



30 October 2009

Company Announcements Office
Australian Stock Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Appendix 4C - 1st Qtr FY10
Gage Roads Brewing Co Ltd (ASX: GRB)

In lodging the Appendix 4C - quarterly (attached), the Board of Gage Roads is pleased to report to the market on the progress being made by the Company on a number of fronts.

1. Dry Dock launched in September – The launch of Dry Dock Premium Lager to Woolworths Liquor retail managers in Melbourne during September was met with overwhelming enthusiasm. October sales results for Dry Dock have been stronger than originally expected and demand is growing weekly. The Board has identified strong future sales growth for Dry Dock and other contract brewing products over the next 5 years.
2. Future growth and development – In order to meet forecast demand the Board has resolved to immediately bring forward all expansion related development plans originally scheduled for the next 3 years with some upgrades already underway and planning almost complete. To ensure brewery and packaging upgrades deliver the highest quality products on the market whilst also realising cost efficiencies we have employed the services of some of the best engineering and brewing consultants in Australia. Current plans are to upgrade the current brewing and packaging facilities to deliver a capacity of over 1 million cartons per year.
3. Sales – First quarter results for the stable of Gage Roads and contract brewed products has been by industry standards very good with volume growth of 109% and revenue growth of 106% (up on the first quarter FY09 comparative). The products are now ranged nationally in over 1300 retail outlets with strong shelf presence and growing volume per outlet being achieved organically.
4. Branding and packaging strategies – Anthem Design have been engaged to work on new packaging and graphics for all the Gage Roads products. Revised branding will position Gage Roads closer the large premium end of the market rather than the small niche craft-brewed segment. The recipes for our international award winning beers will however remain the same.

AUSTRALIA'S CRAFT BREWERY

GAGE ROADS BREWING CO LTD
ABN 22 103 014 320

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

GAGE ROADS BREWING CO LIMITED

ABN

22 103 014 320

Quarter ended ("current quarter")

30 September 2009

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	836	836
1.2 Payments for		
(a) staff costs	(451)	(451)
(b) advertising and marketing	(32)	(32)
(c) research and development	--	--
(d) leased assets	(7)	(7)
(e) other working capital	(1,040)	(1,040)
1.3 Dividends received	--	--
1.4 Interest and other items of a similar nature received	3	3
1.5 Interest and other costs of finance paid	(6)	(6)
1.6 Income taxes paid	--	--
1.7 Other	--	--
Net operating cash flows	(697)	(697)

+ See chapter 19 for defined terms.

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	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(697)	(697)
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	(69)	(69)
(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	(69)	(69)
1.14 Total operating and investing cash flows	(766)	(766)
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	(45)	(45)
1.19 Dividends paid	--	--
1.20 Other (provide details if material)	--	--
Net financing cash flows	(45)	(45)
Net increase (decrease) in cash held	(811)	(811)
1.21 Cash at beginning of quarter/year to date	1,671	1,671
1.22 Exchange rate adjustments to item 1.20	--	--
1.23 Cash at end of quarter	860	860

+ 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	(114)
1.25	Aggregate amount of loans to the parties included in item 1.11	--

1.26 Explanation necessary for an understanding of the transactions:

Payments include directors fees for non executive directors and salaries for executive directors
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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:

NIL

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	266	266
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	860	1,671
4.2	Deposits at call	--	--
4.3	Bank overdraft	--	--
4.4	Other (provide details)	--	--
Total: cash at end of quarter (item 1.23)		860	1,671

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	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	

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: 30 October 2009.
 (Company secretary)

Print name: John Hoedemaker

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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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