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Oliver's Real Food Ltd
ABN 33 166 495 441

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28 October 2020
ASX Announcement

ASX – OLI
Appendix 4C – Trading Update

Oliver's Real Food Limited (the **Company**) is pleased to present its Appendix 4C for the first quarter of FY21.

Highlights for the period:

- OLI enters into exclusive franchise agreement with EG
- Oliver's Food To Go roll out with EG hits 90+ stores
- PURE $5.0m facility established
- Appointment of Anni Brownjohn as Non-Executive Independent Director
- End of period cash balance of $5.132m

During the quarter ended 30 September 2020, the Company was pleased with the following major developments:

Master Franchise Agreement (MFA) with EG Fuelco (Australia) Limited (EG)
On the 7th October 2020 Oliver's Real Food Limited (**the Company**) announced the **MFA** appointing EG as its exclusive franchisee of Oliver's Real Food branded restaurants across its extensive petrol and convenience sector in Australia.

The first EG franchised Oliver's Real Food outlet is planned to open in Western Sydney before the end of 2020. The exclusive MFA is based on EG meeting and maintaining performance criteria. The MFA does not restrict the Company impact its corporate store network, and or opening further locations on highway service centres and travel centres.

The Company is also able to open, operate or franchise in other market segments for example airports, hospitals, train stations, universities, shopping centres.

Oliver's is the exclusive supplier of all products to EG under the MFA. The initial term of the MFA will be 10 years, with an option to renew the term for a further of 10 years provided that both parties agree.

Oliver's Food To Go (OFTG) roll out
The OFTG roll out continues at a strong pace with the network hitting the 90-store milestone earlier this month. The roll out commenced in Melbourne, Brisbane, Sydney, and the Central Coast of NSW. The roll out is continuing at a rapid pace with an average of 3 new locations being rebranded to carry the EG / OFTG offering each week.

New $5m facility
On the 31st August 2020 the Company announced it had secured a new 36-month term loan facility of A$5.0m that confirmed its liquidity over this uncertain time.

New Non-Executive Director

On the 13th October 2020, the Company announced that it had appointed **Anni Brownjohn** to the Board of Directors as a Non-Executive (Independent) Director.

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Over the previous 3 months the Board had been working through a structured process to identify and evaluate potential candidates to expand the Board composition, increase diversity and independence, and complement the existing Board skills matrix. The Board received 7 nominations in total, and Anni Brownjohn stood out from the crowd as a candidate that would bring the desired skills & experience to complement the existing Board. Anni is an award-winning organic food entrepreneur and founder of Ozganics, a company that Anni started in 1999, and that now exports its products to over 20 countries. As a 2013 Telstra Businesswoman of the year Awards winner for Business Innovation, Anni brings to the Board extensive experience in food manufacturing, distribution and supply chain management, as well as extensive governance experience.

Other key information:

- Receipts for the quarter were $4,778k and the net cash from operations was $243k, an understandable reduction to previous quarters due to the impact of COVID 19 on the business throughout the quarter.
- Sales were down to $4,959k compared to $8.295k in the same quarter last year, as only 12 stores traded for most of the quarter out of the Company's 24 stores due to the severe restrictions in Victoria.
- The Company cash position closed at $5.132k following the completion of the PURE Asset Management facility and the drawdown of the $5.0m.
- The Company no longer required the $500k temporary overdraft which was solely put in place to satisfy the JobKeeper requirements to meet wages during the COVID 19 period, and this was not renewed beyond 30th September 2020.

The Company will continue to be eligible for the JobKeeper 2 subsidies as well as the ongoing rent relief provisions which have been extended to 31st December 2020.

Listing Rule 4.7C.1 and 4.7C.3

The Company has detailed its material business activities above including material activities during the recent quarter. The Company further reports that the expenditure of $119k to related parties reported at Item 6.1 is solely Directors Fees paid to Non-Executive Directors and salaried Executive Directors.

This ASX release has been authorised by the Board of Directors.

For further information please contact: Jason Gunn**, Chairman**
jason@oliversrealfood.com.au + 61 (0) 434 390 758

About Oliver's Real Food Limited (ASX:OLI)

Oliver's Real Food Limited (**Oliver's**) listed on the ASX on 21 June 2017. Over its 15-year operating history, Oliver's has established a significant market position providing a health fast food alternative for travellers on Australia's major arterial highways. Oliver's Real Food is the world's first "certified organic fast food chain" and provides its customers with premium quality, "real" food that is fresh, natural, & free from additive sand preservatives. Oliver's is a conscious business that understands, and is committed to, the interdependency of "all stakeholders" including our customers, investors, team members, suppliers, the environment, and the communities in which we operate. **www.oliversrealfood.com.au.**

Appendix 4C

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

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Name of entity

OLIVER'S REAL FOOD LIMITED

ABN	**Quarter ended ("current quarter")**
33 166 495 441	SEPTEMBER 2020

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (.....months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	4,778	4,778
1.2	Payments for		
	(a) research and development		
	(b) product manufacturing and operating costs	-3,019	-3,019
	(c) advertising and marketing	-120	-120
	(d) leased assets	-248	-248
	(e) staff costs	-2,706	-2,706
	(f) administration and corporate costs	-627	-627
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	2,185	2,185
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**243**	**243**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (.....months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(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**		

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	5,000	5,000
3.6	Repayment of borrowings	-500	-500
3.7	Transaction costs related to loans and borrowings	-75	-75
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**4,425**	**4,425**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	464	464
4.2	Net cash from / (used in) operating activities (item 1.9 above)	243	243
4.3	Net cash from / (used in) investing activities (item 2.6 above)		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (.....months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,425	4,425
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**5,132**	**5,132**

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	5,108	5,108
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)	24	24
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**5,132**	**5,132**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	119
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

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.

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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	5,950	5,950
7.2	Credit standby arrangements		
7.3	Other (please specify)	500	488
7.4	**Total financing facilities**	6,450	

7.5	**Unused financing facilities available at quarter end**	12

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.

7.1 Secured market rate loan facility of $950k provided by CBA with interest rate at the 3-month BBSY, maturing 21 July 2021 but to be repaid from the PURE Loan, and a $5.0m secured facility with PURE Asset Management at an interest rate at 10.5% pa calculated daily and payable quarterly in arrears maturing 30 September 2023.

7.3 Secured loan from Jason Gunn through his wholly owned Company, Safety Aviation Factor Pty Ltd, repayable 1st July, 2021. The interest rate being 6% calculated daily, payable monthly in arrears.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	243
8.2	Cash and cash equivalents at quarter end (item 4.6)	5,132
8.3	Unused finance facilities available at quarter end (item 7.5)	12
8.4	Total available funding (item 8.2 + item 8.3)	5,144
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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

8.6.1 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:

8.6.2 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:

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

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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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: .....28 October 2020.....

Authorised by: .....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.

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