Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000.

Name of entity

EZENET LIMITED

ACN or ARBN	Quarter ended ("current quarter")
083 646 477	30 JUNE 2003

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter $A'000	Year to date (12 months) $A'000
1.1	Receipts from customers	170	389
1.2	Payments for (a) staff costs	(90)	(330)
	(b) advertising and marketing	(21)	(83)
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(120)	(524)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	1	8
1.5	Interest and other costs of finance paid		
1.6	GST received	7	(8)
1.7	Other (provide details if material)		
	Net operating cash flows	**(53)**	**(548)**

+ See chapter 19 for defined terms.

		Current quarter $A'000	Year to date (12 months) $A'000
1.8	Net operating cash flows (carried forward)	**(53)**	**(548)**
	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	(110)	(413)
	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	-	-
	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	**(110)**	**(413)**
1.14	**Total operating and investing cash flows**	**(163)**	**(961)**
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	207	469
1.16	Proceeds from sale of forfeited shares		
1.17	Proceeds from borrowings		
	Insurance Premium Funding	-	25
	Directors Loan	100	100
	Hire Purchase Loan	31	31
1.18	Repayment of borrowings	(10)	(26)
1.19	Dividends paid		
1.20	Other (provide details if material)		
	Net financing cash flows	**328**	**599**
	Net increase (decrease) in cash held	**165**	**(362)**
1.21	Cash at beginning of quarter/year to date	152	679
1.22	Exchange rate adjustments to item 1.20		
1.23	**Cash at end of quarter**	**317**	**317**

Notes

The amount included in item 1.15 represents part of a share placement of 4,188,588 ordinary shares at $0.085 completed in July2003.

The amounts included in items 1.18 include the monthly repayments of an insurance premiums funding facility and a hire purchase loan.

+ 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 quarter $A' 000
1.24	Aggregate amount of payments to the parties included in item 1.2	34
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

This amount represents the salary of the managing director.

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).

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	100	Nil
3.2	Credit standby arrangements	Nil	Nil

Note

The company has borrowed $100,000 from Mr N O'Loughlin a director and shareholder in the company to supplement working capital. Interest is payable at the rate of 10% per annum and the principle repayable no later than twelve months from the date of the advance. The total borrowing is included in cash at bank at 30 June 2003 in item 4.1.

+ See chapter 19 for defined terms.

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.		Current quarter $A'000	Previous quarter $A'000
4.1	Cash on hand and at bank	301	22
4.2	Deposits at call	16	130
4.3	Bank overdraft	-	-
4.4	Other	-	-
	Total: cash at end of quarter (item 1.23)	**317**	**152**

~~Business~~ ~~A~~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 Law (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement gives a true and fair view of the matters disclosed.

(Original signed by Simon Watson)
Sign here: .... Date: 30th July,2003……
Director/Secretary

Print name: Simon Watson

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter 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.

+ See chapter 19 for defined terms.