



ABN 98 084 370 669

Quarterly Activities Report for the Period to 30 September 2013

Highlights

- **All quality and safety testing of Yowie inclusions completed**
- **First shipment of inclusions in transit to Florida**
- **Initial presentations to US retailer's very positive**
- **World leading web and App developer selected**
- **Prospectus closed raising \$3.6million**

During the September quarter Yowie Group Ltd:

- Successfully completed the Gold Seal production approval process for the launch series of Yowie inclusions;
- Completed all quality and safety testing for the launch series of Yowie inclusions to a satisfactory level;
- Successfully despatched the initial shipment of Launch series of Yowie inclusions to the Yowie chocolate factory in Florida;
- Completed US consumer market testing designed to determine a preferred chocolate taste for US consumers;
- Selected the world leading Web and App developer to develop the Yowie digital platform; and
- Closed out its prospectus dated 18 June 2013, raising A\$3.6million.

Corporate

- The Company closed out its prospectus dated 18 June 2013 and in a challenging market raised \$3.6million, this now places the Company in a good position to proceed with its stated objectives per the prospectus;
- On 12 September 2013 the Company announced that Mr Bob Watson resigned from his position as a Non Executive Director of the Company for personal reasons, and
- As at 30 September 2013 the Company was well funded and had A\$3.8million in cash at bank.

Operations

During the September quarter Yowie Group Ltd:

- Subjected Yowie capsules, inclusions and information leaflets to the full cycle verification of quality, integrity, safety and compliance to international standards by a globally recognised and respected testing laboratory based out of Hong Kong. All were subjected to a range of physical, mechanical and chemical testing required for '0' Age certification;
- Shipped the first container of Yowie capsules, inclusions and information leaflets to the Yowie chocolate factory in Florida;
- Placed orders for chocolate and packaging to be delivered to the production factory in November 2013; and
- Continued the commissioning of the Yowie production facility in Florida.

Key operational milestones for the next 3 to 6 months are

- Commence manufacturing saleable product at Whetstone factory in Florida;
- Order next 1.5 million Inclusions for delivery in Q1 2014; and
- Obtain firm orders for sale of product in North America and Australia.

Sales and Marketing

During the September quarter Yowie Group Ltd:

- Attended the Candy Planning Everyday & Non-Seasonal EPPS event held in New Orleans and presented to 34 US based retailers, enjoying a very positive and promising reaction;
- Shortlisted sales and distribution teams for the North American and Australian/New Zealand markets;
- Continued the creative development of the Yowie Kingdom and the three dimensional animated characters;
- Selected the world leading Web and App developer to develop Yowie digital platform; and
- Shortlisted world class US and Australian Marketing Agencies and initiated plans for sales and marketing campaigns.

Key sales and marketing milestones for the next 3 to 6 months include

- Completion of the creative development of the Yowie Kingdom and the three dimensional animated characters;
- Launch of Yowie World web platform and three free App Yowie games on IOS and Android;
- Select and activate US and Australian/New Zealand sales and national distributors teams;
- Launch the US and Australian/New Zealand sales and marketing campaigns; and
- Establish a consumer hotline to engage consumers quickly and bring the brand to life.

Wayne Loxton
Executive Chairman
Yowie Group Ltd.



About Yowie

Yowie Group Ltd is a global brand licensing company specialising in the development of consumer products designed to promote learning, understanding and engagement with the natural world through the adventures and exploits of six endearing Yowie characters. Educating children and adults about the environment and ecology is at the heart of the Yowie proposition. Yowie Group employs its company-owned intellectual property rights in the outsourcing of the manufacturing and distribution of the Yowie chocolate confectionery product and in the development of a Yowie digital platform and Yowie branded licensed consumer products. The Company's vision for the Yowie brand includes distribution of Yowie product in North America, with further expansion planned into Australia, New Zealand and throughout Asia, where the Yowie brand is known and brand equity remains strong, even with the brand not having been active in the market for around eight years. Expansion into Europe and the Middle East are key strategic priorities for a second-stage brand rollout.

Yowie Group Ltd was first listed on the Australian Securities Exchange www.asx.com.au in December 2012 under code name 'YOW'. The Company's registered head office is in Perth, Western Australia.

For more information go to www.yowiegroup.com

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

YOWIE GROUP LTD

ABN

98 084 370 669

Quarter ended ("current quarter")

30 September 2013

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	-	-
1.2 Payments for (a) staff costs	-	-
(b) advertising and marketing	(1)	(1)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital ¹	(1,046)	(1,046)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	9	9
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Other (royalty income)	4	4
Net operating cash flows	(1,035)	(1,035)

¹ Includes \$234k purchases of raw materials

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

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,035)	(1,035)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property (product development)	(85)	(85)
(d) physical non-current assets	-	-
(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	(85)	(85)
1.14 Total operating and investing cash flows	(1,120)	(1,120)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,907	1,907
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (capital raising costs)	(103)	(103)
Net financing cash flows	1,804	1,804
Net increase (decrease) in cash held	684	684
1.21 Cash at beginning of quarter/year to date	3,222	3,222
1.22 Exchange rate adjustments to item 1.20	(81)	(81)
1.23 Cash at end of quarter	3,825	3,825

+ 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	240
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: <ul style="list-style-type: none"> • Payments of directors' fees and consulting fees to 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.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

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

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	3,825	3,222
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	3,825	3,222

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	-	-

+ See chapter 19 for defined terms.

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 ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: 25 October 2013
(Company Secretary)

Print name: Mr Jerry Monzu

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 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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.

+ See chapter 19 for defined terms.