

ASX Announcement

9 July 2019

WINGARA EXECUTES SALE AND LEASE BACK TRANSACTION WITH PROPERTY FUND

- **Wingara signs sale of the Austco Polar Cold Storage property for \$21m with lease back terms of 15 years and two further 10-year options**
- **The transaction allows Wingara to unlock a capital gain of \$5.06m to pursue its growth strategy**

Wingara Ag Limited (“Wingara”) is pleased to announce the sale and lease back of the Austco Polar Cold Storage (“Austco”) property with KordaMentha Funds Management (“KMFM”) through one of its investment vehicles. KMFM acquired the property located at Laverton North, Victoria for \$21m based on a 15-year lease with Wingara with two additional 10-year options. The contract is subject to KMFM completing related financing arrangements with its financiers, with settlement expected to occur before 23rd August 2019.

The transaction is part of Wingara’s overall business strategy and allows Wingara to:

- Crystallise a capital gain of \$5.06m through improvement in Austco’s financial performance over the past 15 months;
- Manage its capital base by decreasing its gearing ratio (core debt to equity) to approximately 30%; and
- Continue to pursue investment opportunities in value added midstream businesses that have exposure to the Australian agriculture sector.

“Wingara will continue to operate the Austco business from the same premises and Austco’s operations will be unaffected by this transaction. This transaction realises a capital gain of approximately \$5.06m following the significant improvement in Austco’s business performance over the past 15 months. Proceeds from the sale will be deployed to fund strategic growth, giving Wingara the flexibility to pursue opportunities with higher returns on equity”, said Chairman, Gavin Xing.

Key Terms of the Property Sale & Lease Back	
Price	• \$21m
Rental yield	• 8.5% per annum
Settlement	• Subject to KPMF completing its financing, expected before August end 2019
Acquired by:	• Commercial property fund manager, KM Property Funds
Lease term:	• A lease term of 15 years (with 2 x 10-year options)
Rights	• Wingara retains the first right to acquire to property if the lessor decides to sell during the lease period

For further information contact:

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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 hay products to Asia. By adhering to the highest standards of production we ensure a reliable source of hay 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.