Appendix 4C

QUARTERLY REPORT

Name of entity

NANOSONICS LIMITED

ABN

11 095 076 896

Quarter ended ("current quarter")

30 June 2009

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		75	75
1.2	Payments for	(a) staff costs	(1,235)	(5,092)
		(b) operating expenses	(181)	(1,161)
		(c) business development cost	(139)	(593))
		(d) external consultants	(434)	(2,009)
		(e) other working capital	(431)	(2,139)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		179	1,633
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other (government grant income)		150	150
	Net operating cash flows		**(2,170)**	**(9,136)**

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		Current quarter $A'000	Year to date (12 months) $A'000
1.8	Net operating cash flows (carried forward)	**(2,170)**	**(9,136)**
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses - GmbH (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(52)	(1,195)
	(e) other non-current assets	(201)	(201)
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 (provide details if material)	-	-
	Net investing cash flows	**(253)**	**(1,396)**
1.14	**Total operating and investing cash flows**	**(2,423)**	**(10,532)**
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares	112	122
1.16	Proceeds from loan repaid	51	51
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Capital raising costs recovered	-	12
	Net financing cash flows	**163**	**185**
	Net increase (decrease) in cash held	**(2,260)**	**(10,347)**
1.21	Cash at beginning of quarter/year to date	**16,145**	**24,225**
1.22	Exchange rate adjustments to item 1.20	(4)	3
1.23	**Cash at end of quarter**	**13,881**	**13,881**

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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	(116)
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments are for rent to, and various services provided by, director-related entities. Costs are determined on an arms length basis. Rent is at market rate determined by independent valuers.

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

N/A

Financing facilities available

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

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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	95	271
4.2	Deposits at call	2,930	1,052
4.3	Bank overdraft	-	-
4.4	Term Deposits	-	1,000
4.5	Floating Rate Notes	7,844	7,866
4.6	Fixed Rate Notes	3,012	5,956
	Total: cash at end of quarter (item 1.23)	**13,881**	**16,145**

Acquisitions and disposals of business entities

		Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1	Name of entity	N/A	N/A
5.2	Place of incorporation or registration		
5.3	Consideration for Incorporation		
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: Chris Grundy Date: 31 July 2009

Print name: Chris Grundy
CFO & Company Secretary

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