



**IMT Holdings Limited**  
**A.C.N. 099 555 290**  
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**Waterloo NSW 2017**  
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**To:** ASX Announcements  
**Date:** 31 October, 2003  
**Re:** September Quarterly Cash Statement

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Attached is the Appendix 4C for the quarter ended 30 September, 2003.

A number of events affecting the cash position of IMT have occurred since 30 September, 2003.

**Sale of IMT's 50% share in IMT Resources Pty Limited**

This transaction, reported to the ASX today, will generate cash of approximately \$400,000. Of that amount, \$120,000 has been received and the balance will be received in instalments up to 31 December 2003.

The sale will result in IMT no longer being required to fund the development of the facilities at the mine and the processing plant. Further, although IMT continues to hold the relevant mining leases and exploration permits, IMT Resources (in which IMT no longer has an interest) will fund all future expenditure in maintaining those assets. Overheads of IMT will be substantially reduced as a result of its limited involvement in the ongoing management of the resource.

IMT will receive royalties on a per tonne basis of sales made by IMT Resources.

**Sale of Property**

IMT's small rural property in Queensland has been sold with settlement to occur at the end of November, 2003. Net proceeds should amount to approximately \$105,000.

**Availability of Phoslock**

Phoslock granules are expected to be available from the China JV in February 2004. It is expected that IMT will acquire the granules from the JV and onsell to its licencees and customers outside China from that date.

This will dramatically change the scale of IMT's operations. IMT is reviewing its funding options to finance that business, but is likely to require a mix of equity and trade finance.

For further details, please contact Brett Crowley, CEO, on 02 96980622.

**Appendix 4C**

**Quarterly report  
for entities admitted  
on the basis of commitments**

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

Name of entity

IMT HOLDINGS LTD

ABN

88 099 555 290

Quarter ended ("current quarter")

SEPTEMBER 2003

**Consolidated statement of cash flows**

| Cash flows related to operating activities |                                                       | Current quarter<br>\$A'000 | Year to date (12.Mths)<br>\$A'000 |
|--------------------------------------------|-------------------------------------------------------|----------------------------|-----------------------------------|
| 1.1                                        | Receipts from customers                               | 447                        | 447                               |
| 1.2                                        | Payments for                                          |                            |                                   |
|                                            | (a) staff costs                                       | (368)                      | (368)                             |
|                                            | (b) advertising and marketing                         | 0                          | 0                                 |
|                                            | (c) research and development                          | (39)                       | (39)                              |
|                                            | (d) leased assets                                     | (3)                        | (3)                               |
|                                            | (e) other working capital                             | (525)                      | (525)                             |
| 1.3                                        | Dividends received                                    | 0                          | 0                                 |
| 1.4                                        | Interest and other items of a similar nature received | 2                          | 2                                 |
| 1.5                                        | Interest and other costs of finance paid              | (6)                        | (6)                               |
| 1.6                                        | Income taxes paid                                     | 0                          | 0                                 |
| 1.7                                        | Other (provide details if material)                   | 89                         | 89                                |
|                                            | - Rent received - \$31                                |                            |                                   |
|                                            | - Fuel rebates - \$4                                  |                            |                                   |
|                                            | - R&D concessional tax rebate - \$54                  |                            |                                   |
| <b>Net operating cash flows</b>            |                                                       | <b>(403)</b>               | <b>(403)</b>                      |

|                                                      | Current quarter<br>\$A'000 | Year to date (.12 Mths)<br>\$A'000 |
|------------------------------------------------------|----------------------------|------------------------------------|
| 1.8 Net operating cash flows (carried forward)       | (403)                      | (403)                              |
| <b>Cash flows related to investing activities</b>    |                            |                                    |
| 1.9 Payment for acquisition of:                      |                            |                                    |
| (a) businesses (item 5)                              | 0                          | 0                                  |
| (b) equity investments                               | 0                          | 0                                  |
| (c) intellectual property                            | 0                          | 0                                  |
| (d) physical non-current assets                      | (116)                      | (116)                              |
| (e) other non-current assets                         |                            |                                    |
| 1.10 Proceeds from disposal of:                      |                            |                                    |
| (a) businesses (item 5)                              |                            |                                    |
| (b) equity investments                               | 0                          | 0                                  |
| (c) intellectual property                            | 0                          | 0                                  |
| (d) physical non-current assets                      | 3                          | 3                                  |
| (e) other non-current assets                         | 0                          | 0                                  |
| 1.11 Loans to other entities                         | 0                          | 0                                  |
| 1.12 Loans repaid by other entities                  | 0                          | 0                                  |
| 1.13 Other (provide details if material)             | 0                          | 0                                  |
| <b>Net investing cash flows</b>                      | (113)                      | (113)                              |
| <b>1.14 Total operating and investing cash flows</b> | (516)                      | (516)                              |
| <b>Cash flows related to financing activities</b>    |                            |                                    |
| 1.15 Proceeds from issues of shares, options, etc.   | 0                          | 0                                  |
| 1.16 Proceeds from sale of forfeited shares          | 0                          | 0                                  |
| 1.17 Proceeds from borrowings                        | 285                        | 285                                |
| 1.18 Repayment of borrowings                         | (12)                       | (12)                               |
| 1.19 Dividends paid                                  | 0                          | 0                                  |
| 1.20 Other – Listing Costs                           | 0                          | 0                                  |
| <b>Net financing cash flows</b>                      | 273                        | 273                                |
| <b>Net increase (decrease) in cash held</b>          | (243)                      | (243)                              |
| 1.21 Cash at beginning of quarter/year to date       | 518                        | 518                                |
| 1.22 Exchange rate adjustments to item 1.20          |                            |                                    |
| 1.23 <b>Cash at end of quarter</b>                   | 275                        | 275                                |

**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<br>\$A'000 |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2                                                                                                                                                           | 49                         |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11                                                                                                                                                             | 0                          |
| 1.26 | Explanation necessary for an understanding of the transactions<br>During the period an amount of AUD \$6,880 was paid to Mr Graham Cook as Director's fees & an amount of AUD \$42,500 paid to Mr Brett Crowley as salary. |                            |

**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

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- 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

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**Financing facilities available**

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

|     |                             | Amount available<br>\$A'000 | Amount used<br>\$A'000 |
|-----|-----------------------------|-----------------------------|------------------------|
| 3.1 | Loan facilities             | 0                           | 0                      |
| 3.2 | Credit standby arrangements | 0                           | 0                      |

## 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<br>\$A'000 | Previous quarter<br>\$A'000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|----------------------------|-----------------------------|
| 4.1                                                                                                                                                         | Cash on hand and at bank | 221                        | 464                         |
| 4.2                                                                                                                                                         | Deposits at call         | 0                          | 0                           |
| 4.3                                                                                                                                                         | Bank overdraft           | 0                          | 0                           |
| 4.4                                                                                                                                                         | Other – Term deposit     | 54                         | 54                          |
| <b>Total: cash at end of quarter (item 1.22)</b>                                                                                                            |                          | <b>275</b>                 | <b>518</b>                  |

## Acquisitions and disposals of business entities

|     | Acquisitions<br>(Item 1.9(a))             | Disposals<br>(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 Act (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.

Sign here:



Director & Company secretary

Date: 31 October 2003

Print name: BRETT CROWLEY

## 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.