

September 2004 Monthly Cash Flow Report

Name of entity

ALTERA CAPITAL LIMITED and controlled entity (SOFCOM LIMITED)

ACN or ARBN

082 541 437

Month Ended

30 September 2004

Consolidated statement of cash flows

| | Company | | Consolidated | |
|---|----------------------|---------------------|----------------------|---------------------|
| | Current Month | Year to Date | Current Month | Year to Date |
| | Sept 2004 \$' 000 | 3 months \$' 000 | Sept 2004 \$' 000 | 3 months \$' 000 |
| Cash flows related to operating activities | | | | |
| 1.1 Receipts from customers | 58 | 58 | 58 | 58 |
| 1.2 Payments for | | | | |
| (a) staff costs | (34) | (86) | (48) | (158) |
| (b) advertising and marketing | - | - | - | - |
| (c) research and development | - | - | - | - |
| (d) leased assets | - | - | - | - |
| (e) other working capital | (21) | (40) | (40) | (67) |
| 1.3 Dividends received | - | 1 | 71 | 97 |
| 1.4 Interest and other items of a similar nature received | - | 1 | - | 2 |
| 1.5 Interest and other costs of finance paid | - | - | - | - |
| 1.6 Income taxes paid | - | - | - | - |
| 1.7 Other (provide details if material) | | | | |
| (a) Professional fees | - | - | (58) | (78) |
| Net operating cash flows | 3 | (66) | (17) | (146) |

Notes:

The Company currently has an 81.26% interest in ASX listed Sofocm Limited (SOF).

SOF has been treated as a controlled entity of the Company pursuant to Accounting Standard 1024 "Consolidated Accounts".

Therefore, the Consolidated columns in this Monthly Cash Flow Report takes into account the cash flows of the Company and SOF.

| | Company | | Consolidated | |
|--|----------------------|---------------------|----------------------|---------------------|
| | Current Month | Current Month | Current Month | Year to Date |
| | Sept 2004 \$' 000 | 3 months \$' 000 | Sept 2004 \$' 000 | 3 months \$' 000 |
| 1.8 Net operating cash flows (carried forward) | 3 | (66) | (17) | (146) |
| Cash flows related to investing activities | | | | |
| 1.9 Payment for acquisition of: | | | | |
| (a) businesses (item 5) | - | - | - | - |
| (b) equity investments | - | (182) | - | (410) |
| (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 | - | - | - | 124 |
| (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 | - | (182) | - | (286) |
| 1.14 Total operating and investing cash flows | 3 | (248) | (17) | (432) |
| 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 | 3 | (248) | (17) | (432) |
| 1.21 Cash at beginning of month/year to date | 49 | 300 | 206 | 621 |
| 1.22 Exchange rate adjustments to item 1.20 | - | - | - | - |
| 1.23 Cash at end of month | 52 | 52 | 189 | 189 |

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 Sept 2004 \$' 000 |
|------|--|---------------------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | 29 |
| 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) \$14,952 - Salaries, superannuation and fees paid by the Company to its Directors;
(2) \$13,972 - Salaries, superannuation and fees paid by Sofcom 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 Month \$' 000 | Previous Month \$' 000 | Current Month \$' 000 | Previous Month \$' 000 |
| 4.1 Cash on hand and at bank | 52 | 49 | 189 | 206 |
| 4.2 Deposits at call | - | - | - | - |
| 4.3 Bank overdraft | - | - | - | - |
| 4.4 Other (Bank Bills) | - | - | - | - |
| Total: cash at end of month (item 1.22) | 52 | 49 | 189 | 206 |

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 Act (except to the extent that information is not required because of note 2) or other standards acceptable to SAX.
- This statement **does** give a true and fair view of the matters disclosed.

Date: **8 October 2004**

Victor Ho
Company Secretary

The Company also has the following listed share investments:

| | No Shares | % Interest | 7-Oct-04 Last Closing Price | Value |
|-------------------------|------------|------------|-----------------------------------|--------------------|
| Sofcom Ltd (SOF) | 36,273,262 | 81.26% | \$0.037 | \$1,342,111 |
| Other listed securities | | | | \$171,216 |
| | | | | <u>\$1,513,327</u> |