MONITORS MEDICAL

Notes for the Appendix 4C Quarterly Report to 30 June 2005

MEDICAL MONITORS LIMITED (the "Company")

Over the quarter, the Company has been active in the promotion, and in the manufacture, of the new ECG product (the 'suPER') in the USA. Though the quarterly spend ran close to budget, the expected sales revenue from the USA did not clear for the June quarter. However, we remain bullish about the revenue prospects that have been highlighted in the USA, through the distributor Primedical International (ASX Notice - 15 April 2005).

As previously announced, a Private Placement has been completed to provide the additional funds required for the increase in inventory manufacture and promotion of the cardiac monitoring product in the USA. It is anticipated that the manufacturing process will be completed in August. As a subsequent event, a final amount of $250,000 has been received in July to support the cash on hand at 30 June.

The Directors believe that sufficient funds, and other financial arrangements, are in place to provide for the payment of accounts as and when they fall due. The Directors further believe that there is a sound financial base for the Company to continue with its current programs, in Australia and overseas, and that the Company will benefit from the increasing sales revenue and royalty stream anticipated over the coming months.

The Directors are confident of the continuing success for the Company's products and services in Australia and internationally, and will keep the market informed of any new developments.

Dr Allan Shell
Managing Director

Medical Monitors Limited
Suite 407 Office Tower
Westfield Eastgardens
Eastgardens NSW 2036 Australia
Tel 02 9344 8100 Fax 02 9344 8200
www.medmon.com.au

Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

Medical Monitors Limited

ABN

68 009 161 522

Quarter ended (current quarter)

30 JUNE 2005

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		59	463
1.2	Payments for	(a) staff costs	(113)	(597)
		(b) advertising and marketing		(307)
		(c) research and development		(257)
		(d) leased assets	-	-
		(e) other working capital	(699)	(1,508)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		3	7
1.5	Interest and other costs of finance paid		(28)	(68)
1.6	Income taxes paid		-	-
1.7	Other (Govt Grants)		8	324
	Other (GST Refund)		18	43
	Other (Insurance Refund)		29	29
	Net operating cash flows		(723)	(1,871)

+ 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)	**(723)**	**(1,871)**
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	(135)
	(c) intellectual property		
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	(65)
		-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b)equity investments	-	-
	(c) intellectual property	-	63
	(d) physical non-current assets	-	9
	(e) other non-current assets	-	150
1.11	Loans to other entities	(33)	(315)
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	Net investing cash flows	(33)	(293)
1.14	**Total operating and investing cash flows**	(756)	(2,164)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	800	2,035
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	403
1.18	Repayment of borrowings	-	(413)
1.19	Dividends paid	-	-
1.20	Other (Security Deposit)	-	-
	Net financing cash flows	800	2,025
	Net increase (decrease) in cash held	44	(139)
1.21	Cash at beginning of quarter/year to date	159	342
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	203	203

+ 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	102
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

Consultancy fees paid to research entities controlled by 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

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

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		
3.2	Credit standby arrangements	1,000	nil

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	203	159
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	203	159

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

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: Date: 28th July 2005

Print name: Dr Allan Shell
Director

+ 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.