Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

REAL BRAND HOLDINGS LIMITED

ABN	Quarter ended ("current quarter")
12 110 005 822	31 December 2007

Consolidated statement of cash flows

	Cash flows related to operating activities		Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from customers		603	1,917
1.2	Payments for	(a) staff costs	(163)	(339)
		(b) advertising and marketing	(306)	(994)
		(c) research and development	-	-
		(d) leased assets	-	-
		(e) other working capital	(441)	(1,280)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		-	1
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes (paid)/refunded		-	-
1.7	Other (provide details if material)		*147	*147
	Net operating cash flows		(160)	(548)

* GST totalling $147,262, was received during the quarter from the Australian Tax Office in relation to current and prior year periods.

+ See chapter 19 for defined terms.

		Current quarter $A'000	Year to date (6 months) $A'000
1.8	Net operating cash flows (carried forward)	**(160)**	**(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	-	-
	(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	(57)	(57)
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	**(128)	**(128)
	Net investing cash flows	(185)	(185)
1.14	**Total operating and investing cash flows**	(345)	(733)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	1,410	1,410
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	20	375
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Net financing cash flows	1,430	1,785
	Net increase (decrease) in cash held	1,085	1,052
1.21	Cash at beginning of quarter/year to date	116	149
1.22	Exchange rate adjustments to item 1.20		
1.23	**Cash at end of quarter**	1,201	1,201

** During the quarter, a subsidiary of Real Brand Holdings Limited was sold, which at the date of disposal held $127,838 in cash and cash equivalents.

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	155,546
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 totalling $56,117 were paid to Ms Virginia Bruce, Director and CEO of Real Brand and Business Pty Ltd during the period. Payments were either directly made to Ms Bruce or to a related entity, RealityEnergyAttitudeLife Pty Ltd.
- A payment of $99,429 was made to Arthur Phillip Pty Ltd, an associated entity of Mr R Poole. The disbursement was in relation to ordinary expenses and other working capital requirements originally paid by Arthur Phillip Pty Ltd on behalf of Real Brand Holdings Limited.

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

During the period, the following material non-cash transactions occurred:

- An 80% interest in a subsidiary of the group, Real Brand and Business Pty Ltd (RBB), was disposed. Instead of cash, the consideration for the sale comprised of the purchaser cancelling an existing holding of 9,480,000 shares (approximate value of $400,000) in Real Brand Holdings Limited (RBH) and RBH forgiving a loan receivable from RBB of $3,343,837.
- Convertible notes with a total face value of $405,000 were issued during the period and were offset against existing liabilities.
- Ordinary shares valued at $400,000 issued during the period were offset against existing liabilities.

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

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	-	-

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	1,201	149
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.23)	1,201	149

Acquisitions and disposals of business entities

		Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1	Name of entity	N/A	Real Brand and Business Pty Ltd
5.2	Place of incorporation or registration	N/A	Sydney, NSW
5.3	Consideration for acquisition or disposal	N/A	▪ Nil cash; ▪ $3,343,837 debt forgiven by RBH; ▪ $400,000 shares cancelled in RBH. See 2.1 above for further detail.
5.4	Total net assets	N/A	($2,971,063)
5.5	Nature of business	N/A	Brand development, brand extensions and associated activities

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.

Print name: R J Poole - Director
Date: 31 January 2008

+ 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.