

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Name of entity

HORIZON GLOBAL LIMITED

ABN

97 009 201 763

Quarter ended ("current quarter")

31 December 2005

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers		
1.2 Payments for (a) staff costs	(102)	(175)
(b) advertising and marketing		
(c) research and development		
(d) leased assets		
(e) other working capital	(66)	(201)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	27	42
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net operating cash flows</b>	<b>(141)</b>	<b>(334)</b>

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

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(141)	(334)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		(2)
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets	(67)	(67)
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)		
<b>Net investing cash flows</b>	(67)	(69)
<b>1.14 Total operating and investing cash flows</b>	(208)	(403)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	15	15
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)		
<b>Net financing cash flows</b>	15	15
<b>Net increase (decrease) in cash held</b>	(193)	(388)
1.21 Cash at beginning of quarter/year to date	1,556	1,751
1.22 Exchange rate adjustments to item 1.20		
1.23 <b>Cash at end of quarter</b>	1,363	1,363

**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	102,500
1.25	Aggregate amount of loans to the parties included in item 1.11	nil
1.26	<u>Explanation necessary for an understanding of the transactions</u>	

**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
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- 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
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**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	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

**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	12	23
4.2 Deposits at call	1,351	1,533
4.3 Bank overdraft		
4.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (item 1.23)	1,363	1,556

**Acquisitions and disposals of business entities**

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
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.

Paul G Burge

Director & Company Secretary

30 January 2006

### Development of Satellite Imaging Content and Services

AstroVision’s fundamental strategy is to partner to build, operate and expand the system while signing up customers in Government, both at a Federal and State level, and in specific commercial areas (notably the burgeoning 3g mobile phone and media markets). At the same time management continues to refine the overwhelming business case for the system to satisfy the financial community.

#### Federal Government

Ongoing discussions with the Federal Government have covered applications for areas such as Defence capability, Emergency Services, weather and meteorology, earth observation, agriculture, disaster reporting and management and customs.

AstroVision has been engaged in ongoing, progressive discussions with the Bureau of Meteorology and Department of Defence to establish a relationship with each to obtain contractual commitments for the AstroVision service. In December, the US State Department notified AstroVision of final approval for allowing complete divulging of the technical details of the system to our prospective government customers. With that approval in hand, AstroVision has begun planning meetings with the Bureau of Meteorology and Department of Defence to take place in February to further potential contract discussions with the Federal Government.

#### State Government

On the State level, discussions with the NSW government have now led AstroVision to submit a proposed contractual term sheet to the Department of Lands as the primary customer and coordinating agency for NSW use of AstroVision data. AstroVision is currently in discussions to finalize the proposed term sheet and commence contract discussions.

#### Commercial Customers

AstroVision has negotiated and announced distribution agreements with Hutchison Australia and Optus to distribute content via their 3G networks on a revenue sharing arrangement based on customer usage. AstroVision sees new developments with the introduction of 3g and the worldwide demand for instant weather information creating a remarkable opportunity. With these two as a foundation, AstroVision is working to secure similar agreements with the operators’ regional sister companies and/or partners.

AstroVision has begun supplying customers and potential strategic partners with the KPMG produced independent market and revenue study to validate internal research showing the great potential of the regional 3G (as well as other mobile phones) markets, the regional media markets, and their need for AstroVision’s useful and authoritative content.

AstroVision is continuing negotiations with an Australian media company to provide content for local weather on a fixed price basis, to team on the provision to a third mobile phone operator, and to distribute content via the Internet. The agreement also will provide AstroVision with contracted

distribution and studio facilities for the provision of a regional weather and information channel, to be prospectively named “WeatherMaxx”.

#### Strategic Partners

AstroVision has begun discussions with 3 potential strategic partners which would provide investment, technical support and customer bases. One is a major global satellite operator, one a supplier of ground operation systems and one a global media company. The company’s intent with these discussions is to find suitable partners whose interests align with AstroVision and can assist in moving its business plan forward.

<b>HTV TECHNOLOGY (“HTV”) 75% Owned Subsidiary</b>
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The developer, Mr Ashod Apakian, is currently in discussions with several leading international video over IP (VOIP) providers regarding the potential commercial use of VOIP solutions for internet users based on the HTV technology.

<b>FINANCIAL SUMMARY</b>
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At 31 December 2005 Horizon had approximately \$1.308m in net liquid assets. This includes cash and listed investments less creditors in the normal course of business. The listed investments are valued at the last sale price of the December quarter.

The expected burn rate of cash for overheads and on-going development for the group is unchanged from the September 2005 estimate of approximately \$250,000 per quarter.

For further information:

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**HORIZON GLOBAL LIMITED**  
**30 January 2006**