ASX Announcement
Melbourne, Thursday 8th January 2015

Quarterly Cash Flow Report – 31 December 2014

Cogstate (ASX.CGS) has today released its Appendix 4C – Quarterly Cash Flow statement for the quarter ended 31 December 2014.

Summary cash flow results for the quarter included:

- Net Operating Cash outflow of $0.17 million for the quarter ended 31 December 2014;
- Recognised sales revenue of $3.96 million for the December quarter, contributing to total cash receipts from customers of $4.69 million for the quarter;
- $7.59 million of combined cash and debtors at 31 December 2014;
    - Cash reserves of $5.12 million (June 2014: $7.13 million);
    - Trade debtors of $2.47 million (June 2014: $2.77 million); and
    - At 31 December 2014, current liabilities were approximately $2.95 million (compared to $2.03 million at 30 June 2014).

Results summary:

	Qtr Ended 30 Sep 14	Qtr Ended 31 Dec 14	Year to date 31 Dec 14	Year to date 31 Dec 13	YTD % Change Improvement
Recognised Sales Revenue	$3,767,963	$3,959,185	$7,727,148	$5,380,255	44%
Cash Receipts from Customers	$3,351,347	$4,690,126	$8,041,473	$6,181,476	30%
Cash Payments to Employees	($2,758,033)	($2,717,627)	($5,475,660)	($5,310,738)	(3%)
Cash Payments to Suppliers	($2,009,992)	($2,212,278)	($4,222,270)	($3,594,101)	(18%)
Cash Receipts –non trading	$19,268	$71,413	$90,681	$447,110	(80%)
Net Operating Cash In/(Out)flows	($1,397,410)	($168,366)	($1,565,776)	(2,276,253)	31%
Net Investing Cash In/(Out)flows	($227,725)	($241,921)	($469,646)	($80,311)	(485%)
Net Financing Cash In/(Out)flows	$19,333	$2,400	$21,733	$7,805,331	(100%)
Net Increase/(Decrease) in Cash held (net of foreign exchange movements)	($1,663,533)	($343,557)	($2,007,090)	$5,495,592	(136%)

Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

CogState Limited

ABN

80 090 975 723

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

		Current quarter $A	Year to date (6 months) $A
Cash flows related to operating activities			
1.1	Receipts from customers	4,690,126	8,041,473
1.2	Payments for (a) staff costs (incl R&D)	(2,717,627)	(5,475,660)
	(b) advertising and marketing	(312,230)	(558,637)
	(c) research and development (direct external costs)	(40,362)	(43,572)
	(d) leased assets	(169,491)	(345,627)
	(e) other working capital	(1,284,283)	(2,377,181)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	71,413	90,680
1.5	Interest and other costs of finance paid	(13,532)	(23,964)
1.6	Income taxes paid	(26,080)	(24,040)
1.7	Other (provide details if material)		
	Accounting & Audit	(30,629)	(89,433)
	Computer costs	(50,758)	(148,828)
	Legal Costs, including patent costs	(75,747)	(129,702)
	Listing fees & assoc. costs	(29,957)	(63,548)
	Travel costs	(179,208)	(417,738)
	Grant Income	-	-
	Net operating cash flows	(168,366)	(1,565,777)

+ See chapter 19 for defined terms.

		Current quarter $A	Year to date (6 months) $A
1.8	**Net operating cash flows (carried forward)**	(168,366)	(1,565,777)
	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	(248,052)	(476,821)
	(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	6,131	7,175
	(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	(241,921)	(469,646)
1.14	**Total operating and investing cash flows**	(410,288)	(2,035,423)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	2,400	21,733
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings – convertible notes	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Net financing cash flows	2,400	21,733
	Net increase (decrease) in cash held	(407,888)	(2,013,690)
1.21	Cash at beginning of quarter/year to date	5,463,216	7,126,749
1.22	Exchange rate adjustments to item 1.20	64,331	6,600
1.23	**Cash at end of quarter**	5,119,662	5,119,662

+ 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
1.24	Aggregate amount of payments to the parties included in item 1.2	58,750
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

N/A

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	Amount used $A
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	Previous quarter $A
4.1	Cash on hand and at bank	1,952,520	672,391
4.2	Deposits at call	3,167,142	4,790,825
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	5,119,661	5,463,216

Acquisitions and disposals of business entities

		Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1	Name of entity	N/A	Axon Sports training business
5.2	Place of incorporation or registration		USA
5.3	Consideration for acquisition or disposal		Nil
5.4	Total net assets		($17,158)
5.5	Nature of business		Axon Sports training business is to research, develop and deliver cutting edge tools to assess, monitor and improve the athletic brain.

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: CNSinclair ..... Date: 8 January 2015
Company Secretary

Print name: Claire Newstead-Sinclair

+ 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.

+ See chapter 19 for defined terms.