

CONSOLIDATED STATEMENT OF CASH FLOWS cont.

	Current Quarter (3 months) \$A	Year to date (12 months) \$A
Cash flows related to investing activities (continued)		
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other	-	-
Net investing cash flows	(33,519)	(166,597)
1.14 Total operating and investing cash flows	249,493	(2,628,119)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	3,000,000
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(5,465)	(27,581)
1.19 Dividends paid	-	-
1.20 Other - share issue costs	-	(30,113)
Net financing cash flows	(5,465)	2,942,306
Net increase (decrease) in cash held	244,028	314,187
1.21 Cash at beginning of quarter/year to date	2,224,110	2,168,836
1.22 Exchange rate adjustments to item 1.2	(7,546)	(22,431)
1.23 Cash at end of quarter	2,460,592	2,460,592

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
1.24 Aggregate amount of payments to the parties included in item 1.2	38,289
1.25 Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions and directors fees

Bruce Cameron, David Griffiths, Robert Mangioni and John Young were all non-executive directors of the Company during the year. The Company incurred total directors fees of \$268,244 for the year, of which \$33,334 was paid in cash and \$234,910 settled by the issue of shares under the company's Salary Sacrifice Share Plan (current quarter: \$4,500 cash and \$147,712 non-cash). The amounts paid in cash are disclosed within item 1.2(a).

Watson Mangioni Lawyers Pty Limited is a director related entity and bills Antaria Limited (Antaria) at normal commercial terms. During the year Watson Mangioni acted as Commercial Lawyer for Antaria. Fees related to these activities totalled \$15,189 for the quarter and \$81,171 year to date. This is disclosed within items 1.2(e), 1.20 and 1.24.

The University of Western Australia is a related entity and bills Antaria at normal commercial terms. During the year UWA provided facilities and equipment for Antaria's use. Fees related to these activities totalled \$52,296 year to date. This is disclosed within items 1.2(c), 1.2(e) and 1.24.

1.26 Explanation necessary for an understanding of the transactions cont.

Camco Engineering Pty Ltd is a director related entity and bills Antaria at normal commercial terms. During the year Camco Engineering provided production equipment repair services. Fees in relation to these activities totalled \$18,600 for the quarter and \$35,190 for the year to date. This is disclosed within items 1.2(e) and 1.24.

Note: Amounts included in 1.24 above exclude payments to directors and associates for reimbursement of expenses incurred on the Company's behalf.

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

Not applicable

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

Not applicable

FINANCING FACILITIES AVAILABLE

	Amount Available \$A	Amount Used \$A
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	70,000	-

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	Previous Quarter \$A
4.1 Cash on hand and at bank	\$ 898,796	\$ 388,740
4.2 Deposits at call	\$ 1,561,796	\$ 1,835,370
4.3 Bank overdraft	\$ -	\$ -
4.4 Other	\$ -	\$ -
Total: cash at end of quarter (item 1.23)	\$ 2,460,592	\$ 2,224,110

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: *D. Cesari* Date: 31 July 2008
Company Secretary

Print name: Deana Cesari

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.