

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

Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

Australian Dairy Farms Group ASX Code: AHF
 Comprising:
 Australian Dairy Farms Limited ABN: 36 057 046 607; and
 Australian Dairy Farms Trust ARSN: 600 601 689

ABN

See above

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	1,504	1,504
1.2 Payments for (a) staff costs	(208)	(208)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(644)	(644)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	54	54
1.5 Interest and other costs of finance paid	(44)	(44)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	662	662

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	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	662	662
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	(9,027)	(9,027)
(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 (provide details if material)	-	-
Net investing cash flows	(9,027)	(9,027)
1.14 Total operating and investing cash flows	(8,365)	(8,365)
Cash flows related to financing activities		
1.15 Proceeds from share/unit issues	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Net repayment of borrowings	(3,301)	(3,301)
1.19 Dividends paid	-	-
1.20 Other – capitalised raising costs	(17)	(17)
Net financing cash flows	(3,318)	(3,318)
Net increase (decrease) in cash held	(11,683)	(11,683)
1.21 Cash at beginning of quarter/year to date	14,871	14,871
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	3,188	3,188

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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	27
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

1.2 (e) other working capital includes corporate costs and farm operating costs.
 1.9 (d) physical non-current assets is the payment for the acquisition and development of the Brucknell No 4 and Drumborg farms and ongoing development on all other farms. The total includes acquisition costs, capital development, land improvements, plant and equipment and biological assets.

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

Not applicable

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

Nil

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities (see Note 1)	5,000	762
3.2	Credit standby arrangements	-	-

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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	3,188	14,871
4.2 Deposits	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	3,188	14,871

Acquisitions and disposals of business entities

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

Notes

1 Basis of Preparation – Explanatory Note

This Appendix 4C is a Consolidated Statement of Cash Flows and reflects the amounts actually received and paid by the Group during the September 2015 quarter. It is not a statement of Revenue and Expenses or of changes in Assets and Liabilities. The receipts and payments in this statement for the calendar quarter ended 30 September 2015 materially reflect the income and expenses and movements in capital items for the three months June, July and August 2015. By way of example, revenue from milk production in September 2015 is not included in the Receipts from Customers.

2 Item 3.1 Loan facilities:

The Group has a \$5,000,000 facility with Commonwealth Bank of Australia Limited (CBA) which is currently drawn to \$762,173. This is a 3 year facility currently predominantly secured by registered first mortgages over the Brucknell No 1, Brucknell No 2 and Ignatios Farms. The Brucknell No 3, Brucknell No 4 and Drumborg farms are currently not under any specific mortgage. During the current quarter, \$3,237,827 was temporarily applied to reduce borrowings on the CBA facility in order to make the most effective use of cash reserves and minimise interest expense, pending further acquisitions and completion of pricing assessments on development works.

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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: *Michael Hackett*

Date:30 October 2015.....

Director

Print name: **MICHAEL HACKETT**

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 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2- itemised disclosure relating to acquisitions
 - 9.4- itemised disclosure relating to disposals
 - 12.1(a)- policy for classification of cash items
 - 12.3- disclosure of restrictions on use of cash
 - 13.1- comparative information
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.

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