



**Australian
Agricultural
Projects Ltd**

ABN: 19 104 555 455

Head Office

Suite 2, 342 South Road
Hampton East VIC 3188

P: 0417 001 446

F: + 61 3 9532 1556

E: admin@voopl.com.au

**MARKET UPDATE
QUARTER ENDED 31 DECEMBER 2015**

ANNOUNCEMENT

29 JANUARY 2016

The Company is pleased to present its report for the quarter ended 31 December 2015 and advises:

- Orchard managements review of fruitset and flowering has confirmed the trees are carrying sufficient fruit to support a 2016 harvest in the region of 75% to 85% of the record 2015 harvest of 951,700 litres. The climatic conditions over the next three months as the fruit accumulates oil as well as at the time of harvest will be a major determinant to the final harvest volumes.
- Irrigation water continues to be widely available on the temporary water markets although prices are well above the long term average which reflects the ongoing dry conditions. The orchard manager reports that they intend to continue to fully irrigate the orchard.
- All oil produced in the 2015 harvest has now been transferred to Boundary Bend Limited under the Olive Oil Supply Agreement and the principal focus of orchard management over the next three months is the preparation for the 2016 harvest.

Quarterly cash flow

The cash receipts for the December quarter amounted to \$1,359,000 which largely represented the proceeds from the sale of oil under the Olive Oil Supply Agreement. The operating surplus of \$392,000 was in line with management expectations.

The debt reduction of \$115,000 (year to date: \$230,000) relates to the ongoing reduction in hire purchase and commercial bill liabilities. The Company's harvest overdraft facility (\$500,000) has now been completely paid down but remains available to the Company as the harvest commences in May 2016.

AUTHORISED BY:

Paul Challis
Managing Director

Enquiries may be directed to:

Paul Challis – Managing Director

E: paul.challis@voopl.com.au

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 DECEMBER 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	1,359	2,741
1.2 Payments for		
(a) staff costs	(120)	(300)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital (including orchard management and administration costs)	(734)	(1,428)
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	(113)	(204)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net operating cash flows	392	810

+ 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 (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	392	810
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	(7)	(7)
(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	-	-
Net investing cash flows	(7)	(7)
1.14 Total operating and investing cash flows	385	803
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 and costs	(115)	(230)
1.19 Dividends paid	-	-
1.20 Other	-	-
Net financing cash flows	(115)	(230)
Net increase (decrease) in cash held	270	573
1.21 Cash at beginning of quarter/year to date	(127)	(430)
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	143	143

+ 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	(48)				
1.25	Aggregate amount of loans to the parties included in item 1.11	-				
1.26	Explanation necessary for an understanding of the transactions					
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Executive Directors' remuneration</td> <td style="text-align: right; padding: 5px;">(38)</td> </tr> <tr> <td style="padding: 5px;">Secretarial Services</td> <td style="text-align: right; padding: 5px;">(10)</td> </tr> </table>	Executive Directors' remuneration	(38)	Secretarial Services	(10)	
Executive Directors' remuneration	(38)					
Secretarial Services	(10)					

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 December 2015 comprised:

	Amount available \$A'000	Amount used \$A'000
Bank overdraft limit	0	0
Bank bills	2,280	2,280
	2,280	2,280

Note:

The Company operates a seasonal overdraft facility where the limit available fluctuates between nil and \$500,000. As at 31 December 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	143	162
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	(289)
4.4 Other	-	-
Total: cash at end of quarter (item 1.22)	143	(127)

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: **29 January 2016**
(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.