

MARKET RELEASE

Quarterly Activities Report and Appendix 4C Cashflow Statement

19 April 2012

Sydney, NSW – NSX Limited (ASX: NSX) NSX submits the following activities and appendix 4C cashflow statement for the period ended 31 March 2012.

Highlights

- Net Cash outflow (including financing activities) for the quarter ended 31 December 2011 was \$480,699, (previous quarter \$923,161);
- One company listed on NSXA, one nominated adviser joined with another application received, two companies are expected to start quotation in April and May respectively;
- SIM VSE has received one listing application and one broker has joined during the period for a total of 7 brokers.

NSX Limited Corporate Activities

- Major cash inflow for the period of \$410,000 from Financial and Energy Exchange as an additional instalment payment for SIM VSE Joint Venture equity. It is expected that the next instalment of \$750,000 will be paid during the next period;
- Major cash outflows for the period included settlement of legal and associated costs of a claim by Brian Peadon with NSX of \$105,000, settlement of legal fees and associated costs associated with Robert Bladier award of costs against NSX of \$75,000 and payment to FEX of \$160,000 for services for the SIM VSE Joint Venture;
- NSX is expected to establish a Settlement Bond facility with ASX Settlement which is required while NSX remains a General Settlement participant of CHES. The amount of the bond is \$500,000 and will reduce the net amount of cash available for use by the business by that amount. A table outlining the impact on current cash is provided in the Appendix 4C cash flow statement as attached. The bond is expected to be activated in April/May once contractual arrangements with ASX Settlement have been completed.



National Stock Exchange of Australia (“NSXA”) Business Activities

During the quarter:

1. Stacpoole Investments Limited, a residential investment company, is expected to start quotation in May. M2L Holdings Limited, a Singapore based training and education company, is started quotation on 17 April. Full details of these companies can be found on the NSXA website;
2. The migration of 29 community SIM VSE issuers to NSXA was completed on 3 January 2012. An additional three community issuers migrated during the period with a final two expected in the next period. These companies were all listed initially on the Bendigo Stock Exchange and are not from the clean technology sector;
3. There are two pending applications for Nominated Adviser status;
4. Effective 2 April 2012, NSX has lowered its trading fees to 0.1 basis points per buy and sell. NSX currently charges \$5.00 per side per trade. The new trading fees will represent a 90% reduction on average on the current fees. NSX has introduced this change to create better value for brokers and investors on both the NSXA and SIM VSE markets;
5. In January 2012 NSX announced the creation of an exclusive partnership agreement with Paritech Pty Limited (“Paritech”) to develop and introduce all NSX securities onto Paritech’s products offering end customers direct online trading access for the first time. The introduction of NSX’s securities onto Paritech’s suite of products will help meet the growing demand by investors and traders for easier and simpler online trading access onto the NSX stock market. The project is expected to complete NSX accreditation in April.

SIM Venture Securities Exchange (“SIM VSE”) Business Activities

During the quarter:

1. There was one new application for listing during the quarter that remains pending: Ecotuitive Limited;
2. Paterson Securities were officially approved as Brokers during the period and EL&C Baillieu Stockbroking were approved in April;
3. The change in broker fees outlined above also applies to SIM VSE effective 2 April 2012. The Paritech project also includes the trading of SIM VSE securities.

For further information please contact

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

NSX Limited

ABN

33 089 447 058

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9... months) \$A'000
1.1 Receipts from customers	225	929
1.2 Payments for		
(a) staff costs	(408)	(1,090)
(b) advertising and marketing	(23)	(38)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(718)	(2,196)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	33	164
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(891)	(2,231)

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

	Current quarter \$A'000	Year to date (...9... months) \$A'000
1.8 Net operating cash flows (carried forward)	(891)	(2,231)
Cash flows related to investing activities		
1.9 Payment for acquisition of:	-	-
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	(3)
(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)	-	-
	-	(3)
Net investing cash flows		
1.14 Total operating and investing cash flows	(891)	(2,234)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	410	410
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)	-	-
Net financing cash flows	410	410
Net increase (decrease) in cash held	(481)	(1,824)
1.21 Cash at beginning of quarter/year to date	3,605	4,948
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	3,124	3,124

+ 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	\$106,299
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

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

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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

-

Financing facilities available

Add notes as necessary for an understanding of the position.

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

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Appendix 4C
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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	899	1,380
4.2 Deposits at call	2,225	2,225
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	3,124	3,605

Other disclosures required by AASB 107: Cash available for use by the Group.

As part of the National Stock Exchange of Australia Limited's Australian Financial Markets Licence, NSX operates investor Compensation Arrangements in accordance with Part 7.5 Division 3 of the Corporations Act 2001. National Stock Exchange of Australia Limited has provided a cash deposit of \$700,000 as part of its compensation arrangements for its Equity Market.

As part of the SIM Venture Securities Exchange Limited's (SIM VSE) Australian Financial Markets Licence, SIM VSE operates investor Compensation Arrangements in accordance with Part 7.5 Division 3 of the Corporations Act 2001. NSX Limited has provided a cash deposit of \$1,000,000 on behalf of SIM VSE as part of SIM VSE's compensation arrangements for the SIM VSE Equity Market.

Therefore \$1,700,000 is not available cash for use by the NSX Group as working capital.

As part of the requirements for the National Stock Exchange of Australia (NSXA) to be registered as a General Settlement Participant for the purposes of ASX Settlement Pty Ltd Operating Rules (ASXOR 4.3.13) NSX has to lodge a Settlement Bond with ASX Settlement. The amount of the bond is \$500,000 and is used to compensate ASX Settlement if a Settlement Participant breaches any rule that causes ASX Settlement to suffer or incur any losses or damages as a result of that breach. Although NSX expects to establish the bond in April 2012, the analysis below is provided on the assumption that the guarantee has been activated.

NSX limited has in place a bank guarantee for the rental of premises in Newcastle and also a bank guarantee for the credit card facilities totaling \$25,329.

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The following table details the impact of these bank guarantee arrangements on NSX Limited's cash balances available for use assuming that the Settlement Bond has been activated.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Total cash at end of quarter (item 1.23)	3,124	3,605
5.3 Deposits held for Equity Markets Compensation Arrangements.	(1,700)	(1,700)
5.3 Deposits held while National Stock Exchange of Australia is registered as a General Settlement Participant of ASX Settlement Pty Ltd (to be activated in April 2012)	(500)	-
5.4 Other Bank Guarantees (as detailed above)	(25)	(25)
Total: cash available for use by the Group	899	1,880

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:Michael Cox..... Date: ...19 April 2012.....
(Director)

Print name:Michael Cox.....

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 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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.

+ See chapter 19 for defined terms.