

ASX announcement

28 October 2011

APPENDIX 4C September 2011

Intermoco Limited (ASX:INT) a leading Utilities management provider today released its Appendix 4C Cash Flow Statement for the quarter ending 30 September 2011.

COMMENTARY

Intermoco has reported a net increase in its cash held of \$137,000 (from \$799,000 to \$936,000) for the quarter ending 30th September.

Receipts from customers and payments for staffing costs have remained at similar levels to the previous quarter. Payments for other working capital have decreased by \$42,000, after adjusting for the reduction in Trade Creditor levels by 40% (\$752,000 to \$447,000), and despite higher Cost of Goods payments arising because of increased revenue. The main source that has enabled Intermoco to reduce its creditor levels were the two capital raisings (placement and share purchase plan) which generated \$336,000 combined. Trade debtors increased by approximately \$150,000, with this increase expected to be largely collected in the next quarter to restore debtors to their previous levels (relative to gross revenue).

Intermoco continues to closely monitor overhead costs. This quarter has already demonstrated a reduction of overhead expenses by approximately 20% in comparison to the last quarter of FY11. This trend is expected to continue as a result of the cost rationalisation process that the Board actioned late in Q4 FY11.

As announced to the market on the 4th October, Intermoco has been successful in entering into a convertible note facility with a US based investor of up to \$4.5 million with a further \$1.5 million available at the option of Intermoco. Intermoco commenced its monthly drawdown of this facility in October in the amount of \$100,000 and will continue to draw under the terms of the convertible note. These funds will provide Intermoco with increased working capital of at least \$900k (before interest of 4.5% p.a) in FY12 which will help support and drive new contracts within the Intermoco Connect model.

-ENDS-

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About Intermoco Limited

Intermoco is an Australian public company listed on the Australian Stock Exchange (ASX: INT) based in Melbourne. The company is a leading provider of water, energy voice and data management solutions with a focus on the provision of embedded networks. Intermoco provides a world class end-to-end internet-enabled energy metering and resource management solution to utilities, corporations, local councils and government departments to help them monitor, manage and minimise their consumption of electricity, gas and water.

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