

31 October 2012

Dear Shareholder,

Attached is the quarterly cash flow report of the Company for the September 2012 quarter.

The focus of activities during the quarter has been:

1. Continuing commissioning of the Malaysian production facility. We are presently finalizing tooling for machines, training staff and undertaking test production runs to calibrate machines and to ensure compliance of parts produced with our tight tolerances.
2. Establishing supply lines for the Malaysian production facility. This has included a strict vendor selection process in order to ensure that parts supplied adhere to the tolerances needed for our products.
3. Building a dealer network to sell Jeep supercharger systems in the United States, which is being spearheaded by a recently recruited US Sales Manager.
4. Expanding our after market supercharger range, with the order for a supercharger system for the Toyota 86 / Subaru BRZ received from PMI for the US version of the vehicle (see the announcement on 26 September 2012).

Activities will continue in these four areas over the coming quarter and the Company has goals of being able to produce superchargers in Malaysia by the end of 2012, as well as increasing the dealer network.

In the 4th quarter of 2012, to support our sales push, we will commence a product awareness campaign in the US via advertising and attendance at trade shows focused on our Jeep supercharger systems.

We anticipate that expenditure will continue to be higher than our revenue for the coming period. This will be funded from a combination of a R&D Tax Incentive scheme refund, exercising of options as has been done by one director recently and increased sales activity.

Yours faithfully,



Steven Apedaile
Managing Director

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

Sprintex Limited

ABN

38 106 337 599

Quarter ended ("current quarter")

30 September 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from customers	178	178
1.2	Payments for (a) staff costs (note 1)	(474)	(474)
	(b) advertising and marketing	(54)	(54)
	(c) research and development	(22)	(22)
	(d) leased assets	-	-
	(e) other working capital	(724)	(724)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	5	5
1.5	Interest and other costs of finance paid	(5)	(5)
1.6	Income tax received	-	-
1.7	Other (provide details if material)	-	-
Net operating cash flows		(1,096)	(1,096)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,096)	(1,096)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(35)	(35)
(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	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	(35)	(35)
1.14 Total operating and investing cash flows	(1,131)	(1,131)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	468	468
1.16 Proceeds from rights issue received in advance	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(61)	(61)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	407	407
Net increase (decrease) in cash held	(724)	(724)
1.21 Cash at beginning of quarter/year to date	1,052	1,052
1.22 Exchange rate adjustments	-	-
1.23 Cash at end of quarter	328	328

+ 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	72
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Directors' fees and remuneration	

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

N/A

- 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 (Note 5)	-	-

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
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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	328	1,052
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details) – credit card	-	-
Total: cash at end of quarter (item 1.23)		328	1,052

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 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: 31 October 2012
 (Managing Director)

Print name: Steven Apedaile

+ 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.

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