Narhex Life Sciences Ltd

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ABN: 51 094 468 318

30 April 2014

Company Announcements Office
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QUARTERLY CASH FLOW – APPENDIX 4C

Following is the Company's Appendix 4C for the quarter ended 31 March 2014.

The Directors of Narhex Life Sciences Limited are conscious of the high cash outflow for the quarter ended 31 March 2014 and the corresponding low cash balance. It is noted that a significant portion of the current quarterly movement was due diligence and legal expenses associated with the assessment of the opportunity to acquire the Liberian and Guinea resource projects.

The company having successfully engaged and paid both technical and geological parties to undertake due diligence activities in both Liberia and Guinea is now awaiting the presentation of final reports to enable it to complete the formal acquisition agreements.

Once these formal acquisition agreements are executed a notice of general meeting will be dispatched to shareholders and the requirements to comply with chapters 1 and 2 of the ASX listing rules, including the required disclosure document will be completed.

The company anticipates undertaking a further placement during the next quarter to adequately fund its activities to complete the $5 million fundraising that is proposed to accompany the compliance with chapters 1 and 2 of the ASX listing rules.

Rule 4.7B

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

Narhex Life Sciences Limited

ABN	Quarter ended ("current quarter")
51 094 468 318	31 March 2014

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	-	-
1.2	Payments for (a) staff costs	(43)	(119)
	(b) advertising and marketing	-	-
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(50)	(119)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	1
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	(93)	(237)

+ See chapter 19 for defined terms.

		Current quarter $A'000	Year to date (9 months) $A'000
1.8	Net operating cash flows (carried forward)	(93)	(237)
	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	(302)	(302)
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)	-	-
	Net investing cash flows	(302)	(302)
1.14	**Total operating and investing cash flows**	(395)	(539)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	-	546
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 - capital raising costs	(18)	(18)
	Net financing cash flows	(18)	528
	Net increase (decrease) in cash held	(413)	(11)
1.21	Cash at beginning of quarter/year to date	551	149
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	138	138

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	63
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

1. Director fees;
2. Reimbursements; and
3. Legal fees.

Includes amounts paid to entities associated with the Directors'.

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

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	-	-

+ 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	138	551
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	138	551

Acquisitions and disposals of business entities

	Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1 Name of entity	-	-
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: (Director) Date: 30 April 2014

Print name: Adam Sierakowski

+ 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 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.