


24 April 2008

Company Announcements Office  
Australian Securities Exchange

## **Consolidated Statement of Cash Flows (Appendix 4C) for the quarter ended March 2008**

Set out below is Nanosonics Limited's consolidated statement of cash flows for the quarter ended March 2008. The Company continues to operate within budget and to apply its cash reserves in ways consistent with its stated business objectives.

A handwritten signature in black ink, appearing to read "Chris Grundy".

**Chris Grundy**  
Acting CEO

For more information please contact Chris Grundy, Chief Financial Officer, on 61-2-8063 1600.

### **About Nanosonics**

Nanosonics Limited is developing a portfolio of decontamination products designed to reduce the spread of infection. The Company owns intellectual property relating to a unique disinfection and sterilisation technology which can be suited to a variety of markets.

Initial market applications are designed for the reprocessing of reusable medical instruments. The Company's first product is designed to disinfect Ultrasound Transducers. In parallel with the commercialisation of this product, Nanosonics is also developing other medical applications and exploring opportunities for its proprietary technology in other industries.

For more information about Nanosonics please visit [www.nanosonics.com.au](http://www.nanosonics.com.au)

## Appendix 4C

# QUARTERLY REPORT

Name of entity

**NANOSONICS LIMITED**

ABN

**11 095 076 896**

Quarter ended ("current quarter")

**31st March 2008**

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Income from Government grants	70	1,196
1.2 Payments for (a) staff costs	(1,337)	(3,375)
(b) Operating Expenses	(249)	(1,370)
(c) Business Development Cost	(113)	(772)
(d) External Consultants	(427)	(1,977)
(e) other working capital	(212)	(249)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	466	1,485
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net operating cash flows</b>	<b>(1,802)</b>	<b>(5,062)</b>

## Quarterly Report (4C Statement) for Quarter ended 31 Mar 2008

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(1,802)</b>	<b>(5,062)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses - GmbH (item 5)	-	(40)
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(23)	(349)
(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)	-	-
<b>Net investing cash flows</b>	<b>(23)</b>	<b>(389)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(1,825)</b>	<b>(5,451)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares	-	151
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Capital raising costs	-	(331)
<b>Net financing cash flows</b>	<b>-</b>	<b>(180)</b>
<b>Net increase (decrease) in cash held</b>	<b>(1,825)</b>	<b>(5,631)</b>
1.21 Cash at beginning of quarter/year to date	<b>28,101</b>	<b>31,907</b>
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 <b>Cash at end of quarter</b>	<b>26,276</b>	<b>26,276</b>

Quarterly Report (4C Statement) for Quarter ended 31 Mar 2008

---

**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	(179)
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 are for rent to, and various services provided by, director-related entities. Costs are determined on an arms length basis. Rent is at market rate determined by independent valuers.

**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

None

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**

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

## Quarterly Report (4C Statement) for Quarter ended 31 Mar 2008

### 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	243	238
4.2 Deposits at call	879	1,743
4.3 Bank overdraft	-	-
4.4 Term Deposits & Floating Rate Notes	25,154	26,120
<b>Total: cash at end of quarter (item 1.23)</b>	<b>26,276</b>	<b>28,101</b>

### Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		N/A
5.2 Place of incorporation or registration		
5.3 Consideration for Incorporation		
5.4 Total net assets		
5.5 Nature of business	Business Development & Marketing in Europe	

### Compliance statement

- 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.
- This statement does ~~not~~\* (delete one) give a true and fair view of the matters disclosed.

Sign here:



Date: 24 April 2008

Print name: Chris Grundy  
CFO & Company Secretary