

31 October 2013

Dear Shareholder,

Attached is the quarterly cash flow report of the Company for the September 2013 quarter.

During the quarter our focus has been:

- Working with core dealers and distributors to position and sell our Toyota FT86 / Subaru BR-Z supercharger system. Systems have been sold to dealers and distributors in a number of countries and our products are being installed on end user customers' cars. Feedback has been very positive with power increases of around 50%.
- Continued our development of the supercharger systems for the 3.6L Pentastar engine used in the 2013 Jeep Wrangler and 2013 Dodge Ram, expected to be completed in the December 2013 quarter.
- Planning for assembly of our Honda Jazz / CRZ and Mini Cooper S supercharger systems at our Malaysian production facility. This should enable these systems to be produced at a lower cost than was possible from Australia and we plan to relaunch these systems for sale globally.
- Preparing for our single largest sales and marketing event, the SEMA (Speciality Equipment Manufacturers' Association) Las Vegas Show which is the world's largest automotive industry only exhibition in the world. We plan to showcase our FT86 and Jeep range of supercharger systems with a goal of expanding our sales and distribution network.

To provide a means for shareholders to continue to financially support the Company during the current phase of commercialisation of its products, the Company announced an entitlement issue of one new 2 cent option with an expiry of 30 June 2014 for each four existing shares held for a consideration of 0.1 cent. 167,789,589 options were issued providing the Company with \$168k of funding. From the subsequent exercise of these options, \$446k of funds were raised during the quarter and \$142k in October 2013.

\$200,000 was advanced to the Company in July 2013, secured against its 2012/13 Research and Development Tax Incentive grant of \$1.3m which was received in October 2013.

Yours faithfully,



Steven Apedaile
Managing Director

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

Sprintex Limited

ABN

38 106 337 599

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	392	392
1.2 Payments for		
(a) staff costs	(483)	(483)
(b) advertising and marketing	(32)	(32)
(c) research and development	(133)	(133)
(d) leased assets	-	-
(e) other working capital	(636)	(636)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	(17)	(17)
1.6 Income tax received	-	-
1.7 Other	-	-
Net operating cash flows	(907)	(907)

+ See chapter 19 for defined terms.

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)	(907)	(907)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(64)	(64)
(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	103	103
(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	(39)	(39)
1.14 Total operating and investing cash flows	(868)	(868)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	894	894
1.16 Proceeds from rights issue received in advance	-	-
1.17 Proceeds from borrowings	255	255
1.18 Repayment of borrowings	(41)	(41)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	1,108	1,108
Net increase (decrease) in cash held	240	240
1.21 Cash at beginning of quarter/year to date	142	142
1.22 Exchange rate adjustments	-	-
1.23 Cash at end of quarter	382	384

+ 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	79
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Directors' fees and remuneration	

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

\$280k of a loan from a director was converted to equity via the exercise of options.

- 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	-	-
3.2	Credit standby arrangements	-	-

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Appendix 4C
Quarterly report for entities
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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	382	142
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details) – credit card	-	-
Total: cash at end of quarter (item 1.23)	382	142

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		
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: Date: 31 October 2013
 (Managing Director)

Print name: Steven Apedaile

+ 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.

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