

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/09/2001

Name of entity

Talent2 International Limited

ABN

ACN 000 737 744

Quarter ended ("current quarter")

31 March 2005

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	14,858 *	45,713
1.2 Payments for		
(a) staff costs	(7,393)	(20,686)
(b) advertising and marketing	(216)	(695)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(6,096)	(21,041)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	82	193
1.5 Interest and other costs of finance paid	(13)	(36)
1.6 Income taxes paid	152	(35)
1.7 Other (provide details if material)	(14)	(45)
Net operating cash flows	1,360	3,368

* The March quarter includes January, a traditionally slow month for our industry, as well as the Easter holidays.

+ 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 (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	1,360	3,368
Cash flows related to investing activities		
Payment for acquisition of:		
1.9 (a) businesses (item 5)		
- Cash consideration	(24)	(134)
- Cash balances acquired	161	383
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(285)	(1,053)
(e) other non-current assets	-	(6)
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)	-	-
	(148)	(810)
Net investing cash flows		
1.14 Total operating and investing cash flows	1,212	2,558
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	18	85
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 (provide details if material)	-	-
	18	85
Net financing cash flows		
Net increase (decrease) in cash held		
	1,230	2,643
1.21 Cash at beginning of quarter/year to date	5,588	4,175
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	6,818	6,818

+ 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	240
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Salaries / Consulting fees

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

In August 2004, the Economic Entity acquired 100% of Paper Shuffle Pty Limited, an executive search business operating as Hansen & Searson Executive Search, and boardSEARCH, an executive search business. These acquisitions resulted in the issue of 16,472,722 ordinary shares, (3,294,544 shares after taking into account the 1 for 5 share consolidation in November 2004).
--

In March 2005, the Economic Entity acquired 100% of the Banks Management Group Pty Limited, a Human Resource Consulting business, and Southrock, an eLearning business. These transactions resulted in the issue of 2,760,886 ordinary shares as part consideration for the acquisitions.

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

None

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 (refer note below)	1,000,000	NIL
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

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

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	5,164	3,361
4.2	Deposits at call	1,654	2,227
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		6,818	5,588

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	The Banks Management Group Pty Limited/Southrock	-
5.2	Place of incorporation or registration	NSW/NA	-
5.3	Consideration for acquisition or disposal	\$4,239,000	-
5.4	Total net assets	\$2,720,002	-
5.5	Nature of business	Human Resource Consulting/eLearning	-

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 ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ...  ...
 (Director/Company Secretary)

Date: ... 22 April 2005...

Print name: ... Michael Bermeister ...

+ 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.