

ASX Release: 29 July 2016

ASX: WSG

ASX Appendix 4C Quarterly Cash Flow Report for the quarter ended 30 June 2016

WolfStrike Rentals Group Limited (**WSG** or **the Company**) has today lodged with the ASX the quarterly cash flow report Appendix 4C for the period ended 30 June 2016.

During the quarter, WolfStrike has continued to strengthen its operations and its Board of Directors, and this has provided the Company with a strong foundation for growth.

As previously advised, the Company has established a presence in Australia with the first sales secured during the period. Whilst revenue for the quarter has been modest, the Australian operations present a key growth platform for the Company and the scale up of operations is meeting budgets and the Board's expectations.

Notwithstanding the one-off costs expensed during the quarter, WSG's Board continues to assess ways in which it can lower the operating costs of the business more aggressively.

The New Zealand operations continue to deliver stable revenue to the Company, and during the quarter, the number of individual customers continued to grow beyond the 3,000+ levels. Future contracted cash flows from the rental book in New Zealand now exceed A\$9.18 million.

During the quarter, the Company strengthened the Board with the appointment of experienced company director and New Zealand-based solicitor Mr John Seton. John has excellent public company experience and is providing valuable counsel to the Board and the management team.

WSG also refers to its announcement of 19 July 2016 advising that it was continuing to seek the refinance of its lending facilities at a more competitive and lower interest rate, and that it expects to further increase its rental book growth by the appointment of additional sales agents in both Australia and New Zealand. As progress is made on this initiative, Shareholders will be updated accordingly.

For more information please contact:
Ian Bailey

Managing Director
WolfStrike Rentals Group Limited: AU: +61 2 9247 6844 or NZ: +64 9 282 5953
investors@wolfstrike.net
www.wolfstrike.net



Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

WolfStrike Rentals Group Ltd

ABN

72 107 745 095

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers	764	938
1.2	Payments for		
	(a) staff costs	(455)	(655)
	(b) advertising and marketing	(21)	(32)
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(1,623)	(2,575)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid	(605)	(711)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	16	16
	Net operating cash flows	(1,922)	(3,017)

+ See chapter 19 for defined terms.

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	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,922)	(3,017)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(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	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	(96)	(96)
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	8
	(96)	(88)
Net investing cash flows		
1.14 Total operating and investing cash flows	(2,018)	(3,105)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	2,000
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	1,562	1,680
1.18 Repayment of borrowings	(291)	(453)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
	1,270	3,226
Net financing cash flows		
Net increase (decrease) in cash held	(748)	121
1.21 Cash at beginning of quarter/year to date	1,523	654
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	775	775

+ 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	91
1.25	Aggregate amount of loans to the parties included in item 1.11	96

1.26 Explanation necessary for an understanding of the transactions

The structure of the Company's financing facilities means that much of the Company's cash inflows are generated by drawing down on borrowings at the commencement of each rental contract and so operating cash flows are effectively split over items 1.1 and 1.17 above, therefore these two (2) line items must be read together.

During the period, the company also has made significant sales that are not shown in the cashflows as they relate to rental contracts that are due to start in subsequent periods, however the costs in relation to those sales were incurred in this period.

Funding lines continue to support the growth actions of the business.

Cash outflows during the June 2016 quarter included significant one-off payments in regard to the restructure and Prospectus capital raising completed during the March 2016 quarter. There are also one-off payments associated with the investment and establishment of the Company's Australian business.

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

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

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

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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	775	1,523
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		775	1,523

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 give a true and fair view of the matters disclosed.

Sign here:

Date: 29 July 2016

Print name: **Eryn Kestel**
Company Secretary

+ See chapter 19 for defined terms.

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 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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.

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