

INPUT CAPITAL CORP. Q2 OPERATIONS UPDATE

10/03/2014

REGINA, Oct. 3, 2014 /CNW/ - Input Capital Corp. ("Input") (TSX Venture: INP) (US: INPCF), is releasing its quarterly operations update for Q2 of its 2015 fiscal year summarizing canola deliveries and the acquisition of new multi-year canola streams.

"At this point in the year, our deliveries and deployment initiatives are on track with our expectations," said President and CEO, Doug Emsley. "Deliveries from the second quarter have now pushed our total revenue to date over \$10 million less than a year after recording our first revenue; a testament to the business' ability to generate strong revenues in a short period of time."

Input sold 4,146 metric tonnes ("tonnes" or "MT") of canola during the quarter at an average price of \$463 per MT, for quarterly streaming revenue of \$1.9 million. 3,076 tonnes were from the 2013 harvest while 1,070 tonnes were from the 2014 harvest. For comparison, the average canola cash futures (RSY00) price for the quarter was \$425 per MT, prior to any elevator basis deductions.

"We have now taken full delivery on seven of our first ten streams from the 2013 harvest, and partial delivery on the remaining three streams," said Mr. Emsley. "Adverse weather conditions and a prolonged harvest have interfered with delivery logistics over the last few weeks, but with harvest nearing completion, grain deliveries are picking up and Input has delivery slots in October for the remaining 2013 harvest volume."

Input has also organized its delivery schedule for the 2014 harvest and has started to receive streaming volume and revenue from the 2014 harvest.

Canola Deliveries

The following table summarizes canola sales for the 2013 and 2014 growing seasons:

<i>Fiscal Year</i>	<i>2014</i>	<i>2014</i>	<i>2015</i>	<i>2015</i>	<i>Total</i>
<i>Fiscal Quarter</i>	<i>Q3</i>	<i>Q4</i>	<i>Q1</i>	<i>Q2</i>	
2013 Harvest Streaming Volume (MT)	2,646	3,903	4,585	3,076	14,210
2014 Harvest Streaming Volume (MT)	-	-	-	1,070	1,070
Total Streaming Volume	2,646	3,903	4,585	4,146	15,280
Average Realized Price (\$/MT)	\$472	\$470	\$493	\$463	\$475

New Canola Streams

Like agriculture, Input's business has a high degree of seasonality. The prime capital deployment period runs from October to mid-May because this is the time of year when farmers are not active in the field. The growing season, which runs from May to October,

is a period of almost no capital deployment. During the quarter ended September 30, Input entered into one canola streaming contract with a new farm partner in Saskatchewan for total up-front payment of \$201,600.

"With producers at their busiest during our second quarter, we took the opportunity to develop and establish a number of new marketing initiatives to attract new streaming partners to Input Capital which we will be launching in the near-term", explained Gord Nystuen, Vice President of Market Development. Mr. Nystuen added, "These include a new producer-focused website and a prairie-wide marketing campaign aimed at securing new streaming contracts."

To date, Input has invested a total of \$42.9 million in multi-year canola streaming contracts with twenty one farmers.

5-Year Projected Volume Summary at September 30, 2014 (based on existing streaming contracts)

<i>Harvest Year</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Projected Base Tonnes	18,000 – 20,000	35,000 – 45,000	25,000 – 35,000	25,000 – 35,000	25,000 – 35,000	25,000 – 35,000
Average Crop Payment per Base Tonne ⁽¹⁾	\$71	\$57	\$74	\$73	\$73	\$73

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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. Input has multi-year canola streams with twenty one farmers located across Alberta and Saskatchewan.

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.

(1) 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 Loss and Adjusted Net Income Loss per share;*
- *Operating Cash Flow per share;*
- *Adjusted EBITDA and Adjusted EBITDA per share;*
- *Average Crop Payment (Cash Cost) per Tonne;*
- *Cash Operating Margin; and*
- *Cost per Tonne Acquired and Recycle 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.

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