



31 July 2012

Company Announcements Office
Australian Stock Exchange
Exchange Centre
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Appendix 4C & Progress Update – 4th Qtr FY12

In lodging the Appendix 4C - quarterly (attached), **Gage Roads Brewing Co Ltd (ASX: GRB)** is pleased to report to the market on the ongoing progress of the Company.

Full Year FY12 Sales Results

- Revenue increases by 25% to \$19.7 million (unaudited)
- Total production volumes increases by 23%

The full year results saw solid growth in revenue and sales volumes while maintaining a consistent gross profit. This growth was driven by the Company's position as a key supplier to the rapidly growing private label segment of the contract brew market.

Contract brewed products grew by 15% over the previous financial year and Gage Roads proprietary products increased by 119% for the year.

New products for the year, contributing to the growth, included Castaway Pear Cider, Castaway Strawberry & Lime, Ol' Bluey Ginger Beer, Sail & Anchor Draught, Dry Dock 640ml and the Gage Roads 640ml range outlined below.

New Products

Gage Roads Brewing is excited to have launched a range of its own products into the large bottle format market. "London Best", "Sleeping Giant India Pale Ale" and "Atomic Pale Ale" in 640ml bottles have been introduced during the quarter ended 30 June 2012. Initial demand for these products has exceeded expectations.

The Company expects to launch a further 640ml product, Pumpkin Ale, in the first quarter of FY 13.

Capital Expansion Program

The capital expansion project, designed to increase the Company's production capacity from 1.2 million cartons per annum to 3 million cartons per annum by FY15, and a corresponding 50% reduction in operating costs per carton, is on schedule.

Major site preparation works are progressing well, including the construction of the new building to house the Kronen CombiCube brewhouse arriving early August 2012.

Complete installation is expected to take around 10 weeks in time for the seasonally higher demand for beer in summer.

- END-

John Hoedemaker
Managing Director
Gage Roads Brewing Co Ltd
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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")

30th June 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	8,945	34,784
1.2 Payments for		
(a) staff costs	(885)	(3,876)
(b) advertising and marketing	(15)	(141)
(c) research and development	--	--
(d) leased assets	(7)	(26)
(e) other working capital	(8,874)	(30,217)
1.3 Dividends received	--	--
1.4 Interest and other items of a similar nature received	2	8
1.5 Interest and other costs of finance paid	(60)	(361)
1.6 Income taxes paid	--	--
1.7 Other	--	--
Net operating cash flows	(894)	171

+ 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 (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(894)	171
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	(972)	(6,659)
(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	(972)	(6,659)
1.14 Total operating and investing cash flows	(1,866)	(6,488)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	--	588
1.16 Proceeds from sale of forfeited shares	--	--
1.17 Proceeds from borrowings	2,048	6,104
1.18 Repayment of borrowings	(30)	(709)
1.19 Dividends paid	--	--
1.20 Other (provide details if material)	--	--
Net financing cash flows	2,018	5,983
Net increase (decrease) in cash held	152	(505)
1.21 Cash at beginning of quarter/year to date	1,428	2,085
1.22 Exchange rate adjustments to item 1.20	--	--
1.23 Cash at end of quarter	1,580	1,580

+ 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	(157)
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

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	9,729	9,640
3.2	Credit standby arrangements	--	--

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Appendix 4C
Quarterly report for entities
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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	1,580	1,428
4.2 Deposits at call	--	--
4.3 Bank overdraft	--	--
4.4 Other (provide details)	--	--
Total: cash at end of quarter (item 1.23)	1,580	1,428

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		

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: 31 July 2012.
 (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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