tzlimited

31 July 2007

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The Manager
Company Announcement Office
Australian Stock Exchange Ltd.
Level 4, 20 Bridge Street
Sydney, NSW 2000

APPENDIX 4C – 4TH QUARTER ENDED 30 JUNE 2007

Attached please find the Appendix 4C for the quarter ending June 2007. The directors would like to make the following comments on the quarter ended.

The integration of the Intevia business unit purchased from Acument Global Technologies (AGT) in February 2007 has been very successful and significant progress has been made in further commercializing Intevia.

The directors are happy to note the following achievements during the quarter, and those anticipated to be concluded and announced in the coming weeks are reassuring indicators to continue with the current business plan.

- The synergies of the TZ and former Acument Intevia organizations, combined with increased focus has resulted in a significant increase in the number of Intevia customer direct contacts during the quarter. 479 Intevia customer contacts were conducted during the quarter. This is approximately a 600% increase in the amount of customer contact as compared with same quarter a year prior, where it is estimated that there were 80 to 90 customer contacts.

- TZ rolled out its Intevia Early Adopter Customer Program. This program is designed to obtain commitments from customers at an early stage regarding their intent to purchase and incorporate Intevia into their end-user products. To qualify, a customer must issue a purchase order to TZ for Intevia fasteners or commit significant engineering resources and often fund TZ development costs to design Intevia fasteners into their products. This development commitment must also be accompanied by an intent to place orders for Intevia Fasteners once pre-determined criteria are met. Only those customers that are influential in their industry segments and/or those that have shown a propensity to be first adopters of new technology are targeted.

- TZ shipped Intevia fasteners to the first Aerospace Early Adopter customer, a major Maintence, Repair and Overhaul (MRO) company, soon to be named, who implemented them on a business jet stowage application. The jet is scheduled to fly next month.

- TZ signed an Letter of Intent (LOI) with Airbus to enter the early adopter customer program and participate in the Airbus Maintenance Technologies Test Centre (MTTC) by providing application demonstrators to accelerate Intevia technology adoption of Airbus' customers. Airbus have provided a dedicated airframe and TZ is outfitting a section with Intevia Fasteners to demonstrate the maintenance benefits to Airbus and for Airbus to demonstrate to its customers

- Precilec entered the Early Adopter program and signed a commercial agreement that included a PO to integrate Intevia technology into Precilec's new airliner seat actuation system.

- One of the largest leading global automotive suppliers of interior and exterior products joined the Early Adopter Customer Program by signing an LOI to engage in the development and integration of Intevia fasteners on an automotive platform. This large Tier One supplier has products on platforms with most of the major Automotive OEMs throughout the world. This will be a key customer to establish Intevia fasteners on a broad range of automotive applications.

- TZ Announced a Marine grade Intevia intelligent fastener line and secured a key agreement with Wired Marine, a company with extensive expertise in design and construction of luxury yachts. Wired Marine will introduce Intevia into the marine market by implementing Intevia technology into two high profile luxury yachts later this year. Wired Marine will also have non-exclusive rights to sell into the $200+ million (USD) global intelligent fastening marine business.

- TZ Launched a standard Intevia product line targeted at the industrial segment. Initially, there are four Intevia products targeting the $30 billion (USD) industrial fastener market. The Intevia Web site was also updated to launch product offerings

- TZ participated in the Aircraft Interiors Expo in Hamburg, Germany with a demonstrator on display at the Heath Tecna booth showing an Intevia latch installed in overhead bin applications. Participation was very well received and resulted in multiple early adopter customer follow up engagements.

- TZ Group CEO, David Feber Presented at the *Wall Street Reporter* Small-Cap Discovery Conference. This was a live 30-minute webcast presentation to 200+ fund managers, analysts and investment bankers representing $10 billion (USD) in investment capital.

These attached numbers for the first time include the full cost of the absorbed AGT Intevia business unit and this cost is reflected in the increase in staff costs for TZI. The AGT Intevia business unit which included the sales, marketing and manufacturing resources from AGT was integrated into TZ in February 2007. In March the directors released to the market the business rationale for the Intevia® acquisition, the requirement for additional investment to accelerate commercialization of the Intevia® technology and disclosed the significantly increased earnings growth contemplated by this initiative.

To support this rapid growth it was again necessary to reinvest PDT resources in the Intevia business by redirecting PDT engineers away from billable time to support much more valuable Intevia commercialization work.

Additionally, management completed a review of the PDT tooling operation and took the decision to outsource these activities and shutdown the unprofitable tooling operations. This action resulted in the elimination of a cash losing portion of the business. The tooling operations were never an integral part of PDT and while profitable when first purchased as part of the PDT package, it has not been able to successfully compete on pricing with Asian competitors. This was also combined with a restructuring of the PDT business to better align its capabilities to address the requirements of the medical, defense and other specialist engineering work and anticipated forthcoming Intevia demands. This short-term cost and restructuring will better align the business to produce more profitable work while still meeting the needs of the Intevia business going forward. As a result the above costs will be reflected in the fiscal year ended June 2007 PDT earnings numbers.

TZ has also aggressively continued its efforts to list the company on NASDAQ and approximately $2million was spent during this period on due diligence related to complying with our advisors' requirements and related M&A activities to proceed successfully to a NASDAQ listing.

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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

TZ Limited

ABN	Quarter ended ("current quarter")
26 073 979 272	30 June 2007

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		4,638	22,694
1.2	Payments for	(a) staff costs	(2,115)	(7,907)
		(b) advertising and marketing	(81)	(393)
		(c) research and development	(489)	(1,368)
		(d) leased assets	(64)	(237)
		(e) other working capital	(5,049)	(24,477)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		216	475
1.5	Interest and other costs of finance paid		(1,057)	(1,274)
1.6	Income taxes refund/(paid)		(5)	172
1.7	Other (provide details if material)		-	-
	Net operating cash flows		(4,006)	(12,315)

+ 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)	(4,006)	(12,315)
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses	-	(255)
	(b) equity investments	-	-
	(c) intellectual property	(146)	(749)
	(d) physical non-current assets	(344)	(866)
	(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	(490)	(1,870)
1.14	**Total operating and investing cash flows**	(4,496)	(14,185)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	338	23,318
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	198
1.18	Repayment of borrowings	(1,037)	(1,941)
1.19	Dividends paid	-	-
1.20	Other – Share issue Cost	-	(1,900)
	Net financing cash flows	(699)	19,675
	Net increase (decrease) in cash held	(5,195)	5,490
1.21	Cash at beginning of quarter/year to date	13,580	3,403
1.22	Exchange rate adjustments to item 1.21	(788)	(1,296)
1.23	**Cash at end of quarter/year to date**	7,597	7,597

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	241
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Management Fees, Director fees, Wages and expenses reimbursement at normal commercial rates

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	2,267	1,867
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

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.	Curent quarter $A'000	Previous quarter $A'000
4.1 Cash on hand and at bank	2,115	545
4.2 Deposits at call	300	4,300
4.3 Bank overdraft	-	-
4.4 Other – Foregin currencies held overseas	740	1,265
- US Currencies held in Australia	4,442	7,470
Total: cash at end of quarter (item 1.22)	7,597	13,580

Acquisitions and disposals of business entities

	Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1 Name of entity/business	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

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: .... Date: 31 July 2007
(Director/Company secretary)

Print name: John Falconer

+ 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.