



PACIFIC DAIRIES LIMITED

ACN 095 821 971

Appendix 4E
Preliminary Final Report

For the Year Ended 30 June 2018

In Compliance with ASX Listing Rule 4.3A

PACIFIC DAIRIES LIMITED

APPENDIX 4E - PRELIMINARY FINAL REPORT

(ASX Listing rule 4.2A)

Company Name: Pacific Dairies Limited

ACN: 095 821 971

Reporting Period: Financial year ended 30 June 2018

Previous Reporting Period: Financial year ended 30 June 2017

RESULTS FOR ANNOUNCEMENT TO THE MARKET

The results of Pacific Dairies Limited for the year ended 30 June 2018 are as follows:

		% Change	Amount of Change \$		\$
Revenue from ordinary activities	Up	7795%	4,443	to	4,500
(Loss) from continuing operations	Down	26%	(245,060)	to	(698,127)
(Loss) from discontinued operations	Even	0%	(0.00)	to	0.00
(Loss) for period after tax attributable to members	Down	26%	(245,060)	to	(698,127)

Brief explanation of figures reported above

The loss for the Company after income tax for the reporting period was (\$698,127). For further details relating to the current period's results, refer to the Review of Operations contained within this document.

Dividends

No dividends have been paid or declared by the Group since the beginning of the current reporting period. No dividends were paid for the previous reporting period.

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	30 June 2018	30 June 2017
Net Tangible Assets		
Net Tangible Assets / (Liabilities)	(369,976)	238,586
Shares (No)	392,993,755	376,493,755
Net Tangible Assets / (liabilities) – (cents)	(0.094) cents	0.063 cents
Loss per Share		
Basic earnings (loss) per ordinary share (cents)	(0.20) cents	(0.29) cents
Diluted Earnings (loss) per ordinary share	(0.20) cents	(0.29) cents

Status of Audit of Accounts

An Annual Report for the year ended 30 Jun 2018 containing the Audit Report has been submitted separately to this Appendix 4E.

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REVIEW OF OPERATIONS

Your directors present their report, together with the financial statements of Pacific Dairies Limited for the year ended 30 June 2018.

DIRECTORS

The directors at any time during or since the financial year are:

Paul Duckett	Executive Chairman
Raymond Taylor	Non-Executive Director
Christopher Egan	Non- Executive Director (appointed 23 October 2017)
Trevor Kelly	Non-Executive Director (resigned 23 October 2017)

PRINCIPAL ACTIVITIES

Since 2016, the Company has focused on capital and debt funding to acquire a dairy hub of up to 5 farms in the Murray River region of Northern Victoria and Southern NSW, approved by shareholders in 2016 and on the potential to build a dairy operation in Fiji. The company has been working with Pramana Capital to secure a Debt Facility which we expect finalisation on by late October, early November 2018, and will then proceed with acquisitions and a Joint Venture with Asia Pacific Logistics in Fiji.

Operations

The 2017/18 year saw continued efforts by the Board to further debt raising to undertake the Australian and potential Fijian projects. The prime focus of the company has been to obtain financing for up to 5 farm acquisitions in Australia approved at our 2016 AGM and limited equity raising to further the understanding of the Fijian opportunity.

Financing has been a long and tenuous process, and the Company is pleased to have finally entered final discussions for a debt financing arrangement with Pramana Capital Pty Ltd. In addition, Pramana Capital have provided a promissory note for \$500,000.

Whilst there has been an exit of two of the farms originally identified, the Company has identified several farms of similar composition, that can replace these if necessary. We have also continued to evaluate the potential to establish dairy operations in Fiji, which has been of considerable interest to potential debt funders and investors. The funding arrangement with Pramana Capital is contingent on Pacific Dairies developing the Fijian opportunity.

The Company assisted with limited fodder growing funds during this period which will be offset on farm settlement. Cattle currently on agistment with one of the targeted farms have overall increased in value as illustrated in the Company's accounts.

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Statement of Profit or Loss and Other Comprehensive Income for Year Ended 30 June 2018

	Note	2018 \$	2017 \$
OPERATIONS			
Revenue	3(a)	-	57
Gross Profit (Loss) from Livestock Trading	3(a), 2(h),6	4,500	-
		4,500	57
Financing expenses		(6,466)	(5,113)
Employee benefits expense		(113,493)	(80,274)
Consultant & contractor expenses		(186,873)	(349,108)
Depreciation of plant & equipment		(94)	(3,773)
Directors' fees	3(b)	(228,000)	(273,000)
Other expenses	3(b)	(167,701)	(186,786)
Profit (Loss) on disposal of assets		-	(45,190)
Total expenses		(702,627)	(943,244)
Loss for the year		(698,127)	(943,187)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		(698,127)	(943,187)
Earnings per share			
Basic earnings per share (cents)	15	(0.20)	(0.29)
Diluted earnings per share (cents)	15	(0.20)	(0.29)

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

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Statement of Financial Position

As at 30 June 2018

	<i>Note</i>	2018	2017
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	35,205	279,828
Biological assets	2(h),6	290,500	286,000
Total Current Assets		325,705	565,828
Non-current Assets			
Property, plant and equipment	7	371	465
Total Non-current Assets		371	465
TOTAL ASSETS		326,076	566,293
LIABILITIES			
Current Liabilities			
Trade and other payables		531,928	327,707
Borrowings	2(g),8	122,000	-
Provisions		42,124	-
Total Current Liabilities		696,052	327,707
TOTAL LIABILITIES		696,052	327,707
NET ASSETS		(369,976)	238,586
EQUITY			
Contributed equity	2(g), 8	20,452,127	20,362,562
Accumulated losses	9	(20,822,103)	(20,123,976)
TOTAL EQUITY		(369,976)	238,586

The Statement of Financial Position should be read in conjunction with the accompanying notes.

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Statement of Changes in Equity for the Year Ended 30 June 2018

	<i>Issued Capital</i>	<i>Accumulated losses</i>	<i>Convertible Note Reserve</i>	<i>Total</i>
	\$	\$	\$	\$
At 30 June 2016	19,296,794	(19,180,789)		116,005
Shares issued during the period	341,501	-		341,501
Convertible note reserve as at 30/06/17 2(g), 8			508,267	508,267
Shares issued in lieu of Directors Fees (2016)	216,000			216,000
Net loss for period	-	(943,187)		(943,187)
At 30 June 2017	19,854,295	(20,123,976)	508,267	238,586
At 1 July 2017	19,854,295	(20,123,976)	508,267	238,586
Shares issued from Convertible Loans during the period	402,000	-	(402,000)	-
Loan Note deposits received during the period			52,000	52,000
Shares issued from Options during the period	40,832		(3,267)	37,565
Net loss for period	-	(698,127)		(698,127)
At 30 June 2018	20,297,127	(20,822,103)	155,000	(369,976)

Statement of Cash Flows for the Year Ended 30 June 2018

	2018	2017
	\$	\$
Cash flows from operating activities		
Receipts from customers and others	-	-
Payments to suppliers, employees and others	(295,859)	(306,541)
Interest received	-	57
Interest paid	(764)	(5,113)
Net cash flows from operating activities	(296,623)	(311,597)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	-	50,000
Purchase of Dairy Cows	-	(286,000)
Net cash flows used in investing activities	-	(236,000)
Cash flows from financing activities		
Net proceeds of converting note loans, share issues and options	52,000	341,501
Payment of hire purchase obligations	-	(49,992)
Net cash flows from financing activities	52,000	291,509
Net increase in cash and cash equivalents	(244,623)	(256,088)
Cash at beginning of financial period	279,828	535,916
Cash and cash equivalents at end of period	35,205	279,828

The Statements of Changes in Equity and Cash Flows should be read in conjunction with the accompanying notes.

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For and on behalf of the Company,

A handwritten signature in black ink, appearing to read 'Paul Duckett', with a long horizontal flourish extending to the right.

Paul Duckett

Chair of Directors

Pacific Dairies Limited

On this day the 29th October 2018