

30 April 2015

Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Appendix 4C

Cross-track digital advertising system owner and operator XTD Limited (ASX: XTD) (**XTD** or the **Company**) is pleased to lodge its cashflow report for the March quarter.

Operating cashflow was positive \$75,000 for the March quarter.

The quarter included \$170,000 of non-recurring expenditure relating to legal and accounting associated with the operational start-up of Melbourne.

Cash at bank remains strong (\$1.67mil) at the end of the March quarter. Brisbane is fully funded with only an additional spend of approximately \$200,000 in the June quarter to complete the Brisbane installation. Advertising spend continues to ramp up in the June quarter and will further improve cashflows with the Brisbane launch on 1st June 2015.

Melbourne Contract Update

During the quarter, XTD continued to drive operations on its seven-year contract with Metro Trains Melbourne Pty Ltd, operating 32 digital screens across three of the busiest underground rail stations.

Since the screen network became fully operational in October 2014, the XTD team has continued to closely monitor the performance of the system and has successfully identified and implemented several initiatives to accelerate the network's performance. These initiatives have included data line upgrades and the creation of a digital dashboard to better monitor network performance.

Sales, which are managed by APN Outdoor Group (ASX:APO) (**APN**) as our exclusive sales agent, also continued to increase during the quarter with many high-profile advertisers embracing Xtrack Digital including ANZ Bank, IKEA, Sunsuper, Telstra, Play Melbourne and Bupa to name a few.

APN Outdoor has this week gone to market with its Eastern Seaboard package for XtrackTV in Brisbane, Sydney and Melbourne.

Brisbane Contract Update

XTD has a seven-year contract with Queensland Rail for the installation and operation of its cross-track digital advertising system in four of Brisbane's busiest metro rail stations. Passenger traffic on Queensland Rail City Services has now reached 55 million customers annually, fuelled by

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strong population growth in South East Queensland and an increasing trend toward using public transport.

XTD began installing the Brisbane system in January this year and is targeting 1 June 2015 to be fully operational. In April XTD announced it had signed an agreement with APN for the advertising rights for the Brisbane Contract.

International Expansion

In February, XTD announced David Gibbs, one of the world's most experienced out-of-home media specialists, as its vice president of USA operations. XTD has identified the USA as the next key area of growth, with senior members of the XTD commercial team visiting the USA and meeting with some of the largest outdoor advertising groups, technology companies and media buyers. Those discussions are on-going and are quite specific in their detail.

Key points to note:

- January is traditionally the quietest month for advertising spend and that month's results are included in this quarterly report.
- The XTD system comfortably remains a world-first product.
- Digital Out of Home continues to be identified as one of the big growth media channels, worldwide.
- At launch, XTD was focused on being an advertising channel, however the global marketing industry is rapidly embracing broader areas of long-form video content to appeal to consumers. The XTD digital sight and sound system is well placed to capitalise on this business trend.
- The onset of new technology sees the potential for our XTD screens to interact with mobile devices in range. The company is actively exploring opportunities in this area.

XTD CEO Steve Wildisen commented: "I am delighted with the first full quarter of operations. Minor system enhancements have improved the live content delivery capabilities of our system and the operations are delivering positive cashflow returns. Looking to the future, our opportunities are expanding significantly as we go, through continued advancement in technology and more detailed research into the increasing effectiveness of the media we are developing."

For more information visit www.xtd.tv or contact:

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Quarterly report for entities admitted on the basis of commitments

Name of entity

XTD Limited

ABN

43 147 799 951

Quarter ended ("current quarter")

31 March 2015

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	445	482
1.2 Payments for		
(a) staff costs	(136)	(136)
(b) advertising and marketing	-	-
(c) research and development grant	129	129
(d) leased assets	-	-
(e) other working capital	(369)	(593)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	9	18
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – GST	(3)	1
Net operating cash flows	75	(99)

+ See chapter 19 for defined terms.

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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)	75	(99)
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	-	-
(e) other non-current assets	(742)	(1,353)
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 (Lunalite International Pty Ltd)	-	(600)
1.12 Loans repaid by other entities	-	-
1.13 Other (cash acquired – subsidiary)	-	43
Net investing cash flows	(742)	(1,910)
1.14 Total operating and investing cash flows	(667)	(2,009)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	3,001
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 (costs of issue)	(356)	(442)
Net financing cash flows	(356)	2,559
Net increase (decrease) in cash held	(1,023)	550
1.21 Cash at beginning of quarter/year to date	2,696	1,123
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	1,673	1,673

+ 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	289
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payment for director fees is \$30,500.

Payments made to related parties during the quarter:

Minerva Corporate Pty Ltd	\$ 28,500
Blackwood Capital Pty Ltd	\$ 31,570
Boston First Capital Pty Ltd	\$ 52,611
Wrays Pty Ltd	\$ 3,045
Azure Capital Pty Ltd	\$142,743

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

N/A

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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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	306	478
4.2 Deposits at call	1,352	2,203
4.3 Bank overdraft	-	-
4.4 Term Deposits	15	15
Total: cash at end of quarter (item 1.23)	1,673	2,696

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: *(lodged electronically)*
 Company secretary

Date: 30 April 2015

Print name: Matthew Foy

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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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