



**Australian
Agricultural
Projects Ltd**

ABN: 19 104 555 455

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**MARKET UPDATE
QUARTER ENDED 31 DECEMBER 2024**

ANNOUNCEMENT

29 JANUARY 2025

The Company is pleased to present its report for the quarter ended 31 December 2024 and advises:

- The orchard is in good health and is displaying large amounts of new growth in what has been good growing conditions over spring and early summer with the exception of, as previously advised, the frost event that occurred in September. Orchard operations have continued as planned and the annual maintenance programme is well advanced.
- Flowering at the orchard peaked in early November in very good climatic conditions. Orchard management reports that the fruit set is at the high end of expectations except in those areas that were frost affected. As a consequence, the management team's expectations of the 2025 harvest is in the region of 750,000 to 825,000 litres, significantly greater than last year's result of 551,500 litres. This is consistent with 2025 being an "on" year in the biennial cycle of the orchard and reflects the first time since the commencement of the replanting programme in 2018 that all of the orchard will be in commercial production. Expectations are that as the younger trees mature, yields will continue to increase.
- The first term of the grower leases, which form the foundation of the projects the Company manages, are set to expire on 30 June 2025. These leases include an option for a 25-year renewal term. The Company will soon begin contacting all growers to inform them of the opportunity, the process to renew their leases and to extend their obligations should they do so.

Quarterly cash flow

The cash receipts for the December quarter amounted to \$1,715,000 (year to date \$4,573,000), which is consistent with management's expectations and reflects the recent high prices for bulk olive oils. Total expenditure remains consistent with management's budgets and projected cash flows.

The Company reports a surplus operating cashflow of \$385,000 for the three months ended 31 December 2024 and \$1,727,000 for the first six months of the financial year. Of these surplus funds, \$1,605,000 has been applied against the Company's principal debt facility with the National Australia Bank. As a consequence of this, the facility limit has reduced by \$125,000 to \$5,067,500 and the balance remains available for redraw.

In addition, the Company also reduced its shareholder loans by \$127,000 during the reporting period.

The payments to related parties of the Company set out in section 6 of the attached Appendix 4C represent salary and superannuation entitlements and company secretarial fees paid to directors during the quarter.

AUTHORISED BY:

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

AUSTRALIAN AGRICULTURAL PROJECTS LIMITED

ABN

19 104 555 455

Quarter ended ("current quarter")

31 DECEMBER 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,715	4,573
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(885)	(2,000)
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(219)	(390)
(f) administration and corporate costs	(92)	(170)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	4
1.5 Interest and other costs of finance paid	(136)	(290)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (Government grants)		
1.9 Net cash from / (used in) operating activities	385	1,727
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	5	5
	(d) investments		
	(e) intellectual property		
	(f) 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	5	5

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	1,000	1,000
3.6	Repayment of borrowings	(1,856)	(2,760)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(4)	(8)
3.10	Net cash from / (used in) financing activities	(860)	(1768)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	892	458
4.2	Net cash from / (used in) operating activities (item 1.9 above)	385	1,727
4.3	Net cash from / (used in) investing activities (item 2.6 above)	5	5

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(860)	(1,768)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	422	422

5. Reconciliation of cash and cash equivalents 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	422	892
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	422	892

**6. Payments to related parties of the entity and their
associates**

- 6.1 Aggregate amount of payments to related parties and their
associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their
associates included in item 2

**Current quarter
\$A'000**

54

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

The amount in item 6.1 includes payment for:

Salary and superannuation	46
Secretarial fees	8

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	6,068	4,588
7.2 Credit standby arrangements	-	-
7.3 Other	500	422
7.4 Total financing facilities	6,568	5,010

7.5 **Unused financing facilities available at quarter end** 1,558

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

Bank Loan Facility

- Amount \$5,067,500 – drawn to \$3,587,500 at 31 December 2024
- Lender: NAB
- Interest Rate Variable –7.78% pa as at 31 December 2024
- Matures 28 April 2028
- Secured

Shareholder Loan Facility

- Amount \$1,000,000 limit – fully drawn
- Lender Patrac Investments Pty Ltd - a company related to a director and shareholder
- Interest Rate 9.35% pa (weighted average)
- Matures June 2030—principal reductions of \$50,000 per quarter commence July 2025
- Unsecured

Asset Finance Facility

- Amount \$500,000 – drawn to \$422,096 at 31 December 2024
- Lender NAB
- Interest Rate 7.02% pa
- Matures 30 April 2028
- Secured

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	385
8.2 Cash and cash equivalents at quarter end (Item 4.6)	422
8.3 Unused finance facilities available at quarter end (Item 7.5)	1,558
8.4 Total available funding (Item 8.2 + Item 8.3)	1,980
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	N/A

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

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.

Date: 29 January 2025

Authorised by: The Board of Directors.

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.