



**Australian
Agricultural
Projects Ltd**

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**MARKET UPDATE
QUARTER ENDED 31 MARCH 2015**

ANNOUNCEMENT

30 APRIL 2015

The March 2015 quarter

At the end of the March quarter, the primary focus is on the preparations for the 2015 harvest.

- Harvest is expected to commence in earnest in the first week of May and be completed in early June. Estimation of the final oil yield remains difficult due largely to the uneven fruit set across the orchard, but orchard management remains confident that the harvest will be significantly greater than last year. We expect to be able to announce the final harvest results in mid-June.
- As the end of the irrigation season approaches, management is giving consideration to the water strategy for the next season with a view of increasing the level of water carried over from this season to the next.

It is worthwhile noting that Boundary Bend, the company to which we sell the bulk of our annual produce, collected nine awards at the recent New York International Olive Oil Competition and retains its position as the leading producer at this prodigious show. This continues to demonstrate the excellence of the oils produced here in Australia and the quality of the relationship with Boundary Bend.

Quarterly cash flow

The cash receipts for the March quarter amounted to \$830,000 (year to date: \$2,508,000) which principally represents the proceeds from the sale of oil under the olive oil supply agreement. The quarterly operating surplus of \$92,000 (year to date \$671,000) is largely in line with management expectations and a substantial portion of this surplus will be utilised during the next quarter to fund the annual harvest.

The debt reduction of \$139,000 (year to date: \$314,000) relates to the ongoing reduction in hire purchase and commercial bill liabilities.

During the March quarter the banking facilities with the Commonwealth Bank were confirmed and renewed with the same covenants as the previous year.

AUTHORISED BY:

Paul Challis
Managing Director

Enquiries may be directed to:

Paul Challis – Managing Director

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005, 17/12/2010.

Name of entity

AUSTRALIAN AGRICULTURAL PROJECTS LIMITED

ABN

19 104 555 455

Quarter ended ("current quarter")

31 MARCH 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	830	2,508
1.2 Payments for		
(a) staff costs	(106)	(302)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital (including orchard management and administration costs)	(537)	(1,288)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	1
1.5 Interest and other costs of finance paid	(95)	(248)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net operating cash flows	92	671

+ 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 (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	92	671
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	(1)	(1)
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	-	-
Net investing cash flows	(1)	(1)
1.14 Total operating and investing cash flows	91	670
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(139)	(314)
1.19 Dividends paid	-	-
1.20 Other	-	-
Net financing cash flows	(139)	(314)
Net increase (decrease) in cash held	(48)	356
1.21 Cash at beginning of quarter/year to date	154	(250)
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	106	106

+ 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	(42)
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Executive Directors' remuneration	(33)
	Secretarial services	(9)

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

N/A

- 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

N/A

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	Refer below	-
3.2	Credit standby arrangements	Refer below	-

+ See chapter 19 for defined terms.

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

The financing facilities of the Company at 31 March 2015 comprised:

	Amount available \$A'000	Amount used \$A'000
Bank overdraft limit	-	-
Bank bills	2,505	2,455
	2,505	2,455

Note:

The Company operates a seasonal overdraft facility where the limit available fluctuates between nil and \$500,000. As at 31 March 2015 the limit is nil.

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'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	106	154
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other	-	-
Total: cash at end of quarter (item 1.22)	106	154

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	NIL	NIL
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

+ See chapter 19 for defined terms.

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: **30 April 2015**
(Managing Director)

Print name: **Paul Challis**

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 Accounting 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.

+ See chapter 19 for defined terms.