



Kiland Limited

ASX code: KIL

ABN 19 091 247 166

Quarterly Activities Report and Appendix 4C

For the quarter ended

30 September 2022

Quarterly Activities Report

For the quarter ended 30 September 2022

Highlights

Since last Appendix 4C Quarterly Report

- **Agricultural estate**
- **Carbon removal project - Kiland signs biochar project development agreement with Biocare**

Agricultural estate

Kiland Limited's ("Kiland", "Company") property manager, AAGIM Investment Management Pty Ltd ("AAGIM"), presented the Master Plan to the Board during a two-day offsite on Kangaroo Island in June 2022. The Master Plan includes a multi-year operational plan and detailed funding requirements.

On 9 August 2022 Kiland announced that tree harvesting has now commenced using Kiland's forestry operations team following the arrival of one harvester and two skidders to Kangaroo Island.

Tree harvesting is the first of several steps required to convert the company's land from plantation forestry to agriculture. These three machines will work together as a single harvesting unit. Kiland has sufficient personnel to initially run the harvesting unit on a double shift. Kiland has acquired a further four machines, which will form two additional harvesting units. These units, currently awaiting quarantine clearance at Port of Melbourne, are expected to arrive and become operational in the coming weeks.

Once harvested, timber will be stacked on-site for drying before biochar production trials commence later in 2022.

Kiland's three stump grinding machines are scheduled to be delivered between September 2022 and January 2023. Accordingly, stump grinding operations are scheduled to commence in October 2022.

Additionally, Kiland has procured a broad range of agricultural equipment which will be utilised for land preparation, pasture establishment and other operations. These include tractors, disk-rakes, cultivation equipment, sprayers, spreaders, UTVs, seeders and a service truck. Land preparation will commence immediately after stumps are cleared.

Carbon removal project - Kiland signs biochar project development agreement with Biocare

On 16 June 2022 Kiland announced that it intends to convert approximately 4.5m tonnes of fire damaged biomass (standing timber) into biochar.

On 26 August 2022 Kiland announced that its wholly owned subsidiary KI Carbon Ltd ("KI Carbon") has entered into a Project Development and Services Agreement with Biocare.

Biocare's responsibilities under the agreement include the design and development of an infield production system, management of the accreditation process, and marketing of carbon removal credits. AAGIM will manage biochar production operations as part of the reversion process, which continues as planned.

Quarterly Activities Report

For the quarter ended 30 September 2022

Kiland expects field trials to commence late in 2022 or early 2023. If successful, KI Carbon will also seek to market any biochar into the domestic agricultural market. KI Carbon intends to seek external funding for future capital requirements.

Payments to Related Parties

During the quarter ended 30 September 2022, the Company paid \$166,271 to related parties of the entity. This amount consisted of executive and non-executive Directors' fees and reimbursement of expenses of \$81,483 and payments to other key management personnel and their related parties of \$84,788.

Securities on issue

At quarter end and as at the date of this report, the securities on issue included:

Ordinary Shares on issue

	Number of Listed Ordinary Fully paid Shares
At 30 June 2022 and at the date of this report	75,723,338

Performance Rights on issue

	Number of Unlisted Performance Rights
As at 30 June 2022 and at the date of this report	2,902,500

Appendix 4C

Appendix 4C, as required by Listing Rule 4.7B, for the quarter ended 30 September 2022 is attached to this report.

Cash and cash equivalents

The cash and cash equivalents at 30 September 2022 amounted to \$46,000,473.

Loan facilities

At 30 September 2022, the Company had no loan facilities.

Signed on authority of the Board of Kiland Limited



Ms Vicky Allinson
Company Secretary
Date: 31 October 2022

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

KILAND LIMITED

ABN

19 091 247 166

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	223	223
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs – plantation and harvesting costs	(827)	(827)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(81)	(81)
(f) administration and corporate costs	(627)	(627)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	48	48
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid – R&D Refund	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
Insurance Proceeds	-	-
Wharf Development	-	-
1.9 Net cash from / (used in) operating activities	(1,264)	(1,264)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(c) property, plant and equipment	(1,037)	(1,037)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,037)	(1,037)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - Share buy-back	-	-
3.10	Net cash from / (used in) financing activities	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	48,301	48,301
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,264)	(1,264)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,037)	(1,037)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	46,000	46,000

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	46,000	48,301
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	46,000	48,301

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
166
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

6.1 payments relate to:

- Executive & Non-Executive Directors' fees and reimbursement of expenses \$81k;
- KMP salaries and fees and reimbursement of expenses \$85k; and
- Other related parties \$Nil

6.2 payments relate to:

- Executive & Non-Executive Directors' fees \$Nil;
- KMP salaries and fees \$Nil; and
- Other related parties \$Nil

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,264)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	46,000
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	46,000
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	36

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: n/a see 8.5

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: n/a see 8.5

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: n/a see 8.5

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 October 2022

Date:

By authority of the Board

Authorised by:

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g. Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.