



ASX Release: 31 October 2016

ASX: WSG

September 2016 Appendix 4C and Market update

Technology rentals company, WolfStrike Rentals Group Limited (ASX: WSG) advises that it has released its Appendix 4C – Quarterly Cash Flow Report for the first quarter ended 30 September 2016 as **attached**.

It should be noted that the Appendix 4c for the period ended September 2016, does not yet show all the value of the reduction in overheads as advised in the release 22nd August 2016.

It is expected that, once all overhead savings are in place, monthly overheads costs will reduce by circa \$600,000 per quarter, without taking into account the acquisition of Lease Tech and its potential sales and cost structures. Most of this should be seen in the next Appendix 4c due end January, although sales are expected to be lower over the Xmas period.

It is also expected that the company will be able to make changes to its financing facilities and structures that will provide an interest saving of circa \$150,000 per qtr. starting November 2016.

Further, as announced in 30th August, the company has entered into Convertible loans with various parties and staggered those loans to suits the company cashflow needs. As such a further \$700,000 is still to be provided and that cash is not as yet in the Appendix 4c.

Market update:

Board appointments:

The company announced the appointment of Tom McDonald to the board as an independent director.

Mr McDonald is a Fellow of the Certified Practising Accountants (CPA), and an Associate of the Governance Institute of Australia (formally known as the Chartered Institute of Company Secretaries). Mr McDonald holds a Bachelor of Commerce from the University of New South Wales (UNSW), and is a Post Graduate of University of Technology Sydney (UTS) in Finance & Business Studies, he is also a member and presenter with the Australian Institute of Company Directors (MAICD).

Mr McDonald's previous roles include CFO and GM for new business development at Keycorp Limited; Manager Global Information Systems in California with Beckman Instruments Inc; CFO at AMA Limited, CFO at Australian based LIPA Pharmaceuticals Limited; and currently is an independent consultant providing strategy and management roles to public companies.

With his vast knowledge of business growth strategies, funding, start-ups and valuations; manufacturing; and technology services, combined with his CFO experience at the public company level, Mr McDonald will support the Company in achieving its market growth strategy and enhance the existing capabilities of the Board.

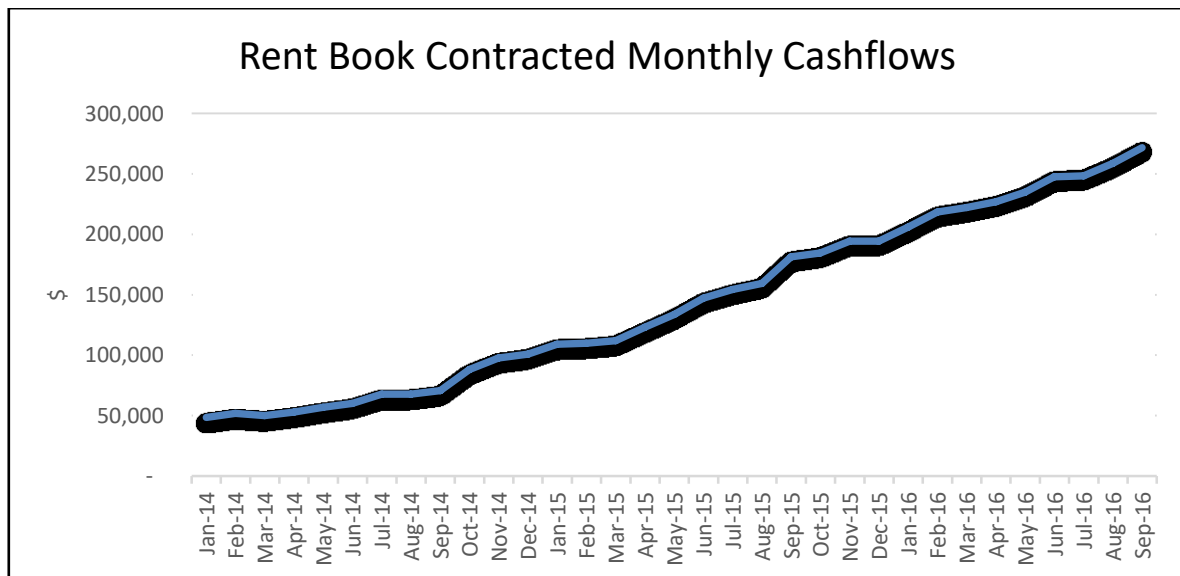
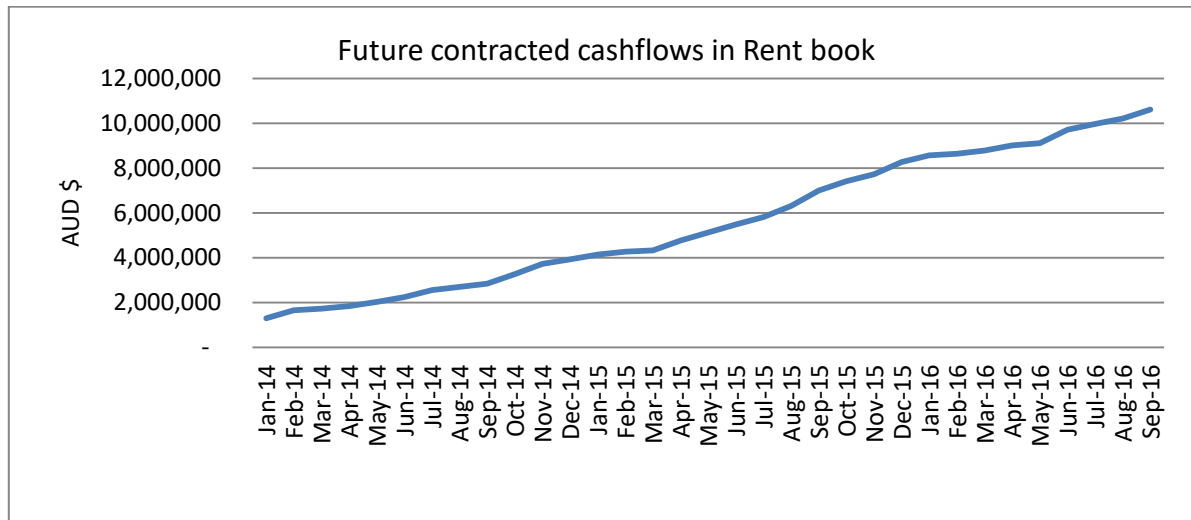
Acquisitions

The company has announced that they have entered into a Heads of Agreement to purchase the business and assets of Lease Tech Limited, a New Zealand based equipment leasing company. It is expected that this acquisition will provide a platform to grow WolfStrike's core leasing business by virtue of Lease techs current relationships with resellers and Originators throughout New Zealand. Whilst we won't see the real benefit of those relationships until early 2017, due to the Xmas break, it is expected that future sales will increase once those new channels come on line.



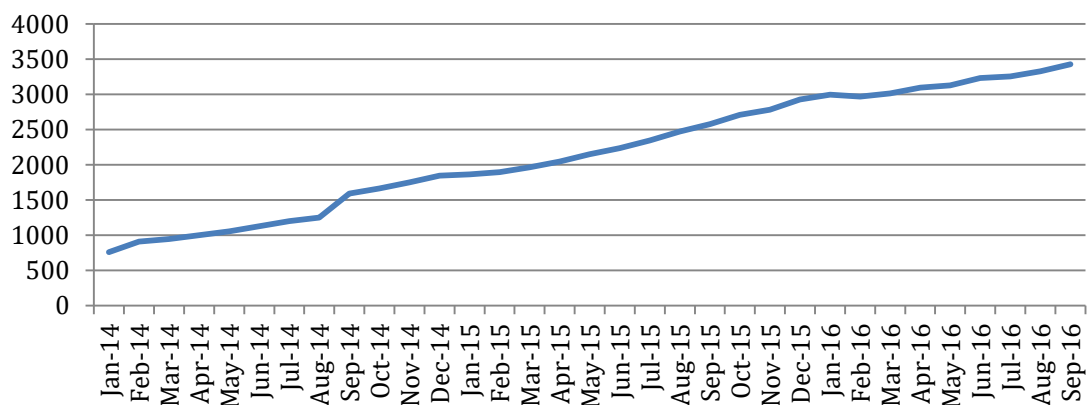
The core rental business continues to grow with the following matrixes compared to the June 2016 update

- future contracted cashflows up from \$9.7M to \$10.6M and increase of 8.4%
- Monthly cashflow collections up from \$247KPM to \$271K per month, an increase of 8.8%
- Number of customer contracts up from 3,232 to 3.427 an increase of 5.6%
- Average rental contract value trending upwards to over \$100 per month per contract (averaged)

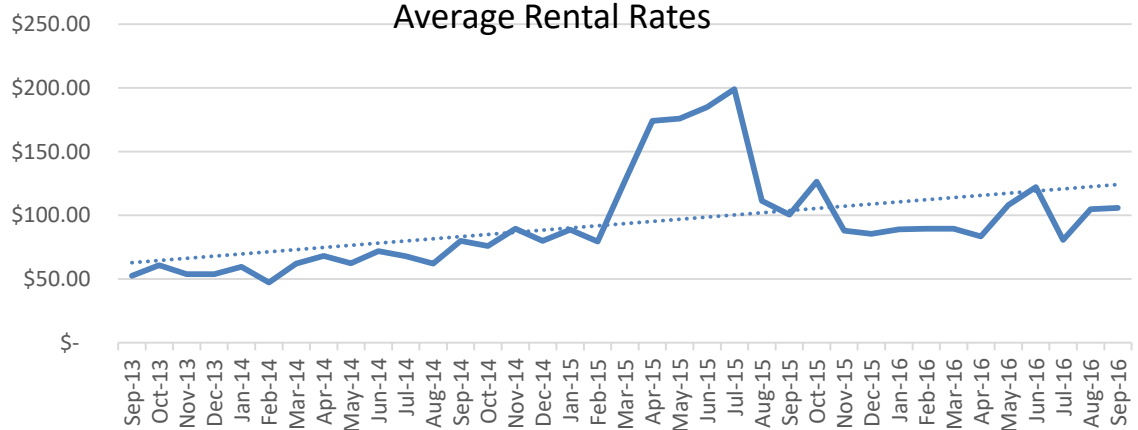




Number of Rental Contracts



Wolfstrike Rental Services Ltd Average Rental Rates





WOLFSTRIKE RENTALS GROUP LIMITED

Level 32, 101 Miller St
North Sydney NSW 2060

E: investors@wolfstrike.net P: +61 2 9025 3567
W: www.wolfstrike.net

– ENDS –

For further 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

About WolfStrike Rentals

WolfStrike Rentals Group is an Australasian Company with a core focus on the financing and management of rental contracts for technology solutions. With operations in Australia and New Zealand, WolfStrike provides a range of financial and operational services to SMEs.

In addition to providing rental facilities, WolfStrike also obtains sales from an increasing number of third party resellers and Originators providing a consistent deal flow to the rental Company.

