QED Occtech Limited

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 11 MARCH 2005

FEBRUARY MONTHLY CASH AND WORKING CAPITAL REPORT

Attached is a report of the Company's cash flows for February 2005 in Appendix 4C format. As at 28 February 2005, the Company's net working capital position was $100,197.

The Directors confirm that the Company is able to pay its debts as and when they fall due.

The Directors also note the Company's announcement to the market on 8 February 2005 in respect to a capital raising to fund working capital and the acquisition of a minority interest in Transaction Solutions International Pty Ltd (TSI").

Further details of the capital raising and TSI are contained in the Notice of General Meeting issued by the Company on 10 March 2005.

For further information contact: *Mark Pearce – Company Secretary*
Tel: 61 8 9322 6322

Rule 4.7B

Appendix 4C

Monthly report
for entities admitted
on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

QED Occtech Limited

ABN

98 057 335 672

Month ended ("current month")

28 February 2005

Consolidated statement of cash flows

Cash flows related to operating activities		Current month $A'000	Year to date (8 months) $A'000
1.1	Receipts from customers	30	413
1.2	Payments for (a) staff costs	-	(87)
	(b) costs relating to projects	-	(365)
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(2)	(130)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	2
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	28	(167)

+ See chapter 19 for defined terms.

		Current month $A'000	Year to date (8 months) $A'000
1.8	Net operating cash flows (carried forward)	**28**	**(167)**
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	(50)	(50)
	(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	-	-
	(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 – cash relinquished on sale of a subsidiary	-	(10)
	Net investing cash flows	(50)	(60)
1.14	**Total operating and investing cash flows**	**(22)**	**(227)**
	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	100	100
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Net financing cash flows	100	100
	Net increase (decrease) in cash held	78	(127)
1.21	Cash at beginning of month/year to date	26	231
1.22	Exchange rate adjustments to item 1.20		
1.23	**Cash at end of month**	104	104

+ See chapter 19 for defined terms.

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 $A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	-
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

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

Not applicable

Financing facilities available

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

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	$100	$100
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.	Current month $A'000	Previous month $A'000
4.1 Cash on hand and at bank	104	26
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of month (item 1.22)	104	26

Acquisitions and disposals of business entities

	Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1 Name of entity	Not Applicable	Not Applicable
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 Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does /~~does not~~* *(delete one)* give a true and fair view of the matters disclosed.

Sign here: .... Date 11 March 2005
(~~Director/~~Company secretary)

Print name: Mark Pearce

Notes

1. The monthly report provides a basis for informing the market how the entity's activities have been financed for the past month and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.

   - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
   - 9.2 - itemised disclosure relating to acquisitions
   - 9.4 - itemised disclosure relating to disposals
   - 12.1(a) - policy for classification of cash items
   - 12.3 - disclosure of restrictions on use of cash
   - 13.1 - comparative information

3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.