

ASX Announcement

9 August 2018

Wingara Ag FY19 Financial Guidance and Trading Update

Wingara Ag Ltd (ASX:WNR) is pleased to announce the successful completion of the Company's strategic initiatives:

1. Successful integration of the Austco Polar Cold Storage (**Austco**) acquisition;
2. Physical completion of Stage 1 Raywood development; and
3. Implementation of the Company's improvement program at the Epsom facility.

Based on achieving these milestones, the Company is now in a position to provide an update on expected earnings for the year to 31 March 2019 (**FY19**).

FY19 Guidance

For FY19, the Company expects to achieve operating revenue in excess of A\$35 million and earnings before interest, tax, depreciation and amortisation (EBITDA¹) of at least A\$6 million, giving an EBITDA margin of approximately 17.1%.

The anticipated growth is due to:

- Base earnings now recognised from the Austco acquisition;
- Austco outperforming its anticipated growth, improved margins through the successful implementation of the Company's cost cutting program and diversification of its customer base;
- Physical completion of the Stage 1 Raywood site construction, with processing expected to begin in the September quarter. The completion of Raywood enables the Company to exceed its throughput capacity of 70,000mt by FY19;
- Improvement of the existing processor at the Epsom facility, which is expected to improve product margins and overall efficiencies; and
- Confirmation of export contracts to key Asian trading houses and customers.

Comparing FY19 to FY18

- Operating revenue in excess of A\$35 million represents an increase of 321%; and
- EBITDA of at least A\$6 million represents an increase of 545%.

Environmental, Social and Governance (ESG) Programs

The Company also notes the following operational highlights:

- Completed installation of 1,900sqm of solar panels at the Epsom facility, allowing the Company to better manage its power costs and providing the ability to sell excess generation to the grid; and
- Undertaking energy cost reduction programs through voltage optimisation, latest solar panel installation and energy efficiency back up programs.

¹ EBITDA excludes transaction costs

Commenting on the announcement, Gavin Xing, Executive Chairman of Wingara Ag, said:

“I am pleased that the three major strategic initiatives for FY19, being the successful integration of Austco, the completion of Stage 1 construction at Raywood and the improvements at Epsom, have progressed well. Wingara will continue to execute its multi-products, multi-region and multi-currency strategy to ensure adequate business risk management and provide a service-oriented platform for Australian farmers to reach Asia.”

For further information:

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About Wingara Ag Limited:

Wingara Ag Limited aims to be the leader in the sale of agricultural products to the domestic and international markets, particularly focusing on the export of products to Asia. By adhering to the highest standards of production we ensure a reliable source of agricultural products to our clients, enabling them to meet their business demands confident in the quality of our product.

We are also dedicated to supporting local producers and our commitment to providing an equitable relationship with Australian farmers allows us to source the best product available. Wingara is committed to ensuring we uphold the highest standards of integrity throughout the organisation, ensuring that we create an environment in which individuals continue to strive to meet our goals.

Forward-Looking Statements:

Certain statements made in this release are forward-looking statements and are based on Wingara Ag's current expectations, estimates and projections. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward-looking statements. Although Wingara Ag believes the forward-looking statements are based on reasonable assumptions, they are subject to certain risks and uncertainties, some of which are beyond Wingara Ag's control, including those risks or uncertainties inherent in the process of both developing and commercialising technology. As a result, actual results could materially differ from those expressed or forecasted in the forward-looking statements. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Wingara Ag will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.