



29 January 2010

The Manager
Company Announcements
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

APPENDIX 4C - QUARTER ENDED 31 DECEMBER 2009

Please find attached an announcement by the Company accompanying the Appendix 4C disclosure for the quarter ended 31 December 2009.

Yours faithfully
By Order of the Board

Demetrius Hassiotis
Company Secretary

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29 January 2010

ASX RELEASE - ADG GLOBAL SUPPLY LIMITED (ASX: ADQ)

“APPENDIX 4C DISCLOSURE AND TRADING UPDATE”

The Directors of ADG Global Supply Limited (“Company”) today released the ASX Appendix 4C quarterly cash flow report for the quarter ended 31 December 2009.

Quarter ended 31 December 2009

In the 3 months to 31 December 2009 the Company achieved an operating cash outflow of \$504,048 and a net cash inflow of \$130,259.

During the quarter the Company was impacted by the late receipt of a debtor balance of approximately \$1 million relating to one transaction, the completion of which was overdue as a consequence of freight delays. The debtor balance in question, which is secured by a letter of credit, is expected to be received in the first week of February 2010.

Had this debtor balance been received on time the Company would have achieved a net operating cash inflow for the quarter ended 31 December 2009. During the same period, the Company also made a \$500,000 accelerated repayment of its debt facility.

Despite the above the Company was able to increase its cash resources by \$130,259 in the quarter following a successful capital raising which raised \$1,466,270 by 31 December 2009.

As at 31 December 2009, the Company had the following liquid resources available to it:

	\$
Cash at bank	1,178,437
Undrawn financing facilities	850,000
Total	<u>2,028,437</u>

Trading Update

The Company is beginning to see improved market conditions within its core client industries of drilling, exploration and mining as confirmed by related trading announcements by many of the leading companies within these industries.

For the six months ended 31 December 2010 the Company expects to report a loss before taxation of approximately \$100,000 subject to finalization of the half-year external review process.

The Company remains confident of the strength of its business strategy and of its position to benefit from the expected recovery in the drilling and exploration markets as well as

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in the general economy. Furthermore, the senior management changes announced last week significantly enhances the Company's Drilling Fluids, Equipment, Procurement and Strategic Sourcing capabilities.

Ends.

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

ADG Global Supply Limited

ABN

16 082 341 197

Quarter ended ("current quarter")

31 December 2009

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	7,787	18,269
1.2 Payments for (a) staff costs	(1,034)	(2,105)
(b) advertising and marketing	(14)	(31)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(7,136)	(16,028)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	6	11
1.5 Interest and other costs of finance paid	(113)	(225)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net operating cash flows	(504)	(109)

+ See chapter 19 for defined terms.

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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)	(504)	(109)
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	(19)	(54)
(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	2	2
(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)	-	-
	(17)	(52)
Net investing cash flows		
1.14 Total operating and investing cash flows	(521)	(161)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,466	1,466
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(815)	(1,137)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	651	329
Net increase (decrease) in cash held	130	168
1.21 Cash at beginning of quarter/year to date	1,048	1,010
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	1,178	1,178

+ 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	276
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments made to directors and related entities includes payments of \$91,077 relating to rent paid on certain properties leased by the Group from partnerships or trusts which are partially owned and controlled by Mr A Greathead (Director). Payments of \$44,500 related to payments for goods and services from another entity which is partially owned by Mr D Schwartz (Chairman). The remaining payments related to director salaries and 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

Shares were issued in the six monthly period with a value of \$750,000 in settlement of the deferred purchase consideration owing to the vendors of the ADG business.

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

Not Applicable

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	6,400,000	5,900,000
3.2	Credit standby arrangements		

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

Reconciliation of cash

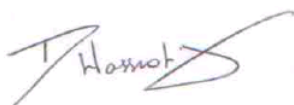
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,178	1,048
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	1,178	1,048

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



Sign here: Date: 29 January 2010

Print name: **Demetrius Hassiotis**
 Company Secretary

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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.