

## MARKET RELEASE

# Quarterly Activities Report and Appendix 4C Cashflow Statement

23 July 2010

**Sydney, NSW – NSX Limited (ASX: NSX)** NSX submits the following activities and appendix 4C cashflow reports.

### Summary

- Net Cash Outflow for the quarter ended 30 June 2010 was \$727,000;
- Net Cash outflow (excluding capital raised) for the year ended 30 June 2010 was \$1,691,000;
- The quarterly cash outflow was influenced by the judgement in favour of the previous Managing director of \$428,000. This money has been paid in compliance with the Court Order ;
- There was 3 significant listings in June on the National Stock Exchange of Australia;
- The SIM/BSX/NSX Joint Venture was finalised in June after approval by NSX shareholders. The venture was officially opened on the night of 30 June by Chris Bowen, the Minister for Financial Services, Superannuation and Corporate Law;
- The Waterexchange business remains problematic with difficult trading conditions. NSX is continuing to evaluate this business;
- The Taxi Market business continues to trade steadily. The five year contract with the Victorian Government expires in March 2011;
- The project to host the South Pacific Stock Exchange (Suva) went live on 1<sup>st</sup> July 2010. Seventeen Fiji based companies now trade utilising the NSX platform.
- New broker and Nominated Advisers have joined.

### Corporate

During the period the Victorian County Court heard the case Bladier vs NSX Limited relating to unpaid entitlements on termination of the previous Managing Director. The Court ruled in favour of the plaintiff and pursuant to the judgement \$428,182.41 was paid into trust pending an appeal by NSX.

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[www.nlx.com.au](http://www.nlx.com.au)

Incorporating

NSX Limited

ABN: 33 089 447 058

National Stock Exchange of Australia Limited

ABN: 11 000 902 063

Bendigo Stock Exchange Limited

ABN: 41 087 708 898

BSX Services Pty Ltd (t/a) BSX Taxi Markets

ABN 57 084 885 683

The Waterexchange Pty Ltd

ABN 19 084 332 132

## **Taxi Market**

The Taxi market conditions to trade steadily. Of note is that communications have been sent to the Victorian Government concerning the renewal of the contractual arrangements for providing the facility. The Taxi Market is seeking to move the existing trading onto the new NLX platform and is also seeking certainty in its contractual relationship with the Government.

## **Waterexchange (“WEX”)**

During the quarter the following activities were finalised:

1. The business conditions remain difficult for water trading and during the financial year to 30 June 2010 Waterexchange has experienced a substantial decline in trading volumes reflecting falling prices for water entitlements, competitive pressures and structural changes within the industry.
2. The Board of NSX is continuing to evaluate this business.

## **National Stock Exchange of Australia (“NSXA”)**

During the quarter the following activities were finalised:

1. NSXA received applications from and listed the following companies
  - a. International Petroleum Limited (raised \$30million, market capitalisation \$250million);
  - b. African Petroleum Corporation Limited (raised \$222million, market capitalisation over \$900million);
  - c. Doclocker Worldwide Limited (raised \$1million, market capitalisation \$8million).

The listing of these companies doubled the size of the market capitalisation of NSXA and demonstrates the range of companies that can be accommodated on the NSXA market.

2. DJ Carmichaels have joined as a participant
3. Following on from PricewaterhouseCoopers joining last quarter, Nominated Advisers that joined this quarter are Steinepreis Paganin and Baron Partners.
4. The project to host the South Pacific Stock Exchange trading platform was finalised. This resulted in a banner with the NSX logo being displayed in Times Square in New York on the NASDAQ OMX screen. The hosting arrangement is on commercial terms.

## **SIM Venture Securities Exchange (“SIM VSE”)**

During the quarter the following activities were finalised:

1. BSX Group Holdings Ltd change its name to SIM VSE Group Holdings Ltd
2. Bendigo Stock Exchange Limited changed its name to SIM Venture Securities Exchange Ltd (“SIM VSE”).
3. The Bendigo Stock Exchange Limited Australian Market Licence was changed effective 6 July with approval by the Minister. The Market rules are also expected to be approved in July.
4. SIM VSE held an official launch on 30 June where the new rebranded market was opened by Chris Bowen, the Minister for Financial Services, Superannuation and Corporate Law.

5. It is expected that the first listing on the market will be Indigo Technologies Limited who are well advanced with their application process.
6. Brian Price joined the Board of both SIM VSE Group and SIM Venture Securities Exchange on 14 July 2010.

SIM Venture Securities Exchange will operate a market for the listing of Companies that can demonstrate sustainability and environmental credentials.

As part of the joint venture arrangements Financial and Energy Exchange Limited ("FEX") will provide funding of \$500,000 every six months for 3 years (total value \$3,000,000) in consideration of 50% ownership of SIM VSE Group Holdings Ltd the parent of SIM Venture Securities Exchange Ltd.

NSX Services will provide Corporate, Trading, Settlement, Surveillance and Compliance services to the venture on arms length commercial terms.

A market board for existing BSX securities has been retained.

For further information please contact:

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Chairman and Chief Executive Officer  
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# 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

**NSX LIMITED**

ABN

**33 089 447 058**

Quarter ended ("current quarter")

**30 June 2010**

### 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	610	2,880
1.2 Payments for		
(a) staff costs	(356)	(1,373)
(b) advertising and marketing	(20)	(23)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(596)	(2,529)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	70	209
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (GST clearing \$7 and judgement in favour of previous Managing Director \$428)	(435)	(272)
<b>Net operating cash flows</b>	<b>(727)</b>	<b>(1,108)</b>

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

	Current quarter \$A'000	Year to date (.12..months) \$A'000
1.8 Net operating cash flows (carried forward)	(727)	(1,108)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	(310)
(c) intellectual property	-	-
(d) physical non-current assets	-	(50)
(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	-	(223)
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
	-	(583)
<b>Net investing cash flows</b>		
<b>1.14 Total operating and investing cash flows</b>	<b>(727)</b>	<b>(1,691)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	-	4,285
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
	-	4,285
<b>Net financing cash flows</b>		
<b>Net increase (decrease) in cash held</b>	<b>(727)</b>	<b>2,594</b>
1.21 Cash at beginning of quarter/year to date	7,004	3,683
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 <b>Cash at end of quarter</b>	<b>6,277</b>	<b>6,277</b>

+ 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	124
1.25	Aggregate amount of loans to the parties included in item 1.11	NIL

1.26 Explanation necessary for an understanding of the transactions

The above amount (\$124,457) represents payments to directors as part of service contracts and directors stipend..

**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

NIL

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

NIL

**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	NIL	NIL
3.2	Credit standby arrangements	NIL	NIL

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

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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	3,692	3,420
4.2 Deposits at call	2,585	3,584
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)	<b>6,277</b>	<b>7,004</b>

**Acquisitions and disposals of business entities**

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity		NIL
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 gives a true and fair view of the matters disclosed.

Sign here: ..... Date: 23 July 2010  
 (Chairman and Chief Executive Officer)

Print name: Michael Cox

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+ 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.