1.23 Cash at end of quarter	52	52	11,619	11,619

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 Dec 2004 \$' 000
1.24 Aggregate amount of payments to the parties included in item 1.2	109
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) \$48,417 - Salaries, fees and superannuation paid by the Company to Directors;
(2) \$60,353 - 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

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 Quarter \$' 000	Previous Quarter \$' 000	Current Quarter \$' 000	Previous Quarter \$' 000
4.1 Cash on hand and at bank	52	47	385	1,398
4.2 Deposits at call	-	-	-	-
4.3 Bank overdraft	-	-	-	-
4.4 Other (Bank Bills)	-	-	11,234	11,890
Total: cash at end of quarter (item 1.22)	52	47	11,619	13,288

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

- 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.
- This statement **does** give a true and fair view of the matters disclosed.

Date: **25 January 2005**

Victor Ho
Company Secretary

Notes:

The **Company** also currently has the following listed share investments:

	25-Jan-05			
	No Shares	% Interest	Last Closing Price	Value
Shares in Central Exchange Ltd (CXL)	8,303,779	48.22%	\$0.63	\$5,231,381
Shares in Altera Capital Ltd (AEA)	10,699,428	17.25%	suspended	
Other Listed Securities	various		various	\$3,069,292

The Company regards its share investments as being liquid assets to supplement its cash reserves.