



NEWS RELEASE

Input Capital Corp. Announces Fiscal 2016 Third Quarter Results

2/16/2016

REGINA, Feb. 16, 2016 /CNW/ - Input Capital Corp. ("Input" or the "Company") (TSX Venture: INP) (US: INPCF) is announcing its unaudited results for the fiscal 2016 third quarter ended December 31, 2015. All figures are presented in Canadian dollars.

THIRD QUARTER HIGHLIGHTS

- Revenue from streaming contracts of \$15.640 million on the sale of 31,889 metric tonnes ("MT" or "tonnes") of canola equivalent at an average price of \$490 per MT
- Generated an additional \$6.973 million of sales revenue from canola trading for total quarterly sales revenue of \$22.613 million;
- Cash operating margin¹ from streaming contracts of \$13.613 million, or \$427 per MT (87.0% cash operating margin);
- Adjusted net income¹ of \$3.084 million, or \$0.04 per share;
- Adjusted operating cash flow¹ of \$17.728 million or \$0.22 per share;
- Invested \$6.653 million of upfront payments² into eighteen multi-year streaming contracts, adding two new contracts, adding over 21,000 MT² to the Company's future canola sales;
- Finished the quarter with:
 - Cash and cash equivalents of \$40.088 million;
 - Total canola interests (current portion and long-term portion) and other financial assets (herein referred to collectively as canola interests) of \$89.280 million;
 - Multi-year streaming contracts with 77 farm partners, up from 42 a year ago;
 - Total shareholder's equity of \$118.567 million; and
 - No debt.

YEAR-TO-DATE HIGHLIGHTS

- Revenue from streaming contracts of \$27.443 million on the sale of 56,350 MT of canola equivalent at an average price of \$487 per MT;
- The Company generated an additional \$13.585 million of sales revenue from canola trading for total year to date sales revenue of \$41.028 million;
- Cash operating margin¹ from streaming contracts of \$23.930 million, or \$425 per MT (87.2% cash operating margin);
- Adjusted net income¹ of \$4.920 million, or \$0.06 per share;
- Adjusted operating cash flow¹ of \$25.142 million or \$0.31 per share; and
- Invested \$24.150 million of upfront payments² into thirty six streaming contracts, adding twelve new contracts to the portfolio, the longest of which is a twelve-year contract, adding more than 81,000 MT (gross of contract buybacks and cancellations) to the Company's future canola sales.

"This most recent quarter is notable for very significant canola sales volume," said President and CEO Doug Emsley.

"Last year, Input had only sold about 35% of that year's canola by December 31, and this year, thanks to warm weather and smooth logistics, that number is over 90%."

"As a result, Input has recorded \$25.1 million in adjusted operating cash flow for the year to date and ends the quarter with \$40 million in cash. In this our third full year in operation, our cash flow in just the first three quarters is actually greater than the initial capital raised to start the company, demonstrating how quickly Input is to cash after signing new streaming agreements. This canola sales performance positions Input to grow using internally generated resources, and now that the New Year is passed, we are seeing increased activity in our deployment pipeline."

KEY PERFORMANCE INDICATORS FOR THE THIRD QUARTER AND FISCAL YEAR TO DATE ARE SUMMARIZED BELOW:

CAD millions, unless otherwise noted	Three months ended Dec 31, 2015	Three months ended Dec 31, 2014	Change	Nine months ended Dec 31, 2015	Nine months ended Dec 31, 2014	Change
Revenue from Streaming Contracts	15.640	3.607	334%	27.443	7.788	252%
Gross Profit from Streaming Contracts	5.196	1.052	394%	9.255	2.232	315%
Canola Sold from Streaming Contracts (MT)	31,889	8,182	290%	56,350	16,912	233%
Average Price per Streaming MT	\$490.44	\$440.81	11%	\$487.00	\$460.48	6%

Total Gross Capital Deployed2	6.653	16.874	-61%	24.150	28.726	-16%
Total Gross Capital Deployed since inception to end of period2				104.4	61.1	71%
Active Streaming Contracts at end of period				77	42	83%
Canola Reserves (MT)2				246,000	181,000	36%
Cash operating margin1	13.613	3.031	349%	23.930	6.521	267%
Cash Operating Margin per Streaming MT1	\$426.87	\$370.47	15%	\$424.66	\$385.60	10%
Adjusted Net Income1	3.084	0.265	1065%	4.920	0.365	1247%
Adjusted Net Income / Share1	\$0.04	\$0.00	nmf	\$0.06	\$0.00	nmf
Adjusted EBITDA1	12.612	2.174	480%	21.327	4.480	376%
Adjusted EBITDA / Share1	\$0.15	\$0.03	480%	\$0.26	\$0.06	333%
Adjusted Operating Cash Flow1	17.728	3.342	430%	25.142	5.549	353%
Adjusted Operating Cash Flow / Share1	\$0.22	\$0.04	430%	\$0.31	\$0.07	312%

REVENUE

During the third quarter, Input had total revenue of \$22.613 million, up 366% from the same quarter last year.

Revenue of \$15.640 million was generated from the sale of 31,889 MT of canola equivalent from streaming contracts for an average realized price of \$490 per MT. Input's average realized price on streaming contract tonnes was 6.9% higher than the average cash canola price (RSY00) of \$459 during the quarter.

The 334% increase in revenue from canola streaming during the fiscal year was driven by an expanded portfolio of streaming contracts, which grew to 77 streams at the end of the third quarter, up from 42 streams a year ago.

During the quarter, additional revenue of \$6.973 million was generated from canola trading; an increase from the \$1.243 of trading revenue in the comparable quarter last year.

Fiscal year to date, Input had total revenue of \$41.028 million, up 306% from the same time period last year.

During the nine months, \$27.443 million was generated from the sale of 56,350 MT of canola equivalent from streaming contracts for an average realized price of \$487 per MT. Both of these metrics surpass the totals from the previous fiscal year. Year to date, additional revenue of \$13.585 million was generated from canola trading; an increase from the \$2.325 of trading revenue in the comparable period last year.

CAPITAL DEPLOYMENT AND STREAMING CONTRACT PORTFOLIO

Gross capital deployed into streaming contracts during the quarter was \$6.653 million² during the third quarter, down from \$16.874 million² during the previous third quarter.

During the quarter, the Company found opportunities to renew contracts, thus extending the original term of the streaming contract. This allows the Company to extend relationships with producers with which it is already comfortable.

At the end of the third quarter, Input had total gross deployment \$104.4 million², with 77 active streaming contracts in Manitoba, Saskatchewan, and Alberta.

BALANCE SHEET

KEY BALANCE SHEET ITEMS ARE SUMMARIZED BELOW:

Statement of Financial Position			
CAD millions, unless otherwise noted	As at Dec 31, 2015	As at Mar 31, 2015	Change
Cash and cash equivalents	40.088	39.598	1%
Canola interests and other financial assets	89.280	70.651	26%
Total assets	131.341	115.887	13%
Total liabilities	12.774	10.808	18%
Total shareholders' equity	118.567	105.079	13%
Working capital	61.169	52.821	16%
Debt	-	-	N/A

PROJECTED STREAMING TONNES FOR F2016

Due to a few thousand tonnes of crop being tied up in the legal process associated with the three contract terminations, management has revised its estimate of streaming tonnes to be sold in the current fiscal year from 65,000 MT to 62,000 MT. The affected tonnes will be received in the next fiscal year.

WEBCAST AND CONFERENCE CALL DETAILS

A conference call will be held on Wednesday, February 17, 2016 starting at 9:30 am Saskatchewan time (10:30 am Eastern time) to further discuss the Q3 results. To participate in the conference call use the following dial-in number:

Participant Dial in #: (888) 231-8191 (North America Toll Free)

Participant Dial in #: (647) 427-7450 (International)

Webcast URL:

<http://event.on24.com/r.htm?e=1126407&s=1&k=A9EF5CF689D0D5D6B4138874C3AF2B0A>

It is recommended that participants dial in five minutes prior to the commencement of the conference call. Soon after the completion of the call, the webcast will be available for download on the Input Capital website at www.inputcapital.com.

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ABOUT INPUT

Input is an agriculture commodity streaming company with a focus on canola, the largest and most profitable crop in Canadian agriculture. Input enters into multi-year canola streaming contracts with canola farmers in western Canada. Pursuant to the streaming contract, Input purchases a fixed portion of the canola produced, at a fixed price, for the duration of the term of the contract. Input is a non-operating farming company with a diversified portfolio of canola streams, all of which produce canola and revenue for Input within a year of being signed. Input plans to grow and diversify its low cost canola production profile through entering into additional canola streaming contracts with farmers across western Canada. Input is focused on farmers with quality production profiles, excellent upside yield potential, and strong management teams.

Forward Looking Statements

This release includes forward-looking statements regarding Input and its business. Such statements are based on the current expectations and views of future events of Input's management. In some cases the forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "plan", "anticipate", "intend", "potential", "estimate", "believe" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Input, including risks regarding the agricultural industry, economic factors and the equity markets generally and many other factors beyond the control of Input. No forward-looking statement can be guaranteed. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Input undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Non-IFRS Measures

Input measures key performance metrics established by management as being key indicators of the Company's strength, using certain non-IFRS performance measures, including:

- Adjusted Net Income (Loss) and Adjusted Net Income (Loss) per share;
- Adjusted Operating Cash Flow and Adjusted Operating Cash Flow per share;
- Adjusted EBITDA and Adjusted EBITDA per share;
- Crop Payment per Tonne;
- Cash Operating Margin and Cash Operating Margin per Tonne; and
- Cost per Tonne Acquired and Canola Replacement Ratio.

The Company uses these non-IFRS measures for its own internal purposes. These non-IFRS measures do not have any standardized meaning prescribed by IFRS, and these measures may be calculated differently by other companies. The presentation of these non-IFRS measures is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Company provides these non-IFRS measures to enable investors and analysts to understand the underlying operating and financial performance of the Company in the same way as it is frequently evaluated by Management. Management will periodically assess these non-IFRS measures and the components thereof to ensure their continued use is beneficial to the evaluation of the underlying operating and financial performance of the Company, and to confirm that these measures remain useful for comparison purposes to other royalty/streaming

companies. For more detailed information, please refer to Input's Management Discussion and Analysis available on the Company's website at www.inputcapital.com and on SEDAR at www.sedar.com.

1 Non-IFRS financial measures with no standardized meaning under IFRS. For further information and a detailed reconciliation, refer to "Non-IFRS Measures" in the accompanying MD&A.

2 Includes contracts that were signed but not completely funded at the end of the fiscal quarter.

SOURCE Input Capital Corp.

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