

## Cucumber trial success and quarterly operational report

### ASX Announcement

29 July 2016

### Highlights

- **Abundant Produce completes third trial with global seed distributor, yielding independent confirmation of the company's summer/spring cucumber line as a strong competitor to market leaders**
- **Corporate cash balance of more than \$2.5 million at 30 June 2016, having constrained quarterly operational cash burn to \$232,000**

Abundant Produce Ltd ((ASX: ABT), "the Company"), Australia's only listed plant breeding company, is pleased to present its June 2016 quarterly report on business progress.

### Operational review

Since Abundant Produce listed successfully on the ASX in April, the Company has made significant progress toward its goals of gaining industry acceptance of its plant intellectual property and global distribution of its hybrid vegetable plant seeds.

As foreshadowed in the prospectus and post success of the ASX listing the Company announced plans to accelerate its plant research facilities and expanding their size by 174%, ahead of schedule and below budget, with new greenhouses custom designed to suit the Abundant Produce breeding program.

In late May, the Company announced that it would proceed to commercial trials of tomato seeds with optimal flavour, colour and heat tolerance with a range of interested parties. The Company is pleased to report that these trials are progressing promisingly. The tomato opportunity remains highly attractive: more tomatoes are consumed throughout the world than any other vegetable, and the Australian market, estimated at around 120 million seeds per annum, is marked by an increasing consumer preference for quality, flavourful produce.

Abundant Produce continues to make solid progress on its journey to commercialisation as per the schedule provided in its prospectus.

### Middle East cucumber trials continue to succeed

Subsequent to the end of the June 2016 quarter, Abundant Produce has completed its third cucumber trial in Middle East with a globally-recognised seed distribution company. This trial tested Abundant's cucumber seed performance in real-world 'in-farm' conditions against varieties that have led the market for the past 15 years.



The Company is pleased to announce that on the basis of yield of A-grade saleable product, this trial has independently verified and confirmed Abundant Produce's summer/spring cucumber line as a strong competitor to the market leaders.

High yield at the beginning of harvest is the most important characteristic for cucumber farmers, and these trials have provided additional independent verification that Abundant Produce can provide this while also optimising taste, colour, crunch, lifespan and resistance to insects and disease.

The Company looks forward to continuing its trials with global players in the Middle East and Australia with a view to commercialising its intellectual property across several plant varieties.

## Corporate review

During the quarter, Abundant Produce successfully raised \$3.5 million (before costs) in an oversubscribed initial public offer. This capital raising provided the funding for the Company to scale up its operations and accelerate plant development. The Company and its directors appreciate the support shareholders have shown in bringing Abundant Produce into a listed environment.

The Company's Appendix 4C report, while covering cash receipts from customers in the period between joining the ASX on 26 April 2016 and 30 June 2016, also includes research and development costs incurred in the full year ending 30 June 2016.

Furthermore, the report excludes the impact of tax refunds from the Australian Government covering research and development conducted during the full year to 30 June 2016. Abundant Produce anticipates that these refunds should exceed \$350,000.

The cash balance of the Company on 30 June 2016 was \$2.512 million after June quarter operational cash burn of \$232,000.

## For more information, please contact:

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## About Abundant Produce Ltd

Abundant Produce Ltd (ASX: ABT) is Australia's only listed agricultural intellectual property royalty stock. Based in Sydney and Cobbitty, New South Wales, the Company breeds superior vegetable seeds in partnership with the University of Sydney's Plant Breeding Institute.

Abundant Produce specialises in breeding hybrid greenhouse vegetables with better yield, disease resistance, temperature tolerance, taste, texture, colour and shape. The Company seeks to work with global seed distributors to develop innovative products that target the gap in the market for food crops that thrive in low-tech conditions.



Rule 4.7B

# 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

Abundant Produce Limited

ABN

46 606 255 887

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 (3 months) \$A'000
1.1	Receipts from Customers	3	3
1.2	Payments for (a) payments to suppliers, etc	(112)	(112)
	(b) consultant/director costs	(34)	(34)
	(c) research and development	(94)	(94)
	(d) leased assets	-	-
	(e) other working capital	-	-
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	5	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	<b>Net operating cash flows</b>	<b>(232)</b>	<b>(232)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(232)	(232)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(137)	(137)
(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		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
	(137)	(137)
<b>Net investing cash flows</b>		
1.14 <b>Total operating and investing cash flows</b>		
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	(3,500)	(3,500)
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(176)	(176)
1.19 Dividends paid	-	-
1.20 Other (Transaction costs)	(449)	(449)
	2,875	2,875
<b>Net financing cash flows</b>		
<b>Net increase (decrease) in cash held</b>	2,506	2,506
1.21 Cash at beginning of quarter/year to date	6	6
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 <b>Cash at end of quarter</b>	2,512	2,512

+ 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	34
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions Payments of monthly consulting/directors fees to directors for the quarter plus past months for Tony Crimmins	

## 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

On 26 April 2016 as per the prospectus the company issued 5 million shares to the shareholders of Abundant Produce Australia Pty Ltd, thereby it became a subsidiary of Abundant Produce Limited

- 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

## 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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**Appendix 4C**  
**Quarterly report for entities**  
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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'ooo	Previous quarter \$A'ooo
4.1	Cash on hand and at bank	207	
4.2	Deposits at call	2,305	
4.3	Bank overdraft		
4.4	Other (provide details)		
<b>Total: cash at end of quarter (item 1.23)</b>		2,512	

**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  
 (Director)

Print name: Tony Crimmins

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## 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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