

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 2003

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 2003 \$' 000	Year to Date 6 months \$' 000	Current Quarter Dec 2003 \$' 000	Year to Date 6 months \$' 000
-	-	-	1
(133)	(234)	(133)	(246)
-	-	-	-
-	-	-	-
-	-	-	-
139	58	11	(86)
-	-	-	-
35	70	39	77
-	-	-	-
-	-	-	-
-	-	-	-
41	(106)	(83)	(254)

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 2003 \$' 000	Year to Date 6 months \$' 000	Current Quarter Dec 2003 \$' 000	Year to Date 6 months \$' 000
1.8 Net operating cash flows (carried forward)	41	(106)	(83)	(254)
Cash flows related to investing activities				
1.9 Payment for acquisition of:				
(a) businesses (item 5)	-	-	-	-
(b) equity investments	-	-	-	-
(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	-	-	35	49
(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	-	-	35	49
1.14 Total operating and investing cash flows	41	(106)	(48)	(205)
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	41	(106)	(48)	(205)
1.21 Cash at beginning of quarter/year to date	2,894	3,041	3,305	3,462
1.22 Exchange rate adjustments to item 1.20	-	-	-	-
1.23 Cash at end of quarter	2,935	2,935	3,257	3,257

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 2003 \$' 000
1.24 Aggregate amount of payments to the parties included in item 1.2	70
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) \$51,540 - Directors' salaries, fees and superannuation paid by the Company;
- (2) \$18,755 - Salary and employer superannuation contributions for the period from June (a portion only) to December 2003 paid by Central Exchange Ltd to its General Manager (who is also a director of the company)

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 quarter (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	347	145	420	208
4.2 Deposits at call	-	60	-	60
4.3 Bank overdraft	-	-	-	-
4.4 Other (Bank Bills)	2,588	2,689	2,837	3,037
Total: cash at end of quarter (item 1.22)	2,935	2,894	3,257	3,305

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: **30 January 2004**

Victor Ho
Company Secretary

The Company also has the following share investments:

	No Shares	% Interest	30-Jan-04 Last Closing Price	Value
Shares in Central Exchange Ltd	4,149,112	48.817%	suspended	
Shares in Altera Capital Ltd	10,699,428	17.252%	suspended	
Shares in Other Listed Securities	various		various	\$81,727