



**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 MARCH 2016**

ANNOUNCEMENT

29 APRIL 2016

The Company is pleased to present its report for the quarter ended 31 March 2016 and advises:

- Harvest commenced on Wednesday of this week and is expected to complete in early June. Estimation of the final oil yield remains difficult due to the uncertainty over the level of oil accumulation although orchard management is satisfied with the amount of fruit on the trees following last year's record harvest. We expect to announce the final harvest results in mid-June.
- Management is giving consideration to the water strategy for the next season with a view of determining how much water to carry across from this season to the next. As we approach the end of the irrigation season, the price of temporary water remains higher than originally budgeted and the longer term forecasts indicate greater rainfall over the next year than the previous 12 month period.
- The Company has been renegotiating the extension of its banking facilities and is now awaiting the documentation of the new arrangement. In summary, all of the existing facilities have been renewed for a further three year period on an interest-only basis with minimal adjustment to the current covenants.

Quarterly cash flow

The cash receipts for the March quarter amounted to \$1,352,000 (year to date: \$4,093,000) which principally comprises the proceeds from the sale of oil under the olive oil supply agreement. The quarterly operating surplus of \$153,000 (year to date \$963,000) is largely in line with management expectations and we note that a portion of this surplus will be utilised during the next quarter to meet the expense of the annual harvest.

The debt reduction of \$117,000 (year to date: \$347,000) relates to the ongoing reduction in hire purchase and commercial bill liabilities.

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 MARCH 2016

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	1,352	4,093
1.2 Payments for		
(a) staff costs	(137)	(437)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital (including orchard management, water and administration costs)	(958)	(2,386)
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	(104)	(308)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net operating cash flows	153	963

+ 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)	153	963
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	(2)	(9)
(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	(2)	(9)
1.14 Total operating and investing cash flows	151	954
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	(117)	(347)
1.19 Dividends paid	-	-
1.20 Other	-	-
Net financing cash flows	(117)	(347)
Net increase (decrease) in cash held	34	607
1.21 Cash at beginning of quarter/year to date	143	(430)
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	177	177

+ 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	
	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 March 2016 comprised:

	Amount available \$A'000	Amount used \$A'000
Bank overdraft limit	0	0
Bank bills	2,205	2,205
	<hr/> 2,205 <hr/>	<hr/> 2,205 <hr/>

Note:

The Company operates a seasonal overdraft facility where the limit available fluctuates between nil and \$500,000. As at 31 March 2016 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	177	143
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other	-	-
Total: cash at end of quarter (item 1.22)	177	143

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 April 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.