



EcoQuest Limited
ACN 104 037 372

ASX RELEASE

Friday, 29 April 2011

APPENDIX 4C – QUARTERLY REPORT

Eco Quest Limited's Appendix 4C Quarterly Report for the quarter ended 30 June 2011 is attached.

During the quarter, EcoQuest continued to make progress on its commercialisation of the Little Takas range of baby products. Progress has been steady, but not as fast as we had planned, due largely to the difficult trading issues in the supermarket sector in Australia over the recent months. This has slowed our introduction path into the retail chains, but there have been no barriers, just a slowing of the introduction process.

To complement the Australian market entry, we have therefore accelerated our efforts to achieve market entry into other attractive markets, with an initial focus on the UK and Hong Kong. We have just accepted our first small order for Hong Kong, details of which have been announced separately, and have stock now in the UK ready for release through internet sales sites, both our own Little Takas site and other baby product sales sites.

Financially, we see some increase in cash from sales, and a decrease in outgoings as we become more efficient. The Company successfully completed a capital raising during the quarter.

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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

EcoQuest Limited

ABN

98 104 037 372

Quarter ended ("current quarter")

30 June 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 Mths) \$A'000
1.1 Receipts from customers	110	212
1.2 Payments for		
(a) staff costs	(36)	(150)
(b) advertising and marketing	(168)	(506)
(c) research and development	(12)	(44)
(d) stock/manufacture deposits	(49)	(975)
(e) admin and other working capital	(307)	(1,439)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	8
1.5 R&D Grant Received	-	127
1.6 Income taxes paid	-	-
Net operating cash flows	(460)	(2,767)

+ See chapter 19 for defined terms.

	Current quarter \$A'000	Year to date (12 Mths) \$A'000
1.8 Net operating cash flows (carried forward)	(460)	(2,767)
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		
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		(6)
(d) physical non-current assets		(1)
(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	-	(7)
1.14 Total operating and investing cash flows	(460)	(2,774)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	440	2,571
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings	20	20
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (Capital raising costs)	(3)	(56)
Net financing cash flows	457	2,535
Net increase (decrease) in cash held	(3)	(239)
1.21 Cash at beginning of quarter/year to date	392	628
1.22 Exchange rate adjustments	-	
1.23 Cash at end of quarter	389	389

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

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	95
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

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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

<p>During the quarter Eco Quest Limited issued 2,000,000 shares at 5 cents per share to the nominee of its Hong Kong manufacturer, Carmelton Enterprises. This issue of shares was in lieu of the manufacturing deposit for the period April 2011 to March 2012.</p>

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	N/A	N/A
3.2	Credit standby arrangements	N/A	N/A

+ 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.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	149	41
4.2	Deposits at call	240	351
4.3	Bank overdraft	-	-
4.4	Other	-	-
Total: cash at end of quarter (item 1.23)		389	392

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	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 give a true and fair view of the matters disclosed.



Sign here: Date: 29 July 2011
 (Director/Company secretary)

Print name: Michael Greenup

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

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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.

+ See chapter 19 for defined terms.