



Murray Cod Australia Ltd

ASX:MCA

Quarterly Update for the 3 Months Ended 31 December 2018

31 January 2019

The Board of Murray Cod Australia Ltd ("MCA" or "the Company") are pleased to provide the following update of the Company since our last update in conjunction with the release of Appendix 4C.

Sales increase of 95% over Last Year

Sales for the 6 months ending 31 December 2018 have increased by 95% over the corresponding period in the prior year. This sales growth has come from the domestic market. Average sale weight per fish was 1.66Kg. It is pleasing to note that prices received have not fallen as volumes have risen. The sales growth quoted above does not include growth in value of biological assets.

Cash Reduction Partly Due to Timing Difference

The Company notes that as at 31 December 2018 there is circa \$584,000 owing to the Company from contract growers, which has created a timing difference in cash flow. This is a seasonal event and should have a positive impact on cash flow in the March 2019 quarter.

Fish Stocks have Grown well in Extreme Heatwave Conditions

Growth rates and food conversion ratios have been pleasing despite the recent heatwave conditions. The Company has not been affected by the reported fish mortalities on the Darling or Murrumbidgee rivers and does not expect any effect on our stocks from these events.



Murray Cod Australia Ltd

ASX:MCA

Processing Plant Awaiting Development Application Approval

The Company is awaiting approval from Griffith City Council for a decision on its development application lodged in respect of a processing plant. It is expected to be on the agenda at council's next meeting on 12 February 2019.

Negotiations continue in Japan

Negotiations with Japanese distributors are ongoing and we will update the market as developments occur.

Negotiations in USA ongoing

Negotiations continue with US distributors and we will update the market as developments occur.

Hong Kong Now buying Aquna Cod

A distributor from Hong Kong has commenced buying limited quantities of Aquna Cod. It is anticipated that this volume will increase as more stock becomes available.

Planning for "Super-Site" Continues

Planning and compliance work is still being undertaken for this site. The initial plan caters for 35 ponds that would vary in size between 15 and 20 megalitres each. This site would provide a holding capacity of a minimum of 1,260,000 fish. This would add to our existing holding capacity of 820,000 fish.



Murray Cod Australia Ltd

ASX:MCA

Smoked Product Update

As a result of delays in the approval of our development application for the processing centre, the Company postponed releasing the Aquna Hot Smoked Murray Cod product to the Australian market before Christmas. Packaging design for the smoke product has been finalised, and as previously advised, an agreement in principle has been negotiated with distributors and processors for supplying the new smoked product. This smoked product is unique in Australia and many parts of the world as a high fat white fleshed fish. Feedback from taste tests around the world have been outstanding.

For more information contact:
Ross Anderson Chairman
+61 269 625 470

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

Murray Cod Australia Limited

ABN

74 143 928 625

Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows		Current \$A'000	quarter	Year to date (6 months) \$A'000
1.	Cash flows from operating activities			
1.1	Receipts from customers	966		1,593
1.2	Payments for			
	(a) research and development			
	(b) product manufacturing and operating costs			
	(c) advertising and marketing			
	(d) leased assets			
	(e) staff costs			
	(f) administration and corporate costs			
	Total 1.2	<2,263>		<4,101>
1.3	Dividends received (see note 3)			
1.4	Interest received	3		9
1.5	Interest and other costs of finance paid			
1.6	Income taxes paid			
1.7	Government grants and tax incentives	3		21
1.8	Other (provide details if material)			
1.9	Net cash from / (used in) operating activities	<1,291>		<2,478>

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	<180>	<343>
	(b) businesses (see item 10)		

Consolidated statement of cash flows		Current \$A'000	quarter	Year to date (6 months) \$A'000
	(c) investments			
	(d) intellectual property			
	(e) other non-current assets			
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)			
2.6	Net cash from / (used in) investing activities	<180>		<343>

3.	Cash flows from financing activities			
3.1	Proceeds from issues of shares			
3.2	Proceeds from issue of convertible notes			
3.3	Proceeds from exercise of share options			
3.4	Transaction costs related to issues of shares, convertible notes or options			
3.5	Proceeds from borrowings	327		995
3.6	Repayment of borrowings	<44>		<69>
3.7	Transaction costs related to loans and borrowings			
3.8	Dividends paid			
3.9	Other (provide details if material)			
3.10	Net cash from / (used in) financing activities	283		926

4.	Net increase / (decrease) in cash and cash equivalents for the period			
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,370		2,077
4.2	Net cash from / (used in) operating activities (item 1.9 above)	<1,291>		<2,478>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	<180>		<343>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	283	926
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	182	182

5. Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1 Bank balances	252	1,219
5.2 Term deposits	150	150
5.3 Bank overdrafts & Credit Cards	<221>	
5.4 Other – Petty Cash	1	1
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	182	1,370

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	73
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

All payments were made for Directors Fees or in respect of contractual arrangements on arms length terms.

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	535
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

All payments were made for Directors Fees or in respect of contractual arrangements on arms length terms.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	564	564
8.2 Credit standby arrangements	2,500	221
8.3 Other (Equipment Finance Facility)	2,500	958
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.		

8.1 Finance Facility made available to Bidgee Fresh Pty Ltd, a subsidiary of MCA. The lender is Ag Finance Specialists Pty Ltd. Interest rate is 6% pa. Funds have been lent on an unsecured basis.

8.2 Westpac overdraft facility. Variable Interest rate. Secured by land and water assets

8.3 Westpac Equipment finance facility.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	
9.6 Administration and corporate costs	
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	450

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	N/A	N/A
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:

(Director)

Date: 31 January 2019

Print name: Ross Anderson

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.