

## **Attachment to Appendix 4C**

### **Summary of period 1 April 2017 to 30 June 2017**

Wingara Ag Ltd (ASX:WNR) is pleased to present the Company's Appendix 4C for the 1 April 2017 to 30 June 2017 quarter.

#### **June Quarter Review**

- June 2017 Half Year sales on the back of the 2016 harvest have maintained momentum with processed volume increasing by 39% compared to June 2016 Half Year period last year
- 35,000T target in export sales for 31 March 2018 Financial Year is on track
- Executed contract of sale to purchase a new site at Raywood (near Bendigo) to support growth opportunities
- Proposed purchase and development of the Horsham site is in progress and on track
- Strong Cash Position and positive cash flow generation meeting future capital requirements

#### **Monday 24<sup>th</sup> July 2017**

Wingara Ag's activity during the quarter continues the momentum of the previous quarter. Another positive cash flow position for the quarter reaffirms Wingara's ability to implement its growth strategy in the next 12 to 18 months.

During the quarter nearly 10,000MT of export and domestic hay was processed in line with our 35,000T target. The Company achieved a substantial positive cash flow from operations in the quarter due to delayed receipt of \$360k of GST refunds from the Australian Tax Office ("ATO"). This amount represented approximately 6 months of GST refunds previously owing to us by the ATO since November 2016 and has been separated out for transparency purposes.

During the quarter net debt reduced as inventory loans were repaid to manage finance costs however, these facilities will be still available to be drawn down as we restock inventory in the coming months. The quarterly changes in the debt position reflect cycle of inventory purchases (increased debt) in the peak of the hay season to debt repayment as inventories are processed and exported through the balance of the year.

As announced previously to the market on 18 July 2017, the Company has finalised the acquisition of a new site in Raywood, Victoria (20km north of Bendigo) to support organic growth as well as potential opportunities of expansion. The Company expects to start utilising this new site for storage and logistics purposes in the coming 2017 hay season, subject to planning approvals. This project combined with improvements and upgrades in existing plant and equipment will allow the projected production volume of Epsom to reach 45,000T by the end of 2018.

The Company is progressing the planning and rezoning of the Dooen (Horsham) site with Horsham Rural City Council and is currently on schedule to be operational by the end of 2018. Discussions with suppliers for infrastructure and machinery have already commenced to minimise the time to develop the site once approval is received.

The Company also wish to advise the market that the Board of Directors have instructed management to cease actively negotiating with PHPC to resolve outstanding commercial issues. No material progress has been made between the two parties during the quarter. The Board believe that it is in the best interest of Wingara's shareholders that the Company directs its resources on delivering its growth projects in Raywood and Dooen. Management will continue to assess acquisition opportunities to broaden its product base as these developments progress.

The Appendix 4C follows.

**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.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Wingara AG Limited

**ACN**

009 087 469

**Quarter ended ("current quarter")**

30 June 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3,154	11,930
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(813)	(2,586)
hay Purchases	(1,237)	(6,042)
(c) advertising and marketing	(35)	(67)
(d) leased assets	(35)	(93)
(e) staff costs	(489)	(1,667)
(f) administration and corporate costs	(173)	(834)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	19	55
1.5 Interest and other costs of finance paid	(41)	(225)
1.6 Income taxes paid	(57)	(202)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
- GST refund	361	356
<b>1.9 Net cash from / (used in) operating activities</b>	<b>654</b>	<b>625</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(184)	(846)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	(20)
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(184)</b>	<b>(866)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	2,863
3.2	Proceeds from issue of convertible notes	-	2,000
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(266)
3.5	Proceeds from borrowings	1,395	3,335
3.6	Repayment of borrowings	(2,882)	(4,241)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(1,487)</b>	<b>3,691</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	6,625	2,145
4.2	Net cash from / (used in) operating activities (item 1.9 above)	654	625
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(184)	(866)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,487)	3,691
4.5	Effect of movement in exchange rates on cash held	-	11
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>5,607</b>	<b>5,607</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,107	3,125
5.2	Call deposits	3,500	3,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,607</b>	<b>6,625</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	62
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

The amount at 6.1 includes payment of directors' fees and payments to a director related entity excluding reimbursement for administrative expenses and travel expenses.

**7. Payments to related entities of the entity and their associates**

**Current quarter  
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

-

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

N/A

**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

**Total facility amount  
at quarter end  
\$A'000**

**Amount drawn at  
quarter end  
\$A'000**

8.1 Loan facilities

5,172

2,475

8.2 Credit standby arrangements

-

-

8.3 Other (please specify)

-

-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Item 8.1 includes the following facilities with the ANZ Banking Group:

Facility	Credit limit (A\$'000)	Interest rate (%p.a.)
ANZ Tailored Commercial Facility	800	BBSY + 1.3
Overdraft Facility	800	BBSY + 1.8
Asset Finance Facility	850	-
Stand by Letter of Credit or Guarantee Facility	80	-
Loan Facility - Daily rate	2,500	BBSY + 1.3
Loan Facility - Daily rate	117	BBSY + 1.1
Commercial Card Facility	25	-
	<b>5,172</b>	

All of the above facilities are secured.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(2,000)
9.3 Advertising and marketing	-
9.4 Leased assets	(20)
9.5 Staff costs	(380)
9.6 Administration and corporate costs	(300)
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>(2,700)</b>

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: Company secretary

Date: 24 July 2017

Print name: Phillip Hains

**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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.