

WIDE OPEN AGRICULTURE LIMITED  
ACN: 604 913 822



# prospectus

For the Offer of 25,000,000 shares at an issue price  
of 20 cents each to raise \$5,000,000

**Proposed ASX Code: WOA**

Lead Manager  
Mac Equity Partners Pty Ltd  
(AFSL 338731)

This Prospectus provides important information about the Company. You should read the entire document including the Application Form. If you have any questions about the Offer or the Prospectus, you should speak to your professional adviser. The Shares offered by this Prospectus should be considered highly speculative.

# Important Notice

## PROSPECTUS

This Prospectus is dated 12 April 2018 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application will be made to ASX within 7 days after the date of this Prospectus for quotation of the Shares the subject of this Prospectus.

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by our Directors or us.

An electronic version of this Prospectus can be downloaded from our website at [www.wideopenagriculture.com.au](http://www.wideopenagriculture.com.au)

If you access the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus. The electronic version of this Prospectus is only available to Australian residents. If you have received the Prospectus electronically, we will provide a paper copy and attached application form free of charge. Please telephone our registered office during the Offer period.

Applications for Shares may only be made on the Application Form included in or accompanying this Prospectus or in the electronic version, as downloaded in its entirety from our website.

The Offer in this Prospectus is available only to persons receiving this Prospectus within Australia, or another country where it is lawful to do so (electronically or otherwise). This Prospectus does not constitute an offer in any place where, or to any person whom, it would be unlawful to make such an offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice and observe any restrictions. Any failure to comply with these restrictions may violate securities laws.

You must ensure compliance with all laws of any country relevant to your application. We will take the return of a completed Application Form as a representation by you that there has been no breach of any laws.

## EXPOSURE PERIOD

The Corporations Act prohibits us from processing Applications for 7 days after the date of lodgement of this Prospectus with ASIC. This period may be extended by ASIC for up to a further 7 days. This period is an exposure period to enable the Prospectus to be examined by market participants prior to the issue of Shares. Applications received during the exposure period will not be processed until after the expiry of the exposure period. No preference will be given to Applications received during that period. All Application Forms received during the exposure period will be treated as if they were simultaneously received on the Opening Date.

## NO PROSPECTIVE FINANCIAL FORECASTS

The Directors have considered the matters outlined in ASIC Regulatory Guide 170 (Prospective Financial Information).

The Company will use the proceeds of the Offer to further develop and expand its operations. Given the Company's current expansion phase and development, reliable forecasts of any prospective financial information such as prospective revenue and expenses cannot be prepared and accordingly the Directors have not included forecasts in this Prospectus.

## GLOSSARY

Certain terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary in Section 11. In this Prospectus, the words 'we', 'our' and 'us' refer to the Company. The words 'you', or 'your' refer to Applicants.

## PHOTOGRAPHS

The photographs appearing in this Prospectus are for illustration purposes only and unless otherwise stated do not represent our assets.

# Corporate Directory

## DIRECTORS

**Mr Anthony Maslin**  
(Non-Executive Chairman)

**Dr Ben Cole**  
(Managing Director)

**Mr Stuart McAlpine**  
(Non-Executive Director)

**Dr James Mackintosh**  
(Non-Executive Director)

## ALTERNATE DIRECTOR

**Mr Hans Schut**  
(Alternate Director for Dr James Mackintosh)

## JOINT COMPANY SECRETARIES

**Mr Sam Wright**

**Ms Lydia Fee**

## BUSINESS OFFICE

16A Brooking Street, Williams,  
Western Australia, 6391  
Email: [info@wideopenagriculture.com.au](mailto:info@wideopenagriculture.com.au)

## REGISTERED OFFICE

Suite 39,  
1 Freshwater Parade, Claremont,  
Western Australia, 6010  
Telephone: +61 8 6161 7412

## WEBSITE

[www.wideopenagriculture.com.au](http://www.wideopenagriculture.com.au)

## LEAD MANAGER

**Mac Equity Partners Pty Ltd**  
Suite 7,  
29 The Avenue, Nedlands,  
Western Australia, 6009

## SOLICITORS TO THE OFFER

**Fairweather Corporate Lawyers**  
595 Stirling Highway, Cottesloe,  
Western Australia, 6011

## INVESTIGATING ACCOUNTANT

**Stantons International Securities Pty Ltd**  
Level 2,  
1 Walker Avenue, West Perth,  
Western Australia, 6005

## SHARE REGISTRY

**Link Market Services Limited**  
Level 12, QV1 Building  
250 St Georges Terrace, Perth,  
Western Australia, 6000  
Telephone: 1300 554 474  
(within Australia)



View of Arthur River Retractable Roof Protected Cropping System in the foreground.





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# 1. Chairman's Letter

## Dear Investor,

On behalf of the Board I am pleased to invite you to participate in the Offer by the Company as part of the process to list on ASX.

Wide Open Agriculture Limited (WOA) originates from my quest for meaning and positive change embarked upon following the death of my three children, Mo, Evie and Otis Maslin on Flight MH17. This led to the formation of WOA in March 2015, with a vision to deliver new hope and inspiration to communities in which the Company operates.

Since then, WOA has developed a food and agriculture business seeking to regenerate ecosystems and communities in the Western Australian Wheatbelt. In developing a vertically integrated business the Company has and intends to continue to apply a '4 returns' framework on seeking measurable outcomes on each of financial returns, natural returns, social returns and inspirational returns.

In December 2016 WOA established a retractable roof protected cropping operation at Arthur River, near Wagin, Western Australia, with first sales of vegetable produce in April 2017. Sales of premium vegetables from the protected cropping operation under WOA's 'Food for Reasons' brand have been established in nearby Wheatbelt towns, representing the first commercial locally grown vegetables in the areas in many years.

WOA also operates a regenerative farmland management project at East Kulinbah in the Western Australian Wheatbelt where the land is managed in partnership with a regenerative farmer in 3 zones (economic, combined and nature) where management is split between the Company and the farmer.

WOA is supported by an experienced Board of Directors. The Board and management team are led by myself as Chairman and Ben Cole as managing director. Together with our largest shareholder Commonland, Ben and I have made a long term commitment to the Company by voluntarily escrowing a proportion of our Shares for a period of 5 years from ASX listing (see Section 8.7).

My experience covers 25 years in listed companies and capital markets, working both as a managing director of listed companies and as a financial supporter of them. Dr Ben Cole, the managing director, has previously managed large projects for the United Nations and other international agencies, and has successfully established and sold a start up ethical company of his own.

This Offer seeks to raise \$5,000,000. The funds will predominantly be used to fund a 2 year expansion program for the Company's operations by expanding the protected cropping business (including establishing a second protected cropping operation in the Western Australian Wheatbelt), promoting and expanding the Food for Reasons brand and its products as well as funding the regenerative farmland management project and assessing additional projects.

An investment in the Company involves a number of risks which are addressed in both Sections 1 and 6 including protected cropping operational risks such as disease and pests, contractual lease risks, brand acceptance and competitive pressures for the food brand, management of growth, future funding risks, repayment of loan obligations and dependence on key personnel as well as general financial and economic factors.

This Prospectus contains important information regarding the Company and I encourage you to read this Prospectus in its entirety.

Thank you for your support, I look forward to welcoming you as a Shareholder.

Yours faithfully,



**Mr Anthony Maslin**  
Non-Executive Chairman  
Wide Open Agriculture Limited

## 2. Investment Overview

Question	Response	Where to find more information
Who is issuing this Prospectus?	Wide Open Agriculture Limited – ACN 604 913 822 (the <b>Company</b> or <b>WOA</b> ).	
What is our business model?	<p>The Company is a food and agricultural company that is seeking to regenerate ecosystems and communities in the Western Australian Wheatbelt by operating a vertically integrated, consumer driven business to maximise long-term, sustainable financial returns.</p> <p>In implementing this strategy the Company intends to apply a '4 returns' framework on seeking measurable outcomes on each of financial returns, natural returns, social returns and inspirational returns (see the reference to the '4 returns' framework below).</p> <p>The Company currently has and is developing three business streams being:</p> <ul style="list-style-type: none"> <li>(a) protected cropping and associated open field operations to grow premium vegetables;</li> <li>(b) a 'Food for Reasons'™ food brand to market and distribute food produce; and</li> <li>(c) a regenerative farmland management business.</li> </ul> <p><b>(a) Protected cropping and associated open field operations</b></p> <p>The Company in December 2016 completed construction of a retractable roof protected cropping system of 5,186m<sup>2</sup> in Arthur River near Wagin, Western Australia that is growing premium vegetables on land leased by the Company.</p> <p>To date the Company has focused on growing grape and roma tomatoes as well as a range of vegetables for a seasonal vegetable box including lettuce, cucumbers, capsicums, herbs, zucchinis, eggplant and a warrigal greens bush food. First sales of the Arthur River protected cropping system produce commenced from April 2017.</p> <p>The Company purchased (and owns) the retractable roof protected cropping system structure and systems at the Arthur River site. The cropping system utilises technology featuring a retractable roof and walls of laminated fabric controlled by automated systems.</p> <p>The Company has elected to establish a retractable roof protected cropping system as it optimises the Western Australian Wheatbelt climate to allow effective vegetable production.</p> <p>The Company intends to use approximately \$1,980,000 of the funds raised under this Offer to expand the vegetable crop growing area outside the Arthur River retractable roof system and expand water storage with the majority of the funds to be applied to identify a new site for long-term lease in the Western Australian Wheatbelt and then purchase, construct and establish a second protected cropping system structure on this land. See the 2 year project budgets in Section 4.9.</p> <p>The Company will choose a site based on maximising growing conditions including market demand for premium vegetables, climatic conditions, water quality and quantity and labour availability. There are a number of protected cropping technology systems available to the Company to be purchased and established as a second operation. The particular type of system has not yet been identified by the Company but may include the existing retractable roof protected cropping system or a net house style system.</p> <p>The protected cropping operations work in conjunction with the 'Food for Reasons' food brand by supplying premium vegetables and produce to the food brand operations.</p>	<b>Section 4</b>

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## 2. Investment Overview (continued)

Question	Response	Where to find more information
What is our business model? (continued)	<p><b>(b) 'Food for Reasons' Food Brand</b></p> <p>The Company has established a food brand 'Food for Reasons' to market fresh and packaged premium food products. The brand has a social media presence and the Company owns a 'chiller' truck and cold storage equipment.</p> <p>The Company has established the following marketing channels under the 'Food for Reasons' brand to sell produce currently grown from its Arthur River retractable roof protected cropping system:</p> <ol style="list-style-type: none"> <li>(1) direct online sales to consumers through <a href="http://www.foodforreasons.com">www.foodforreasons.com</a> A seasonal vegetable box (including produce such as lettuce, cucumbers, capsicums, herbs, zucchinis, eggplant and a warrigal greens bush food) together with additional weekly offers of specific produce can be purchased by consumers. Delivery to a number of Western Australian Wheatbelt towns and metropolitan Perth delivery hubs at Scarborough and Fremantle has been established;</li> <li>(2) retail sales including of grape and roma tomatoes directly to restaurants and supermarkets located in Perth; and</li> <li>(3) sales of predominantly grape and roma tomatoes to wholesale buyers located at Market City, Canning Vale in the metropolitan area of Perth.</li> </ol> <p>The Company has an Australian registered trade mark in respect of the words 'Food for Reasons' that is effective from 8 February 2017. The trade mark covers 4 food classes including raw and unprocessed agricultural products, fresh fruit and vegetables, fresh herbs, chilled foods and various processed foods.</p> <p>The Company intends to use approximately \$910,000 of funds raised under this Offer to promote the Food for Reasons brand and expand product lines and distribution channels (see the 2 year project budgets in Section 4.9) including by:</p> <ol style="list-style-type: none"> <li>(1) selling a higher volume of premium vegetables under the brand which are intended to be accessed by the expansion of the Company's protected cropping operations as well as seeking to market fresh vegetables from other regenerative Western Australian Wheatbelt farmers;</li> <li>(2) product development in seeking to establish a greater range of packaged and new ranges of value added premium food products that seek to utilise Western Australian Wheatbelt regeneratively grown inputs such as vegetable, cereal, oilseeds and livestock; and</li> <li>(3) seeking to expand the distribution channels for the brand initially targeting Sydney, Melbourne and Brisbane in Australia and Asian markets in Singapore and Hong Kong.</li> </ol> <p><b>(c) Regenerative farmland management</b></p> <p>The strategy for the regenerative farmland management business is for the Company to manage Western Australian Wheatbelt farmland that will be farmed by experienced farmers applying regenerative farming practices and based on the '4 returns' framework.</p> <p>The Company has established the East Kulinbah Project on land of 310 hectares in East Kulinbah in the north of the Western Australian Wheatbelt. It has entered into a land purchase agreement and lease agreement that are summarised in Sections 8.2 and 8.3.</p>	Section 4

Continued...



## 2. Investment Overview (continued)

Question	Response	Where to find more information
<b>What is our business model? (continued)</b>	<p>By the land purchase agreement, the Company is to purchase the land. The Company took possession of the land in July 2016. The purchase price that remains outstanding is \$273,879 and is payable on or before July 2024. The Company will become the registered holder of the land upon payment of this outstanding sum of the purchase price.</p> <p>By the lease agreement in April 2017 the Company is partnering with Stuart and Leanne McAlpine (who controlled the corporate seller of the land). Stuart McAlpine is a Director of the Company (WOA) and is an experienced farmer committed to applying regenerative farming practices on the land.</p> <p>The East Kulinbah Project land is split into 3 zones consistent with a holistic farm plan where management is split between the Company and the farmer as follows:</p> <ol style="list-style-type: none"> <li>(1) Farmer controlled economic zone – almost 50% of the land area (150 hectares) under the lease is leased exclusively to the farmer to conduct biological cropping practices for wheat and canola production as well as raising sheep;</li> <li>(2) Company and farmer combined management zone – approximately 30% of the land area under the lease (98 hectares) is shared land by which the Company can and has planted native plant shrubs and the farmer can and does raise sheep; and</li> <li>(3) Company controlled nature zone – approximately 20% of the land area under the lease (62 hectares) is exclusively managed by the Company where natural vegetation has or will be established.</li> </ol> <p>The Company will seek to identify and assess additional regenerative farmland in the Western Australian Wheatbelt where it may seek to partner with regenerative farmers.</p> <p>The regenerative farmland management business as it continues to develop will aim to work in conjunction with the 'Food for Reasons' food brand by, where appropriate, supplying produce or inputs (such as vegetables, cereals, oilseeds and livestock) that may be utilised in the food brand operations.</p> <p>The Company intends to use approximately \$400,000 of funds raised under the Offer on the regenerative farmland management business including paying \$150,000 towards the purchase of the East Kulinbah Project land (leaving \$123,879 payable on or before July 2024), management of the East Kulinbah Project combined and natural zones including further planting on the combined zone and identifying and assessing additional regenerative farmland for potential management. See the 2 year project budgets in Section 4.9.</p> <p>The projected application of funds does not include any acquisition of future farmland management projects and, as such, any such expansion is uncertain. In the event that the Company seeks to expand into further management projects it would be subject to funding beyond the funds provided by this Offer.</p> <p>The Company will look to achieve capital growth for Shareholders by successful expansion of its 3 business streams.</p> <p>The Company is a developing company with an initial established protected cropping operation, a developing food brand ('Food for Reasons') and an initial regenerative farmland management operation. The Company is yet to record profits.</p>	<b>Section 4</b>

Continued...

## 2. Investment Overview (continued)

Question	Response	Where to find more information
<b>What is our business model? (continued)</b>	<p>Income growth in the form of dividends will therefore only eventuate if the Company's planned activities of the scaling up of operations generates sufficient revenue and returns. There will be no dividends in the short term during this initial growth phase.</p> <p>As a developing food and agriculture company seeking to operate as a vertically integrated business based in the Western Australian Wheatbelt, the success of our business model is dependent on successfully managing risks including protected cropping operational risks such as disease and pests, brand acceptance and competitive pressures for the food brand, contractual lease risks, management of growth, future funding risks, repayment of loan obligations, dependence on key personnel and general financial and economic factors. Risks of investing in our Shares are set out in this Section 1 (Key Risks) and Section 7.</p>	<b>Section 4</b>
<b>What is the '4 Returns' framework to be applied by the Company?</b>	<p>The '4 returns' framework seeks measurable outcomes on each of financial, natural, social and inspirational returns. For financial returns, the focus is realising long-term sustainable profit to generate competitive capital growth and dividends.</p> <p>For natural returns, the focus is on implementing diversified farming systems within the Western Australian Wheatbelt on land which is owned or managed by the Company so as to regenerate soil, water and biodiversity. It is intended that reduced reliance will be sought on artificial fertilisers and pesticides. Water capture, storage and use will be sought to be optimised and will utilise surface water capture in upper catchments to reduce the net flow of waters to valley floors impacted by salinity.</p> <p>For social returns, the focus is on bringing back jobs, entrepreneurial opportunities, business activity and education to the Western Australian Wheatbelt in communities it operates in. Support is intended for local sporting, cultural and art groups.</p> <p>For inspirational returns, the focus is on giving people in the Wheatbelt communities in which the Company will operate and customers of Food for Reasons food products new inspiration and an invigorated sense of purpose.</p> <p>The application of the '4 returns' framework to the business operations to date in the Company's business is addressed in Section 4.</p>	<b>Section 4.4</b>
<b>Who is Commonland Foundation?</b>	<p>Commonland Foundation ("<b>Commonland</b>") is the largest shareholder in the Company, holding 12,000,000 shares which will represent 17.0% of the shares in the Company on completion of the Offer.</p> <p>Commonland Foundation is a Netherlands based organisation that supports and invests in large-scale landscape restoration projects based on sustainable '4 returns' business cases. The 4 returns being measurable outcomes on financial returns, natural returns, social returns and inspirational returns.</p> <p>Commonland works in cooperation with international economic and environmental organisations and currently supports other projects and organisations including in South Africa, Spain and the Netherlands. Commonland supports the Company's strategy and the application of the 4 returns framework.</p> <p>Commonland's long term commitment to the Company is evidenced by it entering into a voluntary restriction deed with the Company in respect of 8,000,000 of its 12,000,000 Shares. The voluntary restriction deed as summarised in Section 8.7 restricts the disposal of the Shares for a period of 5 years from the date on which official quotation of the Shares commences.</p>	

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## 2. Investment Overview (continued)

Question	Response		Where to find more information
What are the key dates of the Offer?	Opening Date:	20 April 2018	
	Closing Date:	7 June 2018	
	Issue of Shares under Prospectus:	13 June 2018	
	Despatch of holding statements:	19 June 2018	
	Shares commence trading on ASX:	26 June 2018	
	These dates are indicative only. We reserve the right to vary any of these dates, withdraw the Offer at any time before allotment of the Shares and to close the Offer early or extend the Closing Date, without notice to you. You are encouraged to apply as soon as possible after the Offer opens as the Offer may close at any time without notice.		
What are the benefits of investing in our Shares?	<ul style="list-style-type: none"><li>■ The Company is developing a vertically integrated food and agricultural company aligning with market demand for premium locally produced food.</li><li>■ The Company has established a 5,186m<sup>2</sup> retractable roof protected cropping system at Arthur River, near Wagin, Western Australia that is growing premium vegetables. To date the Company has focused on growing grape and roma tomatoes as well as a range of other vegetables for a seasonal vegetable box. Sales of produce commenced from April 2017.</li><li>■ The retractable roof protected cropping system optimises the Western Australian Wheatbelt climate to allow effective vegetable production.</li><li>■ From the Offer funds the Company will expand outdoor growing areas at the Arthur River project and establish a second protected cropping system in the Western Australian Wheatbelt.</li><li>■ The Company has established a food brand ‘Food for Reasons’ to market fresh and packaged premium food products.</li><li>■ Three marketing channels have been established to date using fresh vegetables produced at the Arthur River project. These marketing channels are direct online sales to consumers, retail sales directly to restaurants and supermarkets in Perth and sales to wholesale buyer located at Market City, Canning Vale in the metropolitan area of Perth.</li><li>■ From the Offer funds the Company will seek to further promote the food brand and expand product lines and distribution channels initially targeting Sydney, Melbourne and Brisbane and Asian markets in Singapore and Hong Kong.</li><li>■ As part of its regenerative farmland management business, the Company has established the East Kulinbah Project on land in the north of the Western Australian Wheatbelt. The Company took possession of the land in July 2016. The Company has entered into a lease with an experienced farmer committed to applying regenerative farming practices on the land. A holistic farm plan has been developed with the land split into 3 zones being a farmer controlled economic zone, a Company and farmer combined management zone and a Company controlled nature zone.</li><li>■ The Board and management team have together relevant skill and experience in the conduct of a food and agricultural business, developing businesses and in capital market funding.</li><li>■ Ethical investment, with significant potential social and environmental benefits.</li></ul>		Sections 4 and 5

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## 2. Investment Overview (continued)

Question	Response		Where to find more information
What are the key risks of investing in our Shares?	The key risks of investing in the Company are set out below. The list of risks is not exhaustive and further details of risks are set out in Section 6.		
	Risk Area	Risks	Section 6
	Protected cropping operational risks	Factors such as disease, insect infestations, labour availability and the availability of other key inputs could impact upon crops and/or customer relationships which may have a material adverse impact on the operations and financial performance of the Company. These factors are relevant to protected cropping whether by way of a retractable roof protected cropping system such as operates at Arthur River or an alternative net house system (if selected upon the second protected cropping site).	
	Open field production operational risks	The Company uses an outdoor growing area at Arthur River adjacent to the retractable roof system. In addition to the risk factors for protected cropping, outdoor growing has a greater risk of climatic issues such as frosts and extreme heat. The Company thereby seeks to utilise the growing area to produce vegetables at the appropriate time with a higher tolerance to cold (such as garlic and leeks in winter) and a higher tolerance to heat (such as chillies, pumpkin and rockmelon in summer).	
	Climatic variability	The Company operates in primary production and therefore is exposed to risks associated with climatic variability. As stated above, the risk is greater in any open field production by the Company. This includes risks of drought and extreme weather events that may impact upon the Company's protected cropping and associated open field operations and the regenerative farmland management operations and which may adversely affect the Company's financial performance.	
	Contractual lease risks	The Company's operations involve being a party to leases both as a lessee (in leasing the Arthur River Project land) and a lessor (in leasing out the East Kulinbah Project land to a lessee). The success of these contractual relationships is dependent upon the Company and the other contractual parties maintaining an effective relationship and complying with contractual obligations such as a farmer to whom any land is leased by the Company making lease payments. There is no guarantee any extension of a lease (if sought by the Company) will be agreed with the relevant party.	
	Brand acceptance and competitive pressures for food brand	The Food for Reasons brand and products may fail to be accepted within the local markets in which the Company currently operates or broader Australian and international markets in which the Company intends to operate. The Company could be subject to substantial competitive pressure from rival brands at both a primary production level and directly in the markets in which it currently or intends to operate. The Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business.  The Company intends to expand its marketing and distribution of products to new markets being Sydney, Melbourne and Brisbane in Australia and Singapore and Hong Kong. The Company does not currently have a presence in these markets and therefore the risk of brand acceptance in new markets is greater.	

Continued...

## 2. Investment Overview

(continued)

Question	Response		Where to find more information
What are the key risks of investing in our Shares? (continued)	<b>Risk Area</b>	<b>Risks</b>	Section 6
	Client engagement and retail/distributor reliance	The Company does not have sales or distribution contracts in place and it sells its current produce by direct online sales, by retail sales and sales to wholesale buyers as produce is available. As the Company grows it can be expected that its reliance upon retailers/distributors increases. Sales may be disrupted by any major changes to the operational or ownership status of any relevant retailers/distributors, such as a financial failure or takeover. Such disruptions may adversely impact upon the financial performance of the Company.	
	Management of growth	The Company is seeking to expand its business operations. The Company has yet to record profits. There is a risk that management of the Company will not be able to successfully implement the Company's growth strategy which will adversely affect the Company's financial performance.	
	Future Funding	The Company is a developing business with an initial retractable roof protected cropping system established, a food brand with initial marketing channels and a first regenerative farmland management business. The Company will use the Offer proceeds to develop each of these business streams. Further expansion beyond the application of the Offer proceeds will depend upon the availability of revenues generated by the Company's activities (which are uncertain) and the availability of further investor funds. No assurance can be given that future investor funds as required will be made available on acceptable terms (if at all). If the Company is unable to obtain additional financing (whether equity or debt) as is needed, it may be required to reduce the scope of its operations and scale back its expansion and development programs.	
	Repayment of loan obligations	There are loans from Commonland Foundation (the largest shareholder) and its subsidiary to the Company which are provided on an unsecured and no interest basis. The loans which are not intended to be repaid from the proceeds of the Offer are a loan of 100,000 Euros repayable by the Company in February 2021, a loan of 225,000 Euros repayable by the Company in January 2022 and a loan of \$305,000 repayable by the Company in January 2023. At 5 April 2018 the exchange rate was such that 1 Euro equals 1.60 Australian dollars.  Additionally, the Company intends to pay down from the Offer proceeds a portion of the purchase price on the East Kulinbah Land Purchase Agreement summarised in Section 8.2 so that the sum of \$123,879 remains outstanding and payable on or before July 2024. Outstanding interest payments will be \$465 per month. The Company will need to repay the principal sums from revenue (which is uncertain) or by future funding at the relevant time (see the future funding risk above).	
	Dependence on key personnel	The Company's success depends in part on the core competencies of the Directors and management and the ability of the Company to retain these key executives. Loss of key personnel (such as the managing director) may have an adverse impact on the Company's performance.	

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## 2. Investment Overview (continued)

Question	Response		Where to find more information
What are the key risks of investing in our Shares? (continued)	<b>Risk Area</b>	<b>Risks</b>	Section 6
	Sales price of vegetables and other produce	Market prices of vegetables and other agricultural produce in local and international markets are subject to factors beyond the control of the Company. Customer demand, general economic factors such as interest and exchange rates and inflation are all factors that determine the price of agricultural produce. A sustained fall in vegetable or other agriculture prices could adversely impact the ongoing financial performance of the Company.	
What is our financial position?	<p>The Company was incorporated as an Australian public company in March 2015.</p> <p>The Company is a food and agriculture company which has a limited operating history on which an evaluation of our prospects can be made. The Company is seeking to expand its existing operations including by expanding the protected cropping, 'Food for Reasons' food brand and regenerative farmland management business streams. While the Company has generated revenues from the sale of produce as referred to in the audited financial report for the half-year ended 31 December 2017 (which is incorporated by reference as referred to below), the Company is yet to generate any profits.</p> <p>Given the Company's current expansion phase and development, it is not able to provide any meaningful key financial ratios such as relating to market performance, profitability or financial stability.</p> <p>The Company has loan agreements with Commonland Foundation and its subsidiary. One loan agreement is a loan facility of \$100,000 and is not drawn down by the Company at the date of this Prospectus. Any funds drawn down on the facility will be repaid from the Offer proceeds. The other loan agreements are not intended to be repaid from the Offer proceeds. These loans are a loan of 100,000 Euros repayable by the Company in February 2021, a loan of 225,000 Euros repayable by the Company in January 2022 and a loan of \$305,000 repayable by the Company in January 2023. At 5 April 2018 the exchange rate was such that 1 Euro equals 1.60 Australian dollars.</p> <p>The Company further has a debt owing under the East Kulinbah Project Land Purchase Agreement summarised in Section 8.2. The remaining purchase price on the property of \$273,879 is payable on or before July 2024. The Company currently pays interest on the outstanding purchase price monthly in arrears at a rate of 4.5% per annum being \$1,027 per month. The Company intends to pay \$150,000 from the Offer proceeds to reduce the remaining purchase price on the East Kulinbah Project property to \$123,879 which will result in outstanding monthly interest payments of \$465 per month.</p> <p>The Company's relevant financial information (including historical audited financial information) is set out in the Investigating Accountants Report in Section 7. This includes a pro-forma balance sheet that shows the effect of the Offer.</p> <p>The audited financial reports of the Company for the period 23 March 2015 (the date of incorporation) to 30 June 2016, for the year ended 30 June 2017 and for the half-year ended 31 December 2017 have been lodged with ASIC and are taken to be incorporated by reference in this Prospectus in accordance with section 712 of the Corporations Act. The Company will give a copy of these incorporated documents free of charge to any person during the application period of the Offer by the Prospectus.</p>		Section 7

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## 2. Investment Overview (continued)

Question	Response	Where to find more information
<b>What is our financial position? (continued)</b>	The auditor in the audit report in respect of each of the financial reports noted a material uncertainty as to the Company's ability to continue as a going concern, but the opinion was not qualified for this reason. The Investigating Accountant in the Investigating Accountant's Report considers the material uncertainty as to going concern will be satisfied if the Company is successful in achieving the raising under the Prospectus. We intend to apply the proceeds of the Offer as outlined in Section 3.	<b>Section 7</b>
<b>Who are our Directors?</b>	<ul style="list-style-type: none"> <li>■ Mr Anthony Maslin (Non-Executive Chairman)</li> <li>■ Dr Ben Cole (Managing Director)</li> <li>■ Mr Stuart McAlpine (Non-Executive Director)</li> <li>■ Dr James Mackintosh (Non-Executive Director)</li> </ul> <p>Mr Hans Schut is the Alternate Director for Dr James Mackintosh.</p> <p>Information about the experience and background of each Director and independence is set out in Section 5.</p>	<b>Section 5</b>
<b>What benefits are being paid to Directors or related parties?</b>	<p>No directors' fees have been paid to the Board to date and only Dr Ben Cole as the managing director has received cash remuneration. From ASX listing, the Directors will be paid directors' fees for operating the Company as set out in Section 9.7.</p> <p>Dr Ben Cole has entered into an executive service agreement with the Company under which he will be engaged as managing director as summarised in Section 8.</p> <p>The Company has entered into the East Kulinbah Project land purchase agreement and the East Kulinbah Project lease with Stuart McAlpine and/or parties associated with Stuart McAlpine as summarised in Section 8.</p> <p>Each of the contracts referred to above are entered into by the Company with related parties. The independent Directors of the Company in each case considered the contract that was to be entered into was on reasonable arms length terms as far as the Company was concerned and therefore no Shareholder approval under the related party provisions of the Corporations Act was necessary.</p>	<b>Sections 8 and 9</b>
<b>What material contracts have we entered into?</b>	<p>We are a party to a number of material contracts. They are:</p> <ul style="list-style-type: none"> <li>■ Lease of Arthur River land.</li> <li>■ East Kulinbah Project land purchase agreement.</li> <li>■ East Kulinbah Project agreement to lease.</li> <li>■ Commonland loan agreements.</li> <li>■ Executive Service Agreement with Dr Ben Cole, the Managing Director.</li> <li>■ Lead Manager Agreement with Mac Equity Partners as the Lead Manager to the Offer.</li> <li>■ Voluntary Restriction (Escrow) Agreements.</li> </ul> <p>Summaries of the key terms of these agreements are included in Section 8.</p>	<b>Section 8</b>
<b>What is the Offer?</b>	We are inviting subscriptions for 25,000,000 shares at 20 cents each to raise \$5,000,000 at Full Subscription.	<b>Section 3.1</b>

Continued...

## 2. Investment Overview (continued)

Question	Response	Where to find more information																								
What are the objectives of the Offer?	<p>The objectives of the Offer are to:</p> <ul style="list-style-type: none"><li>■ Fund a two year development and expansion program for the Company's operations.</li><li>■ Provide general working capital including corporate administration costs.</li><li>■ Pay the costs of the Prospectus process.</li><li>■ List on the ASX, which will provide the Company with improved access to capital markets.</li></ul>	Section 3.2																								
How will the funds raised under the Offer be used?	<p>We intend to use current funds and funds raised to pursue the objections of the Offer being:</p> <ul style="list-style-type: none"><li>■ To fund a two year development and expansion program for the Company's operations.</li><li>■ Provide general working capital including corporate administration costs.</li><li>■ To pay the costs of the Offer.</li></ul> <p>A budget of how funds are to be used is set out in Section 3.3.</p> <p>As with any budget, new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to vary the way funds are applied.</p>	Section 3.3																								
What is the effect of the Offer on our capital structure?	<table><tr><td>At ASX listing, the capital structure will be:</td><td></td></tr><tr><td><b>Shares</b></td><td></td></tr><tr><td>Existing Shares</td><td>45,579,249</td></tr><tr><td>Shares under this Prospectus</td><td>25,000,000</td></tr><tr><td><b>Total Shares</b></td><td><b>70,579,249</b></td></tr><tr><td><b>Options</b></td><td></td></tr><tr><td>Series A Options</td><td>6,000,000</td></tr><tr><td>Series C Options</td><td>8,750,000</td></tr><tr><td><b>Total Options</b></td><td><b>14,750,000</b></td></tr><tr><td colspan="2">The Series A Options are primary Options which upon exercise of each Series A Option results in the issue of one Share and one Series B Option (a secondary Option).</td></tr><tr><td colspan="2">The terms of the Options are set out in Section 9.2.</td></tr><tr><td colspan="2">As set out in Sections 3.12 and 9.3, the Company intends to issue future Entitlements Options.</td></tr></table>	At ASX listing, the capital structure will be:		<b>Shares</b>		Existing Shares	45,579,249	Shares under this Prospectus	25,000,000	<b>Total Shares</b>	<b>70,579,249</b>	<b>Options</b>		Series A Options	6,000,000	Series C Options	8,750,000	<b>Total Options</b>	<b>14,750,000</b>	The Series A Options are primary Options which upon exercise of each Series A Option results in the issue of one Share and one Series B Option (a secondary Option).		The terms of the Options are set out in Section 9.2.		As set out in Sections 3.12 and 9.3, the Company intends to issue future Entitlements Options.		Sections 3.5, 3.12, 9.2 and 9.3
At ASX listing, the capital structure will be:																										
<b>Shares</b>																										
Existing Shares	45,579,249																									
Shares under this Prospectus	25,000,000																									
<b>Total Shares</b>	<b>70,579,249</b>																									
<b>Options</b>																										
Series A Options	6,000,000																									
Series C Options	8,750,000																									
<b>Total Options</b>	<b>14,750,000</b>																									
The Series A Options are primary Options which upon exercise of each Series A Option results in the issue of one Share and one Series B Option (a secondary Option).																										
The terms of the Options are set out in Section 9.2.																										
As set out in Sections 3.12 and 9.3, the Company intends to issue future Entitlements Options.																										
What is the minimum subscription?	The minimum subscription for the Offer is 25,000,000 shares at 20 cents per Share to raise \$5,000,000, before expenses of the Offer.	Section 3.13																								
Is the Offer underwritten?	The Offer is not underwritten.	Section 3.14																								

Continued...

## 2. Investment Overview

(continued)

Question	Response	Where to find more information
<b>What are the arrangements with brokers?</b>	Mac Equity Partners Pty Ltd is Lead Manager to the Offer. The Company will pay the Lead Manager a 1% management fee plus GST on all the funds raised under the Offer and a 5% capital raising fee plus GST upon funds raised by it under the offer. Additionally, the Lead Manager or its nominees will be issued with 6,000,000 Series A Options. The terms of the Series A Options are set out in Section 9.2.	<b>Sections 3.15, 8.6 and 9.</b>
<b>Have the major shareholders entered into voluntary escrow deeds?</b>	To reflect their long term commitment to the Company, the 3 major shareholders (Commonland Foundation, Anthony Maslin and his wife, Marite Norris, as joint holders and Ben Cole) have entered into voluntary restriction or escrow deeds restricting the disposal of a portion of their Shares together totalling 14,000,000 Shares for a period of 5 years from the date on which official quotation of the Shares on ASX commences. These Shares will additionally be the subject of an ASX required escrow for a period of 24 months from the date on which official quotation of the Shares on ASX commences.	<b>Section 8.7.</b>
<b>Where will the Shares be quoted?</b>	We will apply to ASX for quotation of the Shares under the trading symbol 'WOA'.	<b>Section 3.16</b>
<b>How do I apply for Shares under the Offer?</b>	Applications can be made by completing an Application Form and sending it to the Share Registry.	<b>Section 3.8</b>
<b>What is the minimum investment?</b>	The minimum investment is \$2,000 (10,000 Shares).	<b>Section 3.8</b>
<b>When will I know if my Application is successful?</b>	A holding statement confirming your allocation under the Offer will be sent to you if your Application is successful.	<b>Section 3.11</b>
<b>Will we pay a dividend?</b>	Our focus will be on generating capital growth. We have no immediate intention to declare or distribute dividends. Payment of future dividends will depend on matters such as our future profitability and financial position.	<b>Section 9.6</b>

# 3. Details of the Offer

## 3.1 SHARES OFFERED FOR SUBSCRIPTION

By this Prospectus the Company offers for subscription 25,000,000 shares at 20 cents each to raise \$5,000,000 at Full Subscription.

All Shares offered under this Prospectus will rank equally with existing Shares.

## 3.2 OBJECTIVES OF THE OFFER

The objectives of the Offer are to:

1. Fund a two-year development and expansion program for the Company's operations.
2. Fund general working capital including corporate administration costs.
3. Pay the costs of the Prospectus process.
4. List on the ASX, which provides the Company with improved access to capital markets.

## 3.3 USE OF FUNDS

The Company intends to use its current funds of approximately \$115,000 cash on hand at 5 April 2018 and the funds raised from the Offer at Full Subscription broadly as follows:

Funds available	Full Subscription
Cash on hand <sup>1 and 2</sup>	\$115,000
Funds from this Offer	\$5,000,000
<b>Total funds available</b>	<b>\$5,115,000</b>

Application of Proceeds	Full Subscription
Protected cropping business expansion <sup>2 and 3</sup>	\$1,980,000
Product development and marketing of Food for Reasons food brand business <sup>3</sup>	\$910,000
Regenerative farmland management business operations <sup>3</sup>	\$400,000
Two year corporate administration costs <sup>4</sup>	\$885,000
Cash costs of the Offer to be paid <sup>5</sup>	\$370,000
General working capital <sup>6</sup>	\$570,000
<b>Total</b>	<b>\$5,115,000</b>

Notes:

1. In February 2018 Commonland Foundation, the largest shareholder of the Company, provided a loan facility of \$100,000 to the Company on an unsecured and no interest basis. At the date of this Prospectus, no funds have been drawn down on this facility by the Company. Any loan funds drawn down are repayable from the Offer proceeds.
2. The Company commenced the first sales of the Arthur River protected cropping system produce from April 2017 and is earning revenue. Given the Company's expansion phase as set out in this Prospectus, it is not in a position to forecast reliable prospective financial information such as prospective revenue. The Company will however seek to generate revenue from the sale of produce from the Arthur River protected cropping system and intends to apply any such revenue which may be available to operations which may include accelerating development of any of the Project expenditure referred to above.
3. A two-year budget for the intended use of funds towards the project based items is set out in Section 4.9.
4. Corporate administration costs include a portion of the remuneration of the managing director, directors' fees payable to the non-executive directors, the Lead Manager post-listing mandate fee, rent, accounting ASX and share registry fees.

Continued...



## 3. Details of the Offer (continued)

- The total cash costs of the Offer is approximately \$410,000 in accordance with Section 9.10. \$40,000 of these costs have been paid to date. The cash costs of the Offer includes a capital raising fee assumed to be \$200,000 based on the assumption in Section 9.10. In the event that the capital raising fee is less than \$200,000, the additional moneys will be added to general working capital. In the event that the capital raising fee is greater than \$200,000 (which could be as high as \$300,000), the moneys applied to general working capital will reduce by such a sum.
- General working capital includes allocations for legal, tax and audit fees, insurance and travel costs, payment of interest on East Kulinbah Project land and lease payments on Arthur River property. General working capital is otherwise unallocated. General working capital may also be used for acceleration of the development of the Company's Projects.
- The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to vary the way funds are applied.

### 3.4 WORKING CAPITAL

On successful completion of the Offer with at least Full Subscription, the Company will have enough working capital to carry out the objectives stated in this Prospectus.

### 3.5 CAPITAL STRUCTURE

At ASX listing, the capital structure of the Company will be:

Shares	Full Subscription
	Shares No.
Existing Shares <sup>1</sup>	45,579,249
Shares under this Prospectus <sup>2</sup>	25,000,000
<b>Total Shares</b>	<b>70,579,249</b>

Options	Number
Series A Options <sup>3</sup>	6,000,000
Series C Options <sup>4</sup>	8,750,000
<b>Total Options<sup>5</sup></b>	<b>14,750,000</b>

#### Notes:

- Certain of the Shares and Options currently on issue may be subject to ASX escrow provisions restricting their ability to be transferred or pledged as set out in Section 3.7.
- Shares issued under this Prospectus will rank equally with the existing Shares on issue. The key rights attaching to the Shares are summarised at Section 9.1 of this Prospectus.
- The Series A Options have an exercise price of 30 cents and an expiry date of 31 December 2021. 6,000,000 Series A Options will be issued after the successful closing of the Offer to the Lead Manager under the terms of the agreement summarised in Section 8.6. The Series A Options are primary Options which upon exercise of each Series A Option results in the issue of one Share and one Series B Option (a secondary Option). The Series B Options will have an exercise price of 50 cents and an expiry date of 31 December 2023. If all Series A Options are exercised, 6,000,000 Series B Options will be issued. The full terms of the Series A Options and Series B Options are set out in Section 9.2.
- The Series C Options have an exercise price of 30 cents and an expiry date of 30 June 2021. 4,750,000 Series C Options have been issued to the Directors, the Alternate Director and the joint company secretaries. 4,000,000 Series C Options will be issued after the successful closing of the Offer to unrelated parties who have assisted in the prior fundraisings. The full terms of the Series C Options are set out in Section 9.2.
- As set out in Sections 3.12 and 9.3, the Company intends to issue future Entitlements Options. Based on the Shares at ASX listing, up to 17,644,812 Entitlements Options will be issued.

## 3. Details of the Offer

### (continued)

#### 3.6 SUBSTANTIAL SHAREHOLDERS

Shareholders who have a relevant interest in 5% or more of the Shares on issue at the date of this Prospectus and on completion of this Offer are set out in the table below.

Name of Shareholder	Pre-Offer		On Completion of Offer	
			Full Subscription	
	Shares	% (Undiluted)	Shares	% (Undiluted)
Commonland Foundation	12,000,000	26.3%	12,000,000	17.0%
Anthony Maslin and Marite Norris	7,766,668	17.0%	7,766,668	11.0%
Ben Cole	7,566,668	16.6%	7,566,668	10.7%
Fanja Pon & Hans Rave	5,945,077	13.0%	5,945,077	8.4%

Notes:

1. This table assumes that no existing substantial Shareholder subscribes for, and receives additional Shares under the Offer.
2. Anthony Maslin also has a relevant interest in 1,500,000 Series C Options.
3. Ben Cole also has a relevant interest in 750,000 Series C Options.

The Company will announce to ASX details of its top 20 Shareholders (following completion of the Offer) prior to the Shares commencing trading on ASX.

#### 3.7 RESTRICTED SECURITIES

Subject to the Company being admitted to the official list of ASX, certain of our existing securities on issue prior to the Offer are likely to be classified by ASX as restricted securities and will be required to be held in escrow. These include securities issued to Directors, other related parties and promoters, seed capital investors and others prior to the Offer. If so classified, such securities will be required to be held in escrow for a period determined by ASX and will not be able to be sold, mortgaged, assigned or transferred for the escrow period without the consent of ASX.

The principles of escrow that apply to the existing securities include:

- (a) Shares and Options issued to related parties (such as Directors) or promoters (such as the Lead Manager) other than where cash was paid will be subject to escrow for a period of 24 months from the date on which official quotation of the Shares commences on ASX; and
- (b) a portion of the Shares (after 'cash formula' relief) that have been issued to seed capital investors (investors who subscribed prior to this Prospectus) who are related parties or promoters will be escrowed for a period of 24 months from the date on which official quotation of the Shares commences on ASX.

None of the Shares offered under this Prospectus will be treated as restricted securities and will be freely transferable from their date of allotment.

The Company will announce to ASX details (quantity and duration) of the securities required to be held in ASX escrow prior to the Shares commencing trading on ASX.

To reflect their long term commitment to the Company, the 3 major shareholders (Commonland Foundation, Anthony Maslin and his wife, Marite Norris, as joint holders and Ben Cole) have entered into voluntary restriction or escrow deeds restricting the disposal of a portion of their Shares together totalling 14,000,000 Shares for a period of 5 years from the date on which official quotation of the Shares on ASX commences. See the summary of the voluntary restriction deeds in Section 8.7. The Shares the subject of voluntary escrow will additionally be the subject of an ASX required escrow for a period of 24 months from the date on which official quotation of the Shares on ASX commences.

## 3. Details of the Offer

### (continued)

#### 3.8 APPLICATION FOR SHARES

You may apply on-line and pay electronically by BPAY (if an Australian resident) and complete an on-line Application Form in accordance with instructions on the Application Form. Overseas residents applying on-line must complete the Application Form accompanying this Prospectus and follow relevant instructions. Alternatively, you may pay by cheque and complete the Application Form accompanying this Prospectus and follow relevant instructions.

Applications must be for a minimum of 10,000 Shares (being minimum application moneys of \$2,000).

If you are an Australian resident and paying electronically by BPAY you will need to complete an on-line Application Form and make payment in accordance with instructions on that Application Form. Overseas residents may pay by electronic funds transfer and by emailing a completed Application Form in accordance with instructions on the Application Form. Applications by overseas residents may not be accepted in accordance with Section 3.9.

If paying by cheque, the cheque must be drawn on an Australian bank and made payable to 'Wide Open Agriculture Limited - Share Offer Account' and crossed 'Not Negotiable' and the completed Application Form together with the accompanying cheque must be mailed or delivered to the following addresses:

##### By Post to:

Wide Open Agriculture Limited  
c/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

##### By Delivery to:

Wide Open Agriculture Limited  
c/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

Applicants who wish to apply under the Offer are urged to lodge an Application Form as soon as possible as the Offer may close early without notice.

An Application Form must not be circulated to a prospective investor unless accompanied by a copy of this Prospectus.

An Application Form completed and lodged in accordance with instructions, together with payment for the Application Moneys, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon allotment of the Shares.

If the Application Form is not completed correctly, or if the accompanying payment of the Application Moneys is for the wrong amount, it may be treated by the Company as valid at its discretion. The Directors' decision as to whether to treat such an application as valid, and how to construe, amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the payment for the Application Moneys.

No brokerage or stamp duty is payable by Applicants in respect of an Application for Shares under this Prospectus.

#### 3.9 APPLICANTS OUTSIDE AUSTRALIA

No action has been taken to register or qualify the Shares or the Offer, or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia and the Prospectus does not constitute an offer in any country or place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of the Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons who come into possession of the Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities law. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed to enable them to subscribe for Shares.

The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

## 3. Details of the Offer (continued)

### 3.10 APPLICATION MONEY HELD ON TRUST

We will hold the Application Money on trust for you in accordance with the Corporations Act until we issue Shares under the Prospectus or refund your Application Money. We will retain any interest that accrues on the Application Money, whether or not Shares are issued to you.

### 3.11 ALLOTMENT AND ISSUE OF SHARES

Subject to ASX granting approval for the Company to be admitted to the official list of ASX, allotment of the Shares offered by this Prospectus will occur as soon as practicable after the Closing Date. Pending the allotment and issue of Shares or payment of any refunds under this Prospectus we will hold all Application Money on trust for you in a separate bank account. We will retain all interest that accrues on the Application Moneys we hold.

The Directors will determine the recipients of the issued Shares in their sole discretion. The Directors may reject your Application or allocate fewer Shares to you than the number applied for.

We will refund to you any Application Moneys to the extent that your Application is not accepted (in full or in part) by us.

A holding statement confirming the allotment of Shares will be sent to you, if your Application is successful.

### 3.12 ENTITLEMENTS OPTIONS ISSUE

The Company intends to undertake a non-renounceable entitlements issue of Entitlements Options to registered Shareholders at a time approximately 6 months after admission to the Official List. The Entitlements Options are intended to be offered for subscription at a price of 1 cent each and on the basis of 1 Entitlements Option for every 4 Shares held. The Entitlements Option will have an exercise price of 30 cents and an expiry date of 30 June 2021. Application will be made or the Entitlements Options to be granted quotation on ASX.

The intended full terms of the Entitlements Options are set out in Section 9.3.

### 3.13 MINIMUM SUBSCRIPTION

The minimum subscription under the Offer is \$5,000,000. We will not issue any Shares under this Prospectus until the minimum subscription is satisfied.

If the minimum subscription is not reached within 4 months from the date of this Prospectus, we will either repay your Application Moneys or issue a supplementary prospectus or replacement prospectus. If we issue a supplementary or replacement prospectus, we will allow you one month to withdraw your Application and, if you do so, we will repay your Application Moneys. No interest will be paid on these moneys.

### 3.14 OFFER NOT UNDERWRITTEN

The Offer is not underwritten.

### 3.15 LEAD MANAGER TO THE OFFER

We have entered into a mandate agreement with Mac Equity Partners by which Mac Equity Partners has been appointed as the Lead Manager to the Offer under this Prospectus. The material terms of the agreement are summarised in Section 8.

### 3.16 ASX LISTING

We will apply to ASX within 7 days after the date of this Prospectus for quotation of the Shares offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, none of the Shares offered by this Prospectus will be allotted or issued. In these circumstances, your Application will be dealt with in accordance with the Corporations Act including the return of all Application Moneys without interest.

A decision by ASX to grant official quotation of the Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the Shares. ASX and its officers take no responsibility as to the contents of this Prospectus. Quotation, if granted, of the Shares offered by this Prospectus will commence as soon as practicable after statements of holdings of the Shares are dispatched.

## 3. Details of the Offer (continued)

### 3.17 CHESS

We will apply to participate in the security transfer system known as CHESS, operated by ASX Settlement Pty Ltd (ACN 008 504 532) (a wholly owned subsidiary of ASX) ('ASPL') in accordance with the Listing Rules and the ASX Settlement Operating Rules.

On admission to CHESS, we will operate an electronic issuer-sponsored sub-register and an electronic sub-register. The sub-registers together will make up our principal register of securities. Under CHESS you will not receive a share certificate. You will receive a holding statement setting out the number of Shares issued to you under this Prospectus. If you are broker sponsored, ASX Settlement Pty Ltd will send you a CHESS statement.

### 3.18 TAXATION

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

### 3.19 ELECTRONIC PROSPECTUS

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.



## 4. Company and Business Overview

### 4.1 INTRODUCTION

WOA is a food and agricultural company seeking to regenerate ecosystems and communities in the Western Australian Wheatbelt by operating a vertically integrated, consumer driven business to maximise long-term, sustainable financial returns.

In implementing this strategy WOA intends to apply a '4 returns' framework on seeking measurable outcomes on each of financial returns, natural returns, social returns and inspirational returns (see the reference to the '4 returns' framework in Section 4.4).

### 4.2 COMPANY BACKGROUND

WOA was incorporated on 23 March 2015 by Ben Cole and Anthony Maslin through a close working relationship with Commonland Foundation, and its 100% subsidiary, 4 Returns Projects B.V. Commonland became a shareholder of the Company in July 2015.

Commonland Foundation is a Netherlands based organisation that supports and invests in large-scale landscape restoration projects based on sustainable '4 returns' business cases. The 4 returns being measurable outcomes on financial returns, natural returns, social returns and inspirational returns.

Commonland Foundation supports the Company's strategy and the application of the 4 returns framework.

Food for Reasons seasonal vegetable box being packed at Arthur River packing shed.



## 4. Company and Business Overview (continued)



Harvesting herbs at Arthur River Retractable Roof Protected Cropping System.

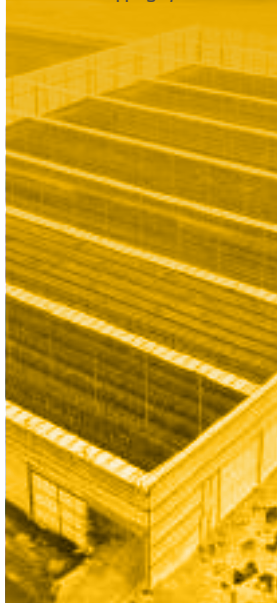
Commonland Foundation's long term commitment to the Company is evidenced by it entering into a voluntary restriction deed with the Company in respect of 8,000,000 of its 12,000,000 Shares. The voluntary restriction deed as summarised in Section 8.7 restricts the disposal of the Shares for a period of 5 years from the date on which official quotation of the Shares commences.

WOA is developing 3 business streams to create a vertically integrated business model that strives to deliver financial, natural, social and inspirational returns in Western Australia's Wheatbelt. Key features of WOA's business streams are as follows:

## 4. Company and Business Overview (continued)

### Protected cropping and associated open field operations

Arthur River Retractable Roof Protected Cropping System.



Constructed 5,186m<sup>2</sup> retractable roof protected cropping system in Arthur River near Wagin, Western Australia in December 2016.

Developed outdoor growing area in October 2016 of 3,000m<sup>2</sup> with successful production of carrots, beetroot, rockmelon, pumpkins, leeks and garlic.

Demonstrated the capacity of retractable roof and outdoor growing areas to produce over 25 varieties of vegetables and fruits including roma and grape tomatoes, capsicums, herbs, zucchinis, eggplants, cucumbers, warrigal greens bush food, leeks, garlic, chillies, beetroot and carrots in summer and winter growing conditions.

Implemented agro-ecological growing practices including crop rotations, building soil health, use of organic pest management and promoting biodiversity.

Developed water infrastructure using surface water run-off, solar pumps and connected pipe supply across 6 dams to transfer and supply storage dam for irrigation water.

Established drip-irrigation system for retractable roof and outdoor growing areas.

Commissioned packhouse, cold storage and chiller truck for cold store logistics from Arthur River to Wheatbelt and Perth.

Attained Freshcare Food Safety & Quality accreditation for retractable roof and outdoor growing systems.

### Food for Reasons Food Brand

Food for Reasons retail packaging for roma and grape medley tomatoes.



Secured trademark for 'Food for Reasons' in Australia.

Established online sales through [www.foodforreasons.com](http://www.foodforreasons.com) for sale of seasonal vegetable box between the months of November and March and additional weekly offers of fresh vegetables.

Weekly sales of seasonal vegetable box between the months of November and March provided to distribution points in the Western Australian Wheatbelt (Wagin, Williams, Narrogin, Kojonup, Katanning) and Perth (Fremantle and Scarborough).


Demonstrated ongoing sales of roma and grape tomatoes between the months of December and May to wholesaler located at Market City, Canning Vale.

Developed branded, recyclable cardboard packaging for roma and medley grape mix.

Attracted more than 2,000 followers to foodforreason on Instagram and Food for Reasons Facebook.



## 4. Company and Business Overview (continued)

	<b>Regenerative Farmland Management</b>	<p>Took possession of 310 hectare farmland (East Kulinbah) in the shire of Perenjori, near the town of Buntine, Dalwallinu in July 2016.</p>
		<p>Established holistic, 3 zone farm plan for East Kulinbah Project by identifying economic, combined and nature zones.</p>
		<p>Signed lease with proven farmer committed to regenerative farming practices based on the 3 zones.</p>
		<p>Planted approximately 60,000 fodder forage shrubs in the WOA and farmer combined zone which acts as a potential source of future livestock feed.</p>
		<p>Key flora including <i>Acacia spp</i>, <i>Melaleuca spp</i> and <i>Eucalyptus spp</i> were identified to initiate the restoration of the nature zone.</p>

Fodder forage shrubs at East Kulinbah Project.

### Western Australia's Wheatbelt Region

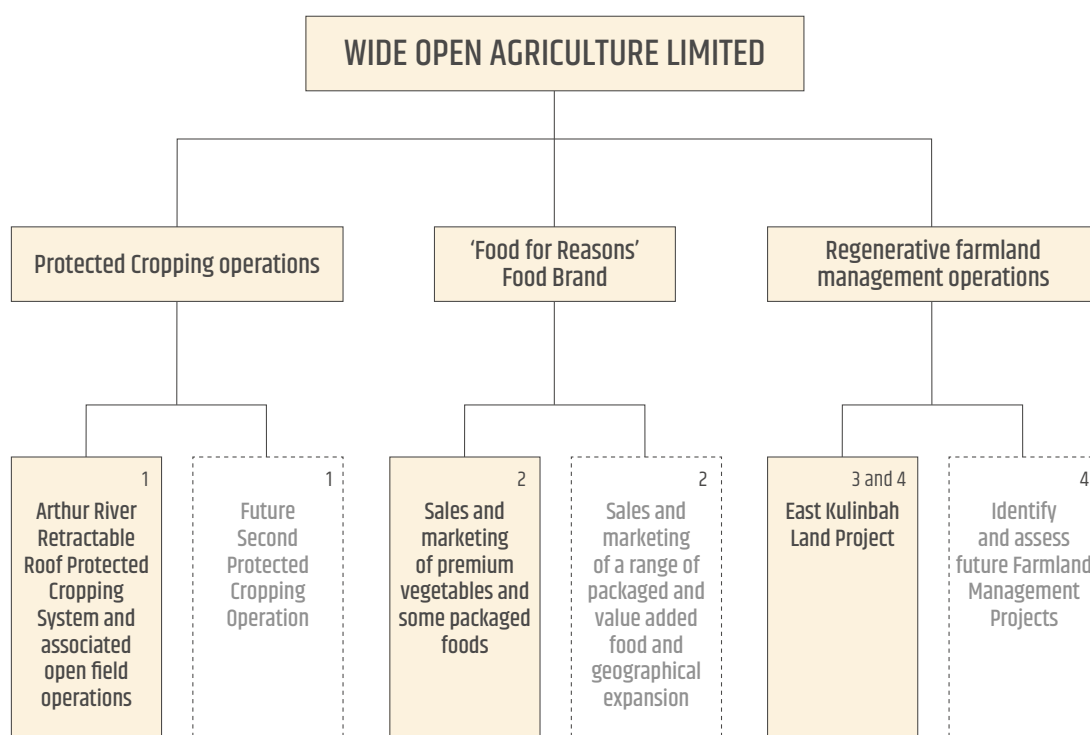
WOA projects and operations



## 4. Company and Business Overview (continued)

### 4.3 BUSINESS OPERATIONS DIAGRAM

Set out below is a diagram depicting the 3 business streams of the Company including depicting future activities.



#### Notes:

1. As set out in the 2 year project budgets in Section 4.9, the Company intends to expand the outdoor growing area and water storage at the Arthur River Project, identify a new site for lease and then purchase, construct and establish a second protected cropping operation in the Western Australian Wheatbelt.
2. As set out in the 2 year project budgets in Section 4.9, the Company intends to promote the 'Food for Reasons' food brand by product development of packaged and value-added products, marketing and distribution of a greater range of packaged and new ranges of value added food and geographical expansion.
3. As set out in Section 8.2 the Company has the right to become the registered proprietor of the land the subject of the East Kulinbah Land Project upon payment of \$273,879 on or before July 2024. The Company intends to use \$150,000 from the funds of the Offer to reduce the sum outstanding to \$123,879.
4. As set out in the 2 year project budgets in Section 4.9, the Company intends to pay a portion of the remaining purchase price on the East Kulinbah land, manage the East Kulinbah combined and natural zones including planting on the combined zone and identify and assess additional farmland management projects for management.

### 4.4 THE 4 RETURNS FRAMEWORK

The Company has committed to applying a 4 returns framework to seek measurable outcomes on financial, natural, social and inspirational returns.

For financial returns, the focus is realising long-term sustainable profit to generate competitive capital growth and dividends.

For natural returns, the focus is on implementing regenerative farming systems within the Western Australian Wheatbelt to accelerate natural processes that improve soil health, water quality and biodiversity. It is intended that reduced reliance will be sought on artificial fungicides, fertilisers and pesticides. Water capture, storage and use will be optimised and will utilise surface water capture in upper catchments to reduce the net flow of water to valley floors impacted by salinity.



## 4. Company and Business Overview (continued)

For social returns, the focus is on creating new jobs, entrepreneurial opportunities, business activity and education in the Western Australian Wheatbelt in communities it operates in. Support is intended for local sporting, cultural and art groups.

For inspirational returns, the focus is on giving farmers and residents in Wheatbelt communities in which the Company will operate and customers of Food for Reasons food products new inspiration and an invigorated sense of purpose.

### 4.5 4 RETURNS IMPLEMENTATION AND MONITORING

The 4 returns framework is acknowledged in the Company's Constitution. The Constitution relevantly provides that the Directors in managing the business of the Company and exercising powers, as are not required to be exercised by the Company in general meeting, may apply a 4 returns framework on seeking measurable outcomes on financial, natural, social and inspirational returns.

WOA's overall application of the 4 returns framework is intended to be as follows:

**Financial returns:** Develop 3 business streams that are vertically integrated to create and capture value throughout the food and agricultural supply chain.

**Social returns:** Establish protected cropping operations and other entrepreneurial opportunities on Wheatbelt farmland to create new labour requirements throughout the year and high labour inputs during peak seasonal conditions.

**Natural returns:** Take possession of Wheatbelt farmland to apply a holistic, 3 zone farm plan and implement this plan in partnership with farmers committed to regenerative practices. Establish new farming systems that are climate-resilient and promote soil health, improve water quality and increase biodiversity.

**Inspirational returns:** Develop a vertically-integrated business model that produces fresh vegetables, cereals, oilseeds and livestock that are available for purchase by farming and Perth-based communities. Demonstrate regenerative farming systems upon WOA owned or leased farmland. Create a new food brand that communicates the 4 Returns framework and inspires its customers.

The specific application of the 4 returns framework is presented for each business stream in this Section 4.

The Company has developed a monitoring database to record baselines and to conduct annual recording across the 4 returns framework. Baseline indicators have been recorded for each of the 4 returns. Alongside support from Commonland Foundation (WOA's largest shareholder), the database and indicators were refined to be locally specific.

Some of the monitoring indicators developed are:

**Financial returns:** return on capital employed and earnings before tax and interest.

**Social returns:** the number of direct and indirect employees associated with WOA and percentage population change in the local government areas of the Wheatbelt where WOA operates.

**Natural returns:** increased presence of identified native flora/fauna species, soil carbon accumulation per hectare and volume of water caught by improved or new dam infrastructure (prevention of surface water run-off to lower catchment).

**Inspirational returns:** number of land owners/managers engaged and participating in the 4 returns approach as demonstrated by WOA.

### 4.6 PROTECTED CROPPING AND ASSOCIATED OPEN FIELD OPERATIONS

The strategy of this business stream is to establish and utilise protected cropping technology projects to grow premium vegetables.

WOA completed construction of a 5,186m<sup>2</sup> retractable roof protected cropping system in December 2016 at Arthur River in Wagin Shire, Western Australia. The retractable roof protected cropping system is owned by the Company and operates on land leased by the Company.

## 4. Company and Business Overview (continued)

### 4.6.1 Selection of technology for Arthur River Project

Prior to selecting the retractable roof protected cropping system a rigorous assessment was undertaken of available protected cropping technologies. The assessment was supported by the Dutch greenhouse technology company, Priva, and included site visits in Holland and Mexico.

The assessment identified three main types of protected cropping technologies. They being stationary polytunnels or net houses, retractable roof systems and glasshouses. The selection process was refined based on the suitability for crop production in the Western Australian Wheatbelt climate, energy and water requirements and capital expense.

The retractable roof system was identified as the most optimal technology for WOA's Arthur River site based on the following characteristics:

- In summer months, the roof is closed during the day to provide shade and increase humidity and thereby optimise plant growth in the hot, dry summer months (December to February).
- In winter months, the roof is opened during the day to maximise sun penetration to the crops and closed after approximately 4pm to eliminate risk of frost damage in cold, wet winter months (June to August).
- Net houses and polytunnels have a stationary roof and walls and offer limited capacity to adapt to changing climatic conditions (reduced capacity to respond to changing humidity, temperature and sunshine) in comparison to a retractable roof system.
- Retractable walls eliminate warm/hot easterly and northerly winds during summer months and can be opened to aid ventilation and reduce impact of potential fungal outbreaks in cooler months.
- Energy requirements are significantly lower than those required for cooling/heating a glasshouse production system in Western Australian Wheatbelt conditions.

Arthur River Retractable Roof Protected Cropping System with roof open.



Internal view of Arthur River Retractable Roof Protected Cropping System.



## 4. Company and Business Overview (continued)



One of the supply dams to the Arthur River Project.

### 4.6.2 Development of Arthur River Site

The lease for the 5 hectare site in Arthur River was signed on 29 July 2016. The lease agreement included access to 5,000m<sup>3</sup> of water per annum sourced and stored from four dams on the leased property.

From July to December 2016 activities included the development of water infrastructure and supply, irrigation systems and the construction of the retractable roof protected cropping system. The packhouse and cool room were installed in February 2017.

The first crops were planted in January 2017 with harvest commencing in April 2017. The first growing season ran from January to June 2017 and demonstrated the capacity of the production system to grow a variety of vegetables and produce including tomatoes, capsicums, cucumbers, chillies, zucchini, carrots, beetroot, lettuce and herbs.

The second growing season commenced in October 2017 and allocated 60% of the retractable roof growing area to roma and grape tomatoes and 40% to 25 diverse varieties of vegetables and fruits.

Adjacent to the retractable roof system is an outdoor growing area of approximately 3,000m<sup>2</sup>. This area has been used for the production of vegetables with higher tolerance to cold (such as garlic and leeks) and heat (chillies, pumpkin and rockmelon).

### 4.6.3 Availability of Technology

The Company undertook a tender process from Australian and international manufacturers of retractable roof production systems. The tender was awarded to the Canadian manufacturer, Cravo. Cravo was contracted by the Company to manufacture a 5,186m<sup>2</sup> flat-roof, retractable roof production system for delivery to Western Australia's Wheatbelt. Cravo has designed and constructed retractable roof production systems for over 35 years and has produced systems in North America, Mexico, Spain, India, China, U.K. and South Africa.

There are a number of competitors that design and manufacture protected cropping technologies in Australia. Australia's Protected Cropping Association host industry seminars and conferences and these are attended by suppliers and consultants in the industry. The irrigation systems used within protected cropping systems are readily available from Australian and international suppliers. Two large suppliers of drip-irrigation technology, have supply networks in Western Australia

### 4.6.4 Agro-ecological Production System

The Company is producing premium vegetables in the retractable roof and outdoor growing areas. Premium vegetables include those grown with high environmental credentials. To demonstrate high environmental credentials an agro-ecological production system has been designed and implemented. Agro-ecological production systems maximise the use of nature's

## 4. Company and Business Overview (continued)



Beehive maintenance at Arthur River site.



Beehive forage within Arthur River site.

goods and services while not damaging these services. The specific agro-ecological activities applied at the Arthur River site include:

- Incorporation of straw to build the carbon content of soil and promote soil health.
- Use of organic certified pest management inputs.
- Application of crop rotation to break pest and disease cycles.
- Planting of cover crops and between pole lines to promote soil health and habitat for beneficial insects.
- Construction of a water capture system to prevent water loss from the growing area.
- Planting of native plants and establishment of a bee hive to promote pollination.

The protected cropping operations work in conjunction with the 'Food for Reasons' food brand by supplying premium vegetables and produce to the food brand operations.

During the first growing season (January to June 2017) roma and grape tomatoes received strong market acceptance from direct, retail and wholesale customers. The second growing season (October 2017 projected to June 2018) allocated 60% of the retractable roof growing area to roma and grape tomato production. The remaining 40% of the retractable roof growing area is for the production of the seasonal vegetable box (which has included lettuce, cucumbers, capsicums, herbs, zucchinis, eggplant and a warrigal greens bush food).

### 4.6.5 Expansion Opportunities at Arthur River site

The Arthur River site has demonstrated the capacity of retractable roof protected cropping technologies and open field production to grow premium crops in the Western Australian Wheatbelt. A limited proportion of the funds from this raising will be utilised to expand the Arthur River site (see Section 4.9). The expansion will include the development of additional growing areas and water storage.

The additional growing area may utilise net house structures so as to maximise growing conditions for one premium vegetable crop. If a net house structure is developed, it would allow annual rotations between the net house, retractable roof system and outdoor growing areas to develop a multiple crop system that aligns to the existing agro-ecological production system.

The additional water storage will include the construction of an additional dam up to 5,000 m<sup>3</sup> in size. Preliminary investigations have been undertaken to identify the new site. The dam would be connected to the existing storage dam to maximise water capture and storage for the Arthur River site.

## 4. Company and Business Overview (continued)

### 4.6.6 Comparative Advantages

The protected cropping project in Arthur River has demonstrated a number of unique features when compared to open-field operations located in established horticultural areas in Western Australia. Traditional horticultural regions include Carnarvon, Swan Coastal Plain and Manjimup. The unique features are:

- Protected cropping technologies allow for the production of premium vegetables in the Western Australian Wheatbelt (a non-traditional horticulture region in Western Australia).
- Land prices in the Wheatbelt focused areas are based on broad-acre farming systems (cereals, oilseed and sheep production) and have lower lease rates per hectare in comparison to established horticultural areas in Western Australia.
- Water supplied from surface runoff in the Wheatbelt focused areas requires simple infrastructure and once captured is fully owned by the landowner/lessee.
- Wheatbelt climatic zones in the focused areas presents a lower risk profile to certain severe weather events (floods and cyclones) that have previously impacted other areas such as the Carnarvon horticultural growing region.
- Outbreak of disease from neighbouring operations is a low risk due to the isolated nature of horticulture production in the Wheatbelt.
- Support from Wheatbelt shires and the Western Australian Wheatbelt Development Commission to promote new agricultural ventures in the Wheatbelt.
- No pressure of urbanisation on the location of the protected cropping facility.

### 4.6.7 Second protected cropping site and technology

Based on these comparative advantages referred to above, the majority of the funds allocated to this business stream (see Section 4.9) will be utilised to identify a new site and to construct and establish a protected cropping technology system greater than one hectare in size. The site will be identified within Western Australia's Wheatbelt.

The site will be identified using 4 key decision parameters being market demand for premium vegetables, climate, water quality and quantity and labour availability. These 4 parameters will then be used to select the most appropriate protected cropping technology for the chosen premium vegetable crop(s).

The Company has established a network with manufacturers/suppliers of protected cropping technologies including in Israel and the Netherlands. The Company will seek to utilise these networks to identify the most appropriate protected cropping technology for purchase and ownership. The particular type of protected cropping technology may include the existing retractable roof protected cropping system or a net house style system. Based on the allocated funds in this Prospectus, the size of a retractable roof production system if selected would be approximately 10,000 m<sup>2</sup>. If a net house production system was selected the size would be approximately 30,000m<sup>2</sup>.

The land for the new site is intended to be leased from a land holder identified in the chosen region of the Wheatbelt.

### 4.6.8 Government Approvals for future sites

The construction of a large-scale protected cropping system or net house system requires development approval from the Local Shire.

The retractable roof protected cropping system in Arthur River was provided with a development approval from Wagin Shire on 28 June 2016. The Company will need to seek an extension of the development approval for the expansion of the Arthur River site.

The Company will also need to seek approval from a Wheatbelt-based Shire for the second protected cropping site.

Wheatbelt shires and the Western Australian Wheatbelt Development Commission have been supportive in promoting new agricultural ventures in the Western Australian Wheatbelt which reflect the experience of WOA at the Arthur River retractable roof cropping system project.



## 4. Company and Business Overview (continued)



Delivery truck at Arthur River packing shed.

### 4.6.9 Application of 4 Returns Framework

Each business stream has applied the 4 returns framework. The application of 4 returns in the protected cropping business stream is and will be as follows:

**Financial returns:** Focus on protected cropping technologies providing financial returns in Australia and growing demand for produce using regenerative farming practices.

**Social returns:** Horticulture is a major employer in established horticultural areas and requires fixed and seasonal labour inputs.

**Natural returns:** The application of an agro-ecological production system offers potential to improve soil health, improve water quality and expand biodiversity.

**Inspirational returns:** Provision of fresh, locally grown vegetables to Western Australian Wheatbelt communities and the demonstration of new approaches to farming systems to Western Australian Wheatbelt and Perth-based communities.

### 4.7 'FOOD FOR REASONS' FOOD BRAND OPERATIONS

The strategy for the Food for Reasons business stream is to develop so as to market and distribute fresh and packaged regenerative food products to Australia, Singapore and Hong Kong. The food products to be produced are to use regenerative farming systems by WOA and other Wheatbelt farmers.

The business stream is managed by Ms Marilyn Elson who has over 20 years experience in food marketing and product development.

#### 4.7.1 Trade Mark and Social Media

WOA has the Australian registered trade mark in respect of the words 'Food for Reasons'. The domain name ([www.foodforreasons.com](http://www.foodforreasons.com)) and Instagram account ([#foodforreasons](https://www.instagram.com/foodforreasons)) are under the control of WOA.

The trade mark is effective from 8 February 2017 and covers four food classes including raw and unprocessed agricultural products, fresh fruit and vegetables, fresh herbs, chilled foods and various processed foods.

Social media, print and public events have been held by WOA to build the awareness of the Food for Reasons brand in the Wheatbelt and Perth. Market research undertaken with Food for Reasons' online customer database confirmed a high level of customer engagement in the brand's ambition to regenerate communities and ecosystems in the Wheatbelt.

WOA owns a 'chiller truck' and cold storage equipment.

## 4. Company and Business Overview (continued)

### 4.7.2 Premium fresh vegetables

The Food for Reasons business stream is responsible for marketing all vegetables produced at WOA's Arthur River retractable roof protected cropping system. The product range includes seasonal vegetable box, weekly specials to online customers, retail sales of bulk orders to supermarkets and chefs and wholesale provision of Roma and grape tomatoes.

Food for Reasons promotes the vegetables as premium. The premium status is predominantly communicated through the high environmental credentials of the agro-ecological production system applied at the Arthur River retractable roof protected cropping system. Locally produced, job creation and the generation of new inspiration in the Wheatbelt are also used in the communications of the Food for Reasons brand.

### 4.7.3 Multiple marketing channels

The Food for Reasons business stream has developed three marketing channels to sell the fresh vegetables produced from its Arthur River retractable roof protected cropping system. The three channels are as follows:

- direct online sales to consumers through [www.foodforreasons.com](http://www.foodforreasons.com). A seasonal vegetable box (including of produce such as lettuce, cucumbers, capsicums, herbs, zucchinis, eggplant and a warrigal greens bush food) together with additional weekly offers of specific produce can be purchased by consumers between the months of November and March. Delivery to a number of Western Australian Wheatbelt towns and metropolitan Perth delivery hubs at Scarborough and Fremantle has been established;
- retail sales including of grape and roma tomatoes directly to restaurants and supermarkets located in Perth between the months of December and May; and
- sales of predominantly grape and roma tomatoes to wholesale buyers located at Market City, Canning Vale in the metropolitan area of Perth between the months of December and May.

The key features of the multiple marketing channels are:

- Online sales present the opportunity for direct communication and research with customers and have allowed for vegetable production to respond to customer demand.
- Online sales have demonstrated the capacity to extract high pricing for individual vegetables when sold online (i.e. direct to consumer) in comparison to retail or wholesale.
- Retailers are willing to display the Food for Reasons logo in store.
- Wholesalers located in Market City, Canning Vale have consistent demand for roma and grape tomatoes marketed by Food for Reasons.

### 4.7.4 Premium packaged vegetables

Packaging for roma and grape medleys have been designed and printed.



Food for Reasons retail packaging for roma and grape medley tomatoes.



## 4. Company and Business Overview (continued)

The expansion of the premium fresh and packaged food range is addressed below.

### 4.7.5 Promoting and expanding the Food for Reasons brand

WOA intends to promote the Food for Reasons brand and expand product lines including by:

- (a) selling a higher volume of premium vegetables under the brand which are intended to be accessed by the expansion of WOA's protected cropping operations as well as seeking to market fresh vegetables from other regenerative Western Australian Wheatbelt farmers;
- (b) product development in seeking to establish a greater range of packaged and new ranges of value added premium food products sourced from vegetables grown in WOA's protected cropping systems and other Western Australian Wheatbelt primary producers; and
- (c) seeking to expand the distribution channels for the brand initially targeting Sydney, Melbourne and Brisbane and Asian markets in Singapore and Hong Kong.

In seeking to establish a greater range of packaged and new ranges of value added premium food products, WOA will seek to utilise Western Australian Wheatbelt inputs such as vegetables, cereals, oilseeds and livestock.

Regenerative farming practices are holistic practices to improve overall agro-ecosystem health and reduce the use of external-inputs including artificial chemicals. Agro-ecosystem health includes soil, water, biodiversity and community/human health. Regenerative farming practices include the use of no-till farming, perennial crops, cover crops, crop rotations, intercropping, animal integration with plant-based systems and organic production systems.

### 4.7.6 New product lines in regenerative fresh and packaged foods

WOA intends to utilise market research in Australia, Singapore and Hong Kong to identify appropriate ranges of fresh and packaged, value-added products for marketing of these products into new markets in Australia (Sydney, Melbourne, Brisbane), Singapore and Hong Kong. WOA has not supplied products to date to these new markets.

#### Product development phase

WOA will engage in primary and secondary market research to identify gaps and niches in premium food sectors in Australia, Singapore and Hong Kong.

A key market under investigation is premium vegetables grown in protected cropping systems that apply an agro-ecological production system. Other fresh products currently grown in the Western Australian Wheatbelt include low-chemical input grains, pasture-raised eggs and livestock (sheep and cattle) fed exclusively on perennial grasses and shrubs.

Packaged, value-added products have longer shelf lives in comparison to fresh foods and do not require cold-store supply chains. This feature has a reduced cost of distribution into Asian markets such as Singapore and Hong Kong.

#### Marketing and Distribution Phase

The marketing strategy for the fresh and packaged, value-added product range includes expanding the existing marketing tools and increasing coverage to target Sydney, Melbourne, Brisbane, Singapore and Hong Kong. The expanded marketing strategy intends to focus on social media, in-store promotions, packaging, print and public relations in Australia, Singapore and Hong Kong.

### 4.7.7 Application of 4 Returns Framework

Each business stream has applied the 4 returns framework. The application of 4 returns in the Food for Reasons business stream and will be as follows:

**Financial returns:** Focus on direct to consumer, wholesale and retail distribution channels thereby allowing the Company to respond to where demand lies and promote the Food for Reasons brand and expand product lines.

## 4. Company and Business Overview (continued)

**Social returns:** Create employment in the food marketing and distribution sector in the Wheatbelt and Perth.

**Natural returns:** Offer opportunity for existing and new farmers to become aware of and implement agro-ecological production systems in the Wheatbelt.

**Inspirational returns:** Communicate to Perth and Wheatbelt consumers the capacity of fresh and packaged, value-added Food for Reasons products to deliver 4 returns to the Western Australian Wheatbelt.

### 4.8 REGENERATIVE FARMLAND MANAGEMENT OPERATIONS

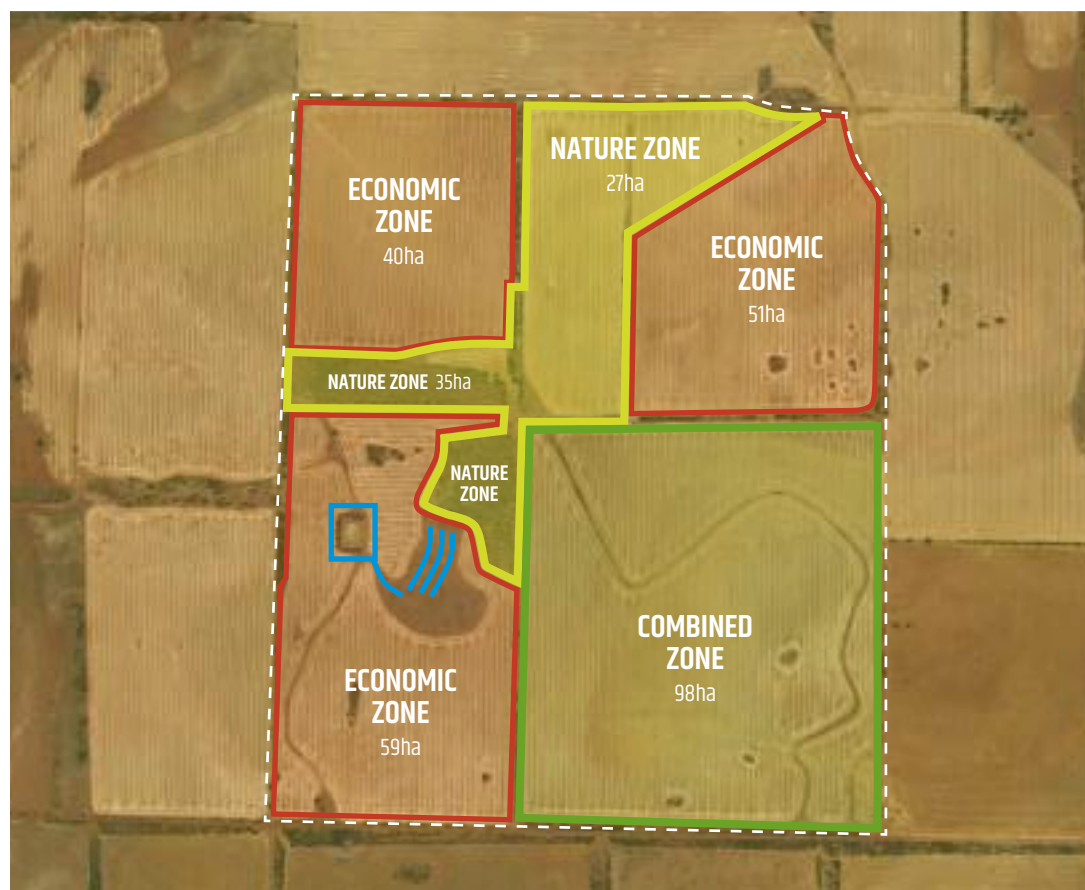
The strategy for the regenerative farmland management business stream is for the Company to manage Western Australian Wheatbelt farmland that will be farmed by experienced farmers applying regenerative farming practices and based on the 4 returns framework.

#### 4.8.1 East Kulinbah Project 3 zones

The Company has established the East Kulinbah Project on land of 310 hectares in East Kulinbah in the north of the Western Australian Wheatbelt. It has entered into a land purchase agreement and agreement to lease that are summarised in Sections 8.2 and 8.3.

By the land purchase agreement, the Company is to purchase the land. The Company took possession of the land in July 2016. The purchase price that remains outstanding is \$273,879 and is payable on or before July 2024. The Company will become the registered holder of the land upon payment of this outstanding sum of the purchase price.

East Kulinbah Project 3 zone map.



## 4. Company and Business Overview (continued)

The Company will pay \$150,000 from the Offer funds towards purchase of the East Kulinbah Project land, thereby reducing the outstanding purchase price to \$123,879.

By the agreement to lease the Company is partnering with Stuart and Leanne McAlpine (who controlled the corporate seller of the land). Stuart McAlpine is a Director of the Company (WOA) and is an experienced farmer committed to applying regenerative farming practices on the land.

A holistic farm plan has been developed between WOA and the farmer and applies a 3 zone approach that categorises the East Kulinbah farm into economic, combined and nature zones. WOA, in partnership with the regenerative farmer lessee developed the holistic management plan. The plan identifies specific activities and outcomes to strive towards achieving 4 returns over the next 20 years.

WOA intends for the holistic management plan to provide a template for additional farmland to be transitioned to regenerative management.

The 'economic zone' is managed by the lessee, Stuart and Leanne McAlpine (the farmer). This land represents almost 50% of the land area (150 hectares) which is exclusively leased to the farmer to conduct biological cropping practice including for wheat and canola production as well as raising sheep.

The Company and farmer 'combined zone' is shared land and represents approximately 30% of the land area (98 hectares). In this combined zone the Company has planted approximately 60,000 fodder forage shrubs and the farmer can and has raised sheep.

The benefits of the fodder forage shrubs is they can offer feed for livestock during the summer and autumn periods. This reduces the need for the provision of grains or pellets to supplement livestock diets during the summer and autumn periods. The fodder forage shrubs also provide wind protection for livestock, reduce water table intrusion in valley floors and provide habitat for insects and birds.

Fodder forage shrubs prior to planting on combined zone at East Kulinbah Project.



## 4. Company and Business Overview (continued)

Electric fencing is intended to be installed by WOA in the combined zone to allow for cell-grazing of livestock. Cell grazing is a farming system that allows livestock to feed without adversely impacting overall plant or soil health.

WOA has mapped and assessed the 'nature zone' which represents approximately 20% of the land area (62 hectares) and is exclusively managed by WOA.

WOA intends to fence and revegetate the nature zone to expand the biodiversity on the East Kulinbah farmland. The selection of flora to revegetate the site has been identified by ecological and botanical consultants. The key flora identified were Eucalyptus spp, Acacia spp and Melaleuca spp.

The reference point for the flora assemblages was the Buntine Nature Reserve which is located 20km from the farmland and represents the largest nature reserve in proximity to the East Kulinbah farmland.

The regenerative farmland management business as it continues to develop will aim to work in conjunction with the 'Food for Reasons' food brand by, where appropriate, supplying produce or inputs (such as vegetables, cereals, oilseeds and livestock) that may be utilised in the food brand operations.

### 4.8.2 Identifying and assessing additional farmland for regenerative management

Through the East Kulinbah farm purchase, WOA developed experience in identifying and assessing farmland for regenerative management. WOA has established an agreement to lease with a farmer committed to regenerative farming practices. The East Kulinbah Project will act as a reference point for future negotiations with regenerative farmers.

WOA will seek to identify and assess additional regenerative farmland in the Western Australian Wheatbelt where it may seek to partner with regenerative farmers.

The two year project budgets in Section 4.9 do not include any acquisition of future farmland management projects and, as such, any such expansion is uncertain. In the event that WOA seeks to expand into further management projects it would be subject to funding beyond the funds provided by this Offer.

Any acquisition of farmland management projects in the future could variously include acquisitions relying on WOA undertaking equity or debt funding or a third party investor itself acquiring the land and partnering with WOA and a regenerative farmer. WOA intends to seek to utilise its network and that of Commonland Foundation in Australia and Europe to promote the acquisition of farmland management projects. Funding risks for any future expansion of farmland management projects is addressed in the future funding needs in Section 6.

### 4.8.3 Application of 4 Returns Framework

Each business stream has applied the 4 returns framework. The application of 4 Returns in the Regenerative Farmland Management business stream is and will be as follows:

**Financial returns:** Focus on lease returns and capital appreciation of project farmland.

**Social returns:** Identify diversified farming systems that have the capacity to create new jobs and entrepreneurial activities on regenerated farmland.

**Natural returns:** Improve soil health, water quality and biodiversity on farmland through developed holistic farm plans that apply the 3 zone approach.

**Inspirational returns:** Demonstrate the application of holistic farm plans that apply the 3 zone approach in the Wheatbelt.

## 4. Company and Business Overview (continued)

### 4.9 TWO YEAR PROJECT BUDGETS

The Company intends to allocate \$3,290,000 of the funds raised under the Offer to undertake a 2 year development and expansion program for the Company's operations as set out below.

This development and expansion will focus on each of the 3 business streams of the Company, being the protected cropping business, 'Food for Reasons' food brand business and regenerative farmland management business.

Market/activity	Year 1	Year 2	Total
<b>Protected Cropping business</b>			
Expansion of growing area and water storage at the Arthur River project	110,000	50,000	160,000
Purchase of protected cropping structure and system and construction and establishment of a second protected cropping operation in the Wheatbelt including shire development approval	500,000	1,300,000	1,800,000
Lease of second protected cropping site	10,000	10,000	20,000
<b>Sub-total</b>	<b>620,000</b>	<b>1,360,000</b>	<b>1,980,000</b>
<b>'Food for Reasons' Food Brand business</b>			
Product development – packaged and value-added products	200,000	250,000	450,000
Marketing and distribution of fresh, packaged and value added products in Western Australia including seeking to expand to East-Coast Australia, Singapore and Hong Kong	175,000	225,000	400,000
International trade mark protection for Singapore and Hong Kong	30,000	30,000	60,000
<b>Sub-total</b>	<b>405,000</b>	<b>505,000</b>	<b>910,000</b>
<b>Regenerative Farmland Management business</b>			
Payment towards purchase of East Kulinbah Project land	150,000	0	150,000
Management of East Kulinbah combined and nature zones including planting on nature zone and erecting fences	30,000	70,000	100,000
Identifying and assessing additional regenerative farmland for management and promoting future projects to investors	95,000	55,000	150,000
<b>Sub-total</b>	<b>275,000</b>	<b>125,000</b>	<b>400,000</b>
<b>TOTAL</b>	<b>1,300,000</b>	<b>1,990,000</b>	<b>3,290,000</b>

1. The Company may seek to access any research and development tax incentive funding from the Australian Commonwealth Government to assist funding the product research and development. Currently, a research and development tax incentive scheme provides a refundable tax offset for certain eligible research and development activities for an entity whose aggregated turnover is less than \$20 million. Any such funding by way of receiving a refundable tax offset is intended to be applied pro-rata to the items above. Any such funding is uncertain and has therefore not been included in the budgets above.
2. The above budgets are a statement of current intention at the date of this Prospectus. As with any budget, intervening events (including development success or failure) and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to vary the way funds are applied on this basis including as between the different business streams.

## 4. Company and Business Overview (continued)

### 4.10 MARKET OVERVIEW

The Company's aim is to successfully scale-up its operations including penetrating relevant markets with products sold under the Food for Reasons food brand. The achievement of this aim is subject to a number of risks as summarised in Section 6. This Section does not represent any forecast or projection as to future revenue or profitability of the Company or penetration into markets. The Company provides an overview of relevant aspects of the food and agriculture markets (including tomato consumption trends) in Australia as well as Singapore and Hong Kong so investors can gain an appreciation of the targeted markets. The Company intends to target the Australian, Singapore and Hong Kong markets.

#### 4.10.1 Global trends and impacts on Australian food and agriculture sector

World population growth has resulted in growing agricultural demand<sup>1</sup>. Forecast higher food consumption rates are accompanied with up to 12 million hectares of agricultural land being lost to desertification and urbanisation each year<sup>2</sup>. Climate change and freshwater scarcity are two additional factors that may adversely impact food production globally and in Australia<sup>3</sup>.

Additional factors identified as presenting strong impact on Australia's rural industries<sup>4</sup> are:

- A new middle class in Asia will increase food consumption, diversify diets and consume more protein.
- Food consumption will focus on health and well-being. Consumers empowered with technology and social media will have increased expectations for health, provenance, sustainability and ethics.

#### 4.10.2 Food and vegetable consumption trends in Australia

Domestic food demand consumption increased by 88% in the real value of household food consumption since 1989-90, from A\$40 billion to reach A\$92 billion in 2015-16<sup>5</sup>. In the last two decades, food consumption ranked consistently in the three top expenditure categories. Patterns of food expenditure indicate there are likely to be ongoing economic opportunities to obtain a price premium for foods with reliable and high-quality attributes<sup>6</sup>.

Rising household income and health consciousness have increased per capital vegetable consumption over the past five years. Government health campaigns that outline the health benefits of daily vegetable consumption have further supported vegetable consumption. Low pesticide use, organic and local production are key consumer drivers for vegetables in Australia<sup>7</sup>.

#### 4.10.3 Tomato consumption trends in Australia

The wholesale value of fresh tomato supply in Australia in 2015/16 was A\$605 million<sup>8</sup>. On average, Australian shoppers purchase more than half a kilogram of tomatoes per shopping trip<sup>9</sup>. The key tomato groups consumed are round/oval (42%), large truss (33%), cherry and grape (20%) and Roma (5%). Australia is a net importer of fresh tomatoes and imported 1,386 tonnes in 2015/16<sup>10</sup>.

#### 4.10.4 Premium food consumption trends in Australia

Premium foods have been defined as offering exceptional quality or greater value. Marketing terms that have been applied to identify premium food products include the terms 'locally produced', 'sustainable', 'named produce' and 'ethical'<sup>11</sup>. Australian consumers are demonstrating a strong shift to premium food products that align to their ethical values and allow them to validate the farm-to-fork supply chain<sup>12</sup>.

#### 4.10.5 Premium food consumption trends in Singapore and Hong Kong

Exports of Australian vegetables have increased at an annualised 8.9% over the last five years<sup>13</sup>. Market research commissioned by Western Australia's Department of Food and Agriculture identified significant growth potential in premium food export markets (up to A\$40 billion in incremental food value upside). High-value horticulture and value adding through the development of premium, value-added packaged foods were identified as two growth pathways for Western Australia's agrifood sector<sup>14</sup>.

Singapore imports over 90% of food consumed throughout the country due to limited land availability for agriculture. In 2016, Singapore was Australia's tenth largest market for food, beverage and agribusiness products<sup>15</sup>. The key distribution channels are large supermarket chains that direct import from local importers/distributors. Singapore does not have applicable tariffs or duties on food and agribusiness imported products.



## 4. Company and Business Overview (continued)

In 2016, the Singapore government set a vision of developing Singapore into Asia's leading food and nutrition hub. Due to limited agricultural lands, this sector will rely on imports for ingredients and raw materials. Areas of opportunity in the Singapore market include health foods, organic foods, private label brands and value-added products.

Hong Kong is a substantial and high-value market for numerous food products<sup>16</sup>. Due to low domestic agricultural production Hong Kong imports up to 95% of all food and beverage consumed. There is growing demand for healthy, functional and organic foods, with an introduction of these product lines into retail channels. This Australian food sector is recognised as offering 'clean and green' food products.

### 4.10.6 Vegetable production using protected cropping technologies in Australia

The protected cropping industry in Australia generated A\$613 million in revenue in 2017 with annualised growth of 2.8% over the last five years<sup>17</sup>. The protected cropping industry has higher productivity than the outdoor vegetable growing industry due to its protection from changeable weather, higher quality, consistent yields and lower water inputs. Successful industry players have established vertically integrated models with their own packing, storage and logistic divisions.

1. Elferink M. & Schierhorn F. 2016 Global demand for food is rising. Can we meet it? Harvard Business Review
2. Hajkowica S. & Eady S. 2015 Rural industry futures: Megatrends impacting Australian agriculture over the coming twenty years. Rural Industries Research & Development Corporation and CSIRO
3. Hajkowica S. & Eady S. 2015 Rural industry futures: Megatrends impacting Australian agriculture over the coming twenty years. Rural Industries Research & Development Corporation and CSIRO
4. Hajkowica S. & Eady S. 2015 Rural industry futures: Megatrends impacting Australian agriculture over the coming twenty years. Rural Industries Research & Development Corporation and CSIRO
5. Hogan L. 2017 Food demand in Australia: Trends and food security issues. ABARES, Department of Agriculture and Water Resources
6. Hogan L. 2017 Food demand in Australia: Trends and food security issues. ABARES, Department of Agriculture and Water Resources
7. IBISWorld 2017 Under control: the high quality and reliable supply of industry produce has boosted revenue. Under cover vegetable growing in Australia.
8. Horticulture Innovation Australia 2017 Australian Horticulture Statistics Handbook 2015/2016 Freshlogic and Horticulture Innovation Australia
9. Horticulture Innovation Australia 2017 Australian Horticulture Statistics Handbook 2015/2016 Freshlogic and Horticulture Innovation Australia
10. Horticulture Innovation Australia 2017 Australian Horticulture Statistics Handbook 2015/2016 Freshlogic and Horticulture Innovation Australia
11. Coriolis 2016 Premium agrifood market opportunity: A project under the food industry innovation project. Department of Food and Agriculture West Australian
12. Hajkowica S. & Eady S. 2015 Rural industry futures: Megatrends impacting Australian agriculture over the coming twenty years. Rural Industries Research & Development Corporation and CSIRO
13. IBISWorld 2017 Good harvest: Free trade agreements boost fruit and vegetable exports
14. Coriolis 2015 Finding the road forward: Opportunities to increase WA Agrifoods exports. Department of Food and Agriculture West Australian
15. Austrade 2016 Food and agribusiness: Singapore for Australian exporters, Australian Trade and Investment Commission
16. Austrade 2016 Food and beverage: Hong Kong for Australian exporters. Australian Trade and Investment Commission
17. IBISWorld 2017 Under control: the high quality and reliable supply of industry produce has boosted revenue. Under cover vegetable growing in Australia. IBISWorld Industry Report A0122



# 5. Board, Management and Corporate Governance

## 5.1 DIRECTORS AND KEY MANAGEMENT

The Company is managed by the Board of Directors. The Board comprises 4 Directors.

Profiles of the Directors and the Company Secretary are detailed below.

### Mr Anthony Maslin (Non-Executive Chairman) BBus (Fin and Ent)

Anthony Maslin has 25 years experience in listed companies and capital markets, working both as an executive of listed companies and as a financial supporter of them.

In his 6 years as a stockbroker at Hartley Poynton Stockbrokers in Perth (1994 to 2000), Mr Maslin focused upon capital raisings and promotion of several resource development companies. In the subsequent 7 years in his role as founding Managing Director of Solar Energy Systems Ltd (later Solco Ltd) he was responsible for capital raisings and management of both people and projects.

Mr Maslin has also worked as a corporate promotion consultant and non-executive director to a number of listed companies including Danakali Ltd, Visiomed Ltd, Carnegie Ltd and Pancontinental Oil & Gas Ltd. He held the position of Managing Director of Buxton Resources Ltd (ASX Code: BUX) from December 2010 to October 2014.

Mr Maslin is currently a non-executive director of Buxton Resources Ltd.

### Dr Ben Cole (Managing Director) B.Env.Sc. (Hons) PhD

Ben Cole is an experienced manager, founder and entrepreneur in social and environmentally responsible companies, with over 20 years of experience across business development fields. Ben has project managed public and private funds up to \$30m for multi-national agencies.

Prior to joining the United Nations as a senior project manager (2011 to 2014), Ben founded a business in Hanoi, Vietnam in 2007. Ben identified the market gap and built the business into a large employer of people with disadvantaged backgrounds, with increases in revenue and profitability during his ownership of the business. The business and IP was sold to a Vietnamese national in 2014.

Ben holds a PhD in environmental engineering and has published in peer reviewed scientific journals.

### Mr Stuart McAlpine (Non-Executive Director)

Stuart manages a 5,000 hectare farm at Buntine, Western Australia. Stuart has 37 years of experience in managing a mixed farming enterprise. For the last 10 years Stuart been consulting and providing products services in the area of Soil Health.

Stuart was a Co-founder of the Liebe Group one of Australia's premium grower groups and was its inaugural President in 2007. During this time, Stuart has gained extensive experience in research, extension and strategic development of agriculture in Australia.

Stuart instigated the Regional Repopulation Plan with the Shire of Dalwallinu in 2010 and Chaired the Regional Repopulation Advisory Committee (RRAC) and sat on the Perth Working Group Committee associated with the RRAC as deputy Chairperson. In April 2013, the Shire of Dalwallinu was awarded the Implementing Multiculturalism Locally Award. The initiative that has seen significant population growth compared to a declining population throughout other regional areas.

Stuart has a sound knowledge in soil and regenerative agriculture practice and his efforts in natural resource management saw him added to the Regional Natural Resource Management Leadership Honour Roll 2016 by Northern Agricultural Catchment Council in Western Australia.

## 5. Board, Management and Corporate Governance (continued)

### **Dr James Mackintosh** (Non-Executive Director) B.Sc. (Hons.) PhD, PG Dip (Financial Analysis)

James Mackintosh is the managing director of 4 Returns Projects B.V., the 100% subsidiary of WOA shareholder, Commonland Foundation, which is responsible for Commonland's support and investment in partner organisations globally.

James has more than 10 years experience as a corporate finance professional in New Zealand (2004 to 2006), the UK (2006 to 2009) and the Netherlands (2009 to 2015). James was formerly a Director at KPMG Deal Advisory in Amsterdam (2013 to 2015), where he also co-led KPMG's financial modelling practice in the Netherlands.

James holds a PhD in chemistry from the University of Otago and co-owns, with his brother and father, a small Australian-based wine company.

James is a nominee of Commonland. James has appointed Hans Schut as his alternate director to attend directors' meetings if he is absent.

### **Mr Hans Schut** (Alternate Director for Dr James Mackintosh)

Hans Schut supports organisations such as Commonland and Triodos Bank with business development and financing advice through his consultancy firm BDFC from 2014. He is a Chairman of the Supervisory Board of DE-on, a provincial renewable energy fund in the Netherlands. His focus is on environmental and clean energy businesses. Hans worked with industrial companies (Vredestein and DRU in the Netherlands) and a Dutch energy utility (NUON) for 16 years, before embarking on a career as a banker and investor at the European Triodos Bank for 17 years. As a former managing director of Triodos Investment Management, the impact-investing arm of Triodos Bank, he has developed and managed various impact investment funds with activities in Europe and emerging markets. He holds a degree in Industrial Design Engineering from Delft Technical University in the Netherlands.

### **Mr Sam Wright** (Joint Company Secretary) DipAcc AFin ACIS MAICD

Sam Wright is experienced in the administration of ASX listed companies, corporate governance and corporate finance. He is a member of the Australian Institute of Company Directors, the Financial Services Institute of Australasia, and the Chartered Secretaries of Australia.

Mr Wright is currently a Non-Executive Director and Company Secretary of ASX listed company, PharmAust Limited. He is also Company Secretary for ASX listed companies, Buxton Resources Limited and Structural Monitoring Systems plc. Mr Wright has filled the role of Director and Company Secretary with a number of unlisted companies.

Mr Wright has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, and shareholder relations with both retail and institutional investors. He is the Managing Director of Perth-based corporate advisory firm Straight Lines Consultancy, specialising in the provision of corporate services to public companies.

### **Ms Lydia Fee** (Joint Company Secretary) BBus (PR and Marketing), DipBus (Legal Studies), CertCorpGov

Lydia Fee has over 7 years corporate experience and currently holds a position with Straight Lines Consultancy, a Western Australian based corporate advisory firm. She is involved with a number of ASX listed clients, namely Buxton Resources, PharmAust Limited, Structural Monitoring Systems plc and Wide Open Agriculture Limited, where she assists with administration, financial reporting, compliance, corporate governance, and marketing.

Lydia previously held a position with boutique stockbroking firm, Mac Equity Partners, where she was responsible for administration, compliance and event management. Miss Fee also worked with Australasian Securities and Dealers Association where she facilitated broker and investor relations events. Lydia holds a Bachelor of Public Relations and Marketing from the University of Notre Dame, a Diploma in Business Legal Studies and has completed a Certificate in Governance Practice at the Governance Institute of Australia.

## 5. Board, Management and Corporate Governance (continued)

### 5.2 CORPORATE GOVERNANCE

The Company has adopted systems of control and accountability in order to implement and maintain a culture of good corporate governance both internally and in its external dealings.

To the extent applicable, the Company has adopted The Corporate Governance Principles and Recommendations (3rd Edition) as published by the ASX Corporate Governance Council ('Recommendations'). The Company does not consider that it is appropriate at this time to adopt all the Recommendations given the current size and the scale of its operations. As the Company's operations develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company has adopted the following corporate governance policies and procedures which are set out in the Company's Corporate Governance Plan, a copy of which is available on the Company's website at [www.wideopenagriculture.com.au](http://www.wideopenagriculture.com.au)

- Board Charter
- Corporate Code Of Conduct
- Audit and Risk Committee Charter
- Remuneration Committee Charter
- Nomination Committee Charter
- Continuous Disclosure Policy
- Risk Management Policy
- Remuneration Policy
- Trading Policy
- Diversity Policy
- Shareholder Communications Strategy
- Performance Evaluation Procedures

The Board is committed to administering the policies and procedures with openness and pursuing corporate governance commensurate with the Company's needs.

In light of the Company's size and nature, the Board considers that the current corporate governance regime is a fit-for-purpose, efficient, practical and cost-effective method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the implementation of additional corporate governance policies and structures will be reviewed.

### Board of Directors and Composition of the Board

The Board is responsible for corporate governance of the Company and for protecting the rights and interests of Shareholders. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The Company's strategy is to operate an integrated, regenerative food and agricultural business to maximise long-term, sustainable financial returns. The strategy is driven by a 4 returns framework on seeking measurable outcomes on each of financial, natural, social and inspiration returns.

The Board's responsibilities include:

- (a) developing initiatives for asset growth and profit;
- (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (c) acting on behalf of, and being accountable to, the Shareholders; and
- (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Board has a separately constituted Audit and Risk Committee and a Remuneration Committee.

## 5. Board, Management and Corporate Governance (continued)

### Composition of the Board

The Board comprises 4 Directors. The names, qualification and relevant experience of each Director are set out in Section 5.1. There is no requirement for any Director's shareholding qualification.

As the Company's activities increase in size, nature and scope, the size of the Board will be reviewed periodically and the optimum number of Directors required to adequately govern the Company's activities determined within the limitations imposed by the Constitution.

### Identification and management risk

The Audit and Risk Committee will identify and manage risk in conjunction with the Board including compliance with risk management policies.

### Independent professional advice

Subject to the Chairman's approval, the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

### Remuneration arrangements

Details regarding the remuneration of the Directors is set out in Section 9.7.

The Remuneration Committee is responsible for reviewing and negotiating the compensation arrangements of Directors and senior executives and reviewing and recommending remuneration strategies and policies.

### Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel and employees. The policy prohibits any dealing in securities if a person possesses inside information and otherwise generally prohibits dealing during certain closed periods. A process is outlined for prior written clearance to trade for key management personnel generally and for employees during a closed period.

### Audit Committee

The Company has an Audit and Risk Committee that monitors and reviews any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

## 5. Board, Management and Corporate Governance (continued)

### 5.3 COMPLIANCE AND DEPARTURES FROM RECOMMENDATIONS

Following admission to the Official List of ASX, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out below.

Principle and Recommendations	Comply (Yes/No)	Explanation
<b>PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
<b>Recommendation 1.1</b> A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes	The Company has adopted a Board Charter. The Board Charter sets out matters including the specific roles and responsibilities of the Board and management requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, and the establishment, operation and management of Board Committees. The Company's Board Charter is available on the Company's website.
<b>Recommendation 1.2</b> A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	Yes	(a) The Company undertakes checks on any person who is being considered as a director. These checks may include good fame and character, experience, education and financial history and background. (b) All material information relevant to a decision on whether or not to elect or re-elect a Director will be provided to security holders in a Notice of Meeting pursuant to which the resolution to elect or re-elect a Director will be voted on.
<b>Recommendation 1.3</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	Each senior executive and executive Director has a formal employment contract and the non-executive Directors have a letter of appointment.
<b>Recommendation 1.4</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Board Charter outlines the roles, responsibility and accountability of the Company Secretaries. The Company Secretaries are accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.
<b>Recommendation 1.5</b> A listed entity should: (a) have a diversity policy which includes requirements for the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:	Partially	(a) The Company has adopted a Diversity Policy however, given the current size of the Company, the Board has determined that the benefits of the initiatives recommended by the ASX Corporate Governance Council in this regard are disproportionate to the costs involved in the implementation of such strategies. Accordingly, the Board has elected to adopt a tiered approach to the implementation of its Diversity Policy which is relative to the size of the Company and its workforce. The Company's policy provides: - Where the Company employs 50 or more employees, the Board undertakes to adopt practices in line with the Recommendations of the ASX Corporate Governance Council, including compliance with the requirement for the Company to set and report against measurable objectives for achieving gender diversity.

Continued...

## 5. Board, Management and Corporate Governance (continued)

Principle and Recommendations	Comply (Yes/No)	Explanation
<b>PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT (Continued)</b>		
<b>Recommendation 1.5 (Continued)</b> (A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined 'senior executive' for these purposes); or (B) if the entity is a 'relevant employer' under the Workplace Gender Equality Act, the entity's most recent 'Gender Equality Indicators', as defined in and published under that Act.	Partially	- Whilst the Company's workforce remains below this threshold, the Board will continue to drive the Company's diversity strategies on an informal basis and will apply the initiatives contained in its Diversity Policy to the extent that the Board considers relevant and necessary. (b) The Diversity Policy is set out in the Company's Corporate Governance Plan which is available on the Company's website. (c) For each reporting period following admission to the Official List of the ASX, the Company will include in the annual report each year relevant information about the Company's diversity practices to the extent required by its Diversity Policy.
<b>Recommendation 1.6</b> A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	(a) The full board (which performs the role ordinarily assigned to a Nomination Committee) is responsible for evaluating the performance of the Board and individual Directors on an annual basis. The process for this is set out in the Company's Performance Evaluation Procedures policy which is available on the Company's website in the Corporate Governance Plan. (b) For each reporting period following admission to the Official List of ASX, the Company will disclose in the annual report each year whether or not performance evaluations were conducted during the relevant reporting period in line with the Company's Performance Evaluation Procedures policy.
<b>Recommendation 1.7</b> A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	(a) The Remuneration Committee is responsible for evaluating the performance of senior executives on an annual basis in accordance with the Company's Performance Evaluation Procedures policy. The Performance Evaluation Procedures policy is available on the Company's website in the Corporate Governance Plan. (b) For each reporting period following admission to the Official List of ASX, the Company will disclose in the annual report each year whether or not performance evaluations were conducted during the relevant reporting period in line with the Company's Performance Evaluation Procedures policy.
<b>PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE</b>		
<b>Recommendation 2.1</b> The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director; and disclose: (iii) the charter of the committee; (iv) the members of the committee; and	Partially	(a) The Board has determined that the function of the Nomination Committee is most efficiently carried out with full board participation and accordingly, the Company has elected not to establish a separate Nomination Committee at this stage.  As a result, the duties that would ordinarily be assigned to the Nomination Committee under the Nomination Committee Charter are carried out by the full board.

Continued...

## 5. Board, Management and Corporate Governance (continued)

Principle and Recommendations	Comply (Yes/No)	Explanation
<b>PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE (Continued)</b>		
<b>Recommendation 2.1 (Continued)</b> (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.		The Nomination Committee Charter is set out in the Company's Corporate Governance Plan which is available on the Company's website.  (b) The Board will devote time at board meetings to discuss Board succession issues on at least one occasion each financial year. All members of the Board are to be involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.
<b>Recommendation 2.2</b> A listed entity should have and disclose a board skill matrix setting out the skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	The Board of the Company is comprised of directors with a broad range of technical, operational, commercial, financial and other skills, experience and knowledge relevant to overseeing the business of the Company.  The Company had developed a skills matrix which it intends to use as a tool to assess the appropriate and ideal balance of knowledge, skills, experience, independence and diversity necessary for the Board to discharge its duties and responsibilities effectively.  A summary of the collective skills, experience, independence and diversity of the Board is set in Annexure C of the Company's Corporate Governance Plan which is available on the Company's website.
<b>Recommendation 2.3</b> A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Yes	(a) Anthony Maslin (Non-Executive Chairman) is a substantial shareholder. Ben Cole (Managing Director) is an executive director and a substantial shareholder. James Mackintosh is a nominee of Commonland Foundation, a substantial shareholder. Stuart McAlpine (Non-Executive Director) is a party to the East Kulinbah Project agreements summarised in Sections 8.2 and 8.3, which agreements are material contracts with the Company. For these reasons they are not considered independent.  (b) Details of the Directors interests, positions, associations and relationships are contained within this Prospectus.  The Board has determined the independence of each of the Company's directors in line with the guidance set out by the ASX's Corporate Governance Council and have not formed an opinion contrary to those guidelines.  (c) The Directors in office have served continuously since their respective dates of appointment which are as follows: - Anthony Maslin: appointed 23 March 2015; - Ben Cole: appointed 23 March 2015; - Stuart McAlpine: appointed 30 March 2016; and - James Mackintosh: appointed 24 July 2015.

Continued...



## 5. Board, Management and Corporate Governance (continued)

Principle and Recommendations	Comply (Yes/No)	Explanation
<b>PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE (Continued)</b>		
<b>Recommendation 2.4</b> A majority of the board of a listed entity should be independent directors.	No	The Board Charter requires that where practical the majority of the Board will be independent.  There are no current independent directors.
<b>Recommendation 2.5</b> The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Partially	The Chairman of the Board (Anthony Maslin) is not an independent Director. The Chairman is not the same person as the CEO.
<b>Recommendation 2.6</b> A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	The Company's program for the induction of new directors is tailored to each new Director depending on their personal requirements, background skills, qualifications and experience and includes meetings with management of the Company, the provision of a formal letter of appointment and an induction pack containing sufficient information to allow the new Director to gain an understanding of the business of the Company and the roles, duties and responsibilities of Directors.  All Directors are expected to maintain the skills required to effectively discharge their obligations to the Company. All Directors are also encouraged to undergo continual professional development and, subject to prior approval by the Chairman, all Directors have access to numerous resources and professional development training to address any skills gaps.
<b>PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY</b>		
<b>Recommendation 3.1</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) have a code of conduct for its directors, senior executives and employees; and</li> <li>(b) disclose that code or a summary of it.</li> </ul>	Yes	<ul style="list-style-type: none"> <li>(a) The Company has a Corporate Code of Conduct that applies to its Directors, senior executives and employees.</li> <li>(b) The Company's Corporate Code of Conduct is set out in the Company's Corporate Governance Plan which is available on the Company's website.</li> </ul>
<b>PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING</b>		
<b>Recommendation 4.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have an audit committee which:               <ul style="list-style-type: none"> <li>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, who is not the chair of the board, and disclose:                   <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the relevant qualifications and experience of the members of the committee; and</li> </ul> </li> </ul> </li> </ul>	Partially	The Company has an Audit and Risk Committee which comprises: <ul style="list-style-type: none"> <li>- James Mackintosh (Chairperson and Non-Executive Director);</li> <li>- Anthony Maslin (Non-Executive Director); and</li> <li>- Ben Cole (Managing Director).</li> </ul> The members of the Audit and Risk Committee are not independent directors. Not all members are non-executive directors.  The Audit and Risk Committee is chaired by a director who is not the chair of the Board.

Continued...

## 5. Board, Management and Corporate Governance (continued)

Principle and Recommendations	Comply (Yes/No)	Explanation
<b>PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING (Continued)</b>		
<p>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<p>The Audit and Risk Committee Charter is set out in the Company's Corporate Governance Plan which is available on the Company's website.</p> <p>The relevant qualifications and experience of the members of the Audit and Risk Committee are set out in the Prospectus and on the Company's website.</p> <p>For each reporting period following the Company's admission to the Official List of the ASX, the Company will disclose in its annual report the number of times the committee met throughout the period and the individual attendances of the members at those meetings.</p>
<p><b>Recommendation 4.2</b></p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes	The Company's Audit and Risk Committee is responsible for ensuring that before the Board approves the Company's financial statements for a financial period, the Company receives from its CEO and CFO a declaration that the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
<p><b>Recommendation 4.3</b></p> <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	Yes	For each AGM following admission to the Official List of ASX, the Company will ensure its external auditor attends the AGM (in person or by telephone) and is available to answer questions from security holders relevant to the audit.
<b>PRINCIPLE 5: MAKE TIMELY AND BALANCE DISCLOSURE</b>		
<p><b>Recommendation 5.1</b></p> <p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>(a) The Company has adopted a Continuous Disclosure Policy which details the processes and procedures which have been adopted by the Company to ensure that it complies with its continuous disclosure obligations as required under the ASX Listing Rules and other relevant legislation.</p> <p>(b) The Continuous Disclosure Policy is set out in the Company's Corporate Governance Plan which is available on the Company's website.</p>

Continued...

## 5. Board, Management and Corporate Governance (continued)

Principle and Recommendations	Comply (Yes/No)	Explanation
<b>PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS</b>		
<b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	Yes	Shareholders can access information about the Company and its governance (including its Constitution, Corporate Governance Plan and Corporate Governance Statement) on the Company's website.
<b>Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	<p>The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to Shareholders, including by its website, through announcements released to the ASX, its annual report and general meetings. Shareholders are also welcome to contact the Company or its registrar.</p> <p>The Company's Shareholder Communications Strategy is contained in the Company's Corporate Governance Plan which is available on the Company's website.</p>
<b>Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	<p>Shareholders will be encouraged to participate at all general meetings of the Company by written statement contained in every notice of meeting sent to shareholders prior to each meeting.</p> <p>The Company intends to accommodate shareholders who are unable to attend general meetings in person by accepting votes by proxy. Further, any material presented to shareholders at the meeting will be released to the ASX immediately prior to the commencement of the meeting for the benefit of those shareholders who are unable to attend in person. The Company will also announce to the ASX the outcome of each meeting immediately following its conclusion.</p> <p>At each general meeting, shareholders will be given an opportunity to ask questions in relation to the resolutions put to shareholders at that meeting, and in respect of the Company's business and operations generally.</p> <p>At each annual general meeting, shareholders will also be invited by the Chairman to ask questions of the Company's external auditor and the Board in relation to the annual financial report of the Company and the conduct of the audit.</p>
<b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	Shareholders have the option of electing to receive all shareholder communications by e-mail and can update their communication preferences with the Company's registrar at any time.

Continued...

## 5. Board, Management and Corporate Governance (continued)

Principle and Recommendations	Comply (Yes/No)	Explanation
<b>PRINCIPLE 7: RECOGNISE AND MANAGE RISK</b>		
<b>Recommendation 7.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have a committee or committees to oversee risk, each of which:               <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, and disclose:                   <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> </ul> </li> <li>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</li> </ul>	<b>Partially</b>	The Company has an Audit and Risk Committee which comprises: <ul style="list-style-type: none"> <li>- James Mackintosh (Chairperson and Non-Executive Director);</li> <li>- Anthony Maslin (Non-Executive Director); and</li> <li>- Ben Cole (Managing Director).</li> </ul> The members of the Audit and Risk Committee are not independent directors. The Audit and Risk Committee is chaired by a director who is not the chair of the Board. The Audit and Risk Committee Charter is available on the Company's website. For each reporting period following the Company's admission to the Official List of the ASX, the Company will disclose in its annual report the number of times the committee met throughout the period and the individual attendances of the members at those meetings.
<b>Recommendation 7.2</b> The board or a committee of the board should: <ul style="list-style-type: none"> <li>(a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and</li> <li>(b) disclose in relation to each reporting period, whether such a review has taken place.</li> </ul>	<b>Yes</b>	(a) The Company's process for risk management and internal compliance is set out in its Risk Management Policy and includes a requirement to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. The Company's Audit and Risk Committee is responsible for the review of the Company's risk management procedures and internal compliance and controls on an annual basis. (b) For each reporting period following the Company's admission to the Official List of the ASX, the Company will disclose in its annual report whether a review of the Company's risk management framework was undertaken in line with its Risk Management Policy.
<b>Recommendation 7.3</b> A listed entity should disclose: <ul style="list-style-type: none"> <li>(a) if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</li> </ul>	<b>Yes</b>	(a) Due to the size and nature of the Company's operations, the Company does not consider it necessary to establish a formal internal audit function at this stage. The Audit and Risk Committee, will however, monitor the need for a formal internal audit function as the Company develops. (b) The effectiveness of the Company's risk management and internal control processes is subject to annual review by the Audit and Risk Committee.
<b>Recommendation 7.4</b> A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<b>Yes</b>	The Company's Risk Management Policy details the Company's risk management systems which assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (where appropriate).

Continued...

## 5. Board, Management and Corporate Governance (continued)

Principle and Recommendations	Comply (Yes/No)	Explanation
<b>PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY</b>		
<b>Recommendation 8.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have a remuneration committee which:               <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, and disclose:                   <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> </ul> </li> <li>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</li> </ul>	Partially	The Company has an Remuneration Committee which comprises: <ul style="list-style-type: none"> <li>- James Mackintosh (Chairperson and Non-Executive Director);</li> <li>- Anthony Maslin (Non-Executive Chairman); and</li> <li>- Stuart McAlpine (Non-Executive Director).</li> </ul> The members of the Remuneration Committee are not independent directors. The Remuneration Committee is chaired by a director who is not the chair of the Board. The Remuneration Committee Charter is available on the Company's website. For each reporting period following the Company's admission to the Official List of the ASX, the Company will disclose in its annual report the number of times the committee met throughout the period and the individual attendances of the members at those meetings.
<b>Recommendation 8.2</b> A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	The Company's policies and practices regarding the remuneration of non-executive and executive directors and other senior employees are set out in its Remuneration Policy, a copy of which is available on the Company's website. Non-executive directors are remunerated at a fixed fee for time and may receive equity-based remuneration, subject to shareholder approval, where the Company believes the issue of securities will align the interests of the Company's non-executive Directors with those of shareholders. There are no documented agreements providing for termination or retirement benefits to non-executive directors. Executive directors and senior executives are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness. Performance incentives may include performance bonus payments, shares and / or other appropriate equity securities granted at the discretion of the Board and subject to obtaining the relevant approvals.
<b>Recommendation 8.3</b> A listed entity which has an equity-based remuneration scheme should: <ul style="list-style-type: none"> <li>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</li> <li>(b) disclose that policy or a summary of it.</li> </ul>	Yes	(a) The Company has an employee incentive scheme. The Remuneration Committee is also responsible for granting permission, on a case by case basis, for scheme participants to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Scheme. (b) The Company's policy in this regard is set out the Company's Remuneration Committee Charter, a copy of which is available on the Company's website.

# 6. Risk Factors

An investment in the Shares the subject of this Prospectus is highly speculative as the Company is a developing food and agricultural company seeking to regenerate ecosystems and communities in the Western Australian Wheatbelt by operating a vertically integrated, consumer driven business to maximise long-term, sustainable financial returns.

Careful consideration should be given to all matters raised in this Prospectus and the relative risk factors prior to applying for Shares offered for subscription under this Prospectus. Some of these risks can be mitigated by the use of appropriate safeguards and actions, but some are outside the Company's control and cannot be mitigated. You should also consider consulting with your professional advisers before deciding whether or not to apply for Shares.

The following is a list of the material risks that may affect the financial position of the Company, the value of an investment in the Company, as well as the Company's operations. The list is set out under 'Company and Industry Risks' and 'General Investment Risks'. The list is not an exhaustive list of risks.

## COMPANY AND INDUSTRY RISKS

### Protected cropping operational risks

Factors such as disease, insect infestations, labour availability and the availability of other key inputs could impact upon crops and/or customer relationships which may have a material adverse impact on the operations and financial performance of the Company. These factors are relevant to protected cropping whether by way of a retractable roof protected cropping system such as operates at Arthur River or an alternative net house system (if selected upon the second protected cropping site).

### Open field production operational risks

The Company uses an outdoor growing area at Arthur River adjacent to the retractable roof system. In addition to the risk factors for protected cropping, outdoor growing has a greater risk of climatic issues such as frosts and extreme heat. The Company thereby seeks to utilise the growing area to produce vegetables at the appropriate time with a higher tolerance to cold (such as garlic and leeks in winter) and a higher tolerance to heat (such as chillies, pumpkin and rockmelon in summer).

### Climatic variability

The Company operates in primary production and therefore is exposed to risks associated with climatic variability. As stated above, the risk is greater in any open field production by the Company. This includes risks of drought and extreme weather events that may impact upon the Company's protected cropping and associated open field operations and the regenerative farmland management operations and which may adversely affect the Company's financial performance.

### Contractual lease risks

The Company's operations involve being a party to leases both as a lessee (in leasing the Arthur River Project land) and a lessor (in leasing out the East Kulinbah Project land to a lessee). The success of these contractual relationships is dependent upon the Company and the other contractual parties maintaining an effective relationship and complying with contractual obligations such as a farmer to whom any land is leased by the Company making lease payments. There is no guarantee any extension of a lease (if sought by the Company) will be agreed with the relevant party.

### Brand acceptance and competitive pressures for food brand

The Food for Reasons brand and products may fail to be accepted within the local markets in which the Company currently operates or broader Australian and international markets in which the Company intends to operate. The Company could be subject to substantial competitive pressure from rival brands at both a primary production level and directly in the markets in which it currently or intends to operate. The Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business.

The Company intends to expand its marketing and distribution of products to new markets being Sydney, Melbourne and Brisbane in Australia and Singapore and Hong Kong. The Company does not currently have a presence in these markets and therefore the risk of brand acceptance in new markets is greater.



## 6. Risk Factors (continued)

### **Client engagement and retail/distributor reliance**

The Company does not have sales or distribution contracts in place and it sells its current produce by direct online sales, by retail sales and sales to wholesale buyers as produce is available. As the Company grows it can be expected that its reliance upon retailers/distributors increases. Sales may be disrupted by any major changes to the operational or ownership status of any relevant retailers/distributors, such as a financial failure or takeover. Such disruptions may adversely impact upon the financial performance of the Company.

### **Management of growth**

The Company is seeking to expand its business operations. The Company has yet to record profits. There is a risk that management of the Company will not be able to successfully implement the Company's growth strategy which will adversely affect the Company's financial performance.

### **Future Funding**

The Company is a developing business with an initial retractable roof protected cropping system established, a food brand with initial marketing channels and a first regenerative farmland management business. The Company will use the Offer proceeds to develop each of these business streams. Further expansion beyond the application of the Offer proceeds will depend upon the availability of revenues generated by the Company's activities (which are uncertain) and the availability of further investor funds. No assurance can be given that future investor funds as required will be made available on acceptable terms (if at all). If the Company is unable to obtain additional financing (whether equity or debt) as is needed, it may be required to reduce the scope of its operations and scale back its expansion and development programs.

As set out in Section 4.8.2, any acquisition of farmland management projects in the future is uncertain and is beyond the two year project budgets in Section 4.9. Any future acquisition could include acquisitions relying on the Company undertaking equity or debt funding or a third party investor itself acquiring the relevant land and partnering with the Company and a regenerative farmer. Any equity or debt funding that may be required by the Company for such an expansion will be subject to additional funding risks as referred to above.

### **Repayment of loan obligations**

As set out in Section 8.4, the Company has 4 loan agreements with Commonland Foundation (the largest shareholder in the Company) and its subsidiary. Three of the loan agreements are not intended to be repaid from the Offer proceeds. These 3 loans are a loan of 100,000 Euros repayable by the Company in February 2021, a loan of 225,000 Euros repayable by the Company in January 2022 and a loan of \$305,000 repayable by the Company in January 2023. At 5 April 2018 the exchange rate was such that 1 Euro equals 1.60 Australian dollars.

The Company further has a debt owing under the East Kulinbah Project Land Purchase Agreement summarised in Section 8.2. The remaining purchase price on the property of \$273,879 is payable on or before July 2024. The Company currently pays interest on the outstanding purchase price monthly in arrears at a rate of 4.5% per annum being \$1,027 per month. The Company intends to pay \$150,000 from the Offer proceeds to reduce the remaining purchase price on the East Kulinbah Project property to \$123,879 which will result in outstanding monthly interest payments of \$465 per month.

The Company will service monthly interest payments on the East Kulinbah Project property from general working capital. The Company will need to repay the principal debt sums from revenue (which is uncertain) or by future funding at the relevant time (see the future funding risk above).

### **Dependence on key personnel**

The Company's success depends in part on the core competencies of the Directors and management and the ability of the Company to retain these key executives. Loss of key personnel (such as the managing director) may have an adverse impact on the Company's performance.

### **Sales price of vegetables and other produce**

Market prices of vegetables and other agricultural produce in local and international markets are volatile and subject to factors beyond the control of the Company. Customer demand, general economic factors such as interest and exchange

## 6. Risk Factors (continued)

rates and inflation are all factors that determine the price of agricultural produce. A sustained fall in vegetable or other agriculture prices could adversely impact the ongoing financial performance of the Company.

### Water availability

The success of the Company's protected cropping and associated open field operations and the regenerative farmland management business is reliant upon the availability of water. At the Arthur River Project the Company has developed water infrastructure using surface water run-off, solar pumps and connected pipe supply across 4 dams to transfer and supply storage dam for irrigation water. Water access and quality will be a factor in selecting a second protected cropping site.

### Local government approvals risk

The protected cropping operations business relies upon the need to obtain local government/shire approval to any future protected cropping operations or potentially an expansion of existing operations. There is a risk that a local government may reject or request significant adjustments to any proposed development application for future projects. Any such rejections may adversely impact upon future operations and hence the financial performance of the Company.

### Singapore and Hong Kong jurisdiction risks

The Company will look to expand the 'Food for Reasons' food brand distribution channels to Singapore and Hong Kong. These markets have been chosen as they are business friendly jurisdictions strategically located in Asia with a demand for fresh and premium food products (see Section 4.10). There are however jurisdictional risks referred to below.

Singapore practices a modified version of the Westminster Parliamentary system with a single chamber of Parliament and an elected President. Its economy is in the largest 40 global economies. The political conditions within Singapore are generally stable, however, changes in fiscal regulations and regulatory regimes may adversely affect the Company.

Hong Kong is a Special Administrative Region of the People's Republic of China and is an autonomous territory and former British colony. Its economy is in the largest 40 global economies. The political conditions within Hong Kong are generally stable, however, changes in fiscal regulations and regulatory regimes may adversely affect the Company.

### Exchange rate risk

The Company ultimately intends to expand to sell its produce in markets including Singapore and Hong Kong. Fluctuations in the Australian dollar versus currencies in which revenues are received may materially affect the earnings of the Company. In addition, the Company has repayment of loan obligations to Commonland Foundation and its subsidiary some of which are repayable in Euros (see the repayment of loan obligations risk). The exchange rates between various currencies are affected by numerous factors beyond the control of the Company. These factors include economic conditions in the relevant country and elsewhere and the outlook for interest rates, inflation and other economic factors.

### Environmental risk

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment at both State and Federal level. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

### Liquidity risk

There is no guarantee that the Shares will trade at a particular price or a particular volume after the Company's listing on the ASX. There is no guarantee that there will be an ongoing liquid market for Shares. Accordingly, there is a risk that, should the market for Shares become illiquid, Shareholders will be unable to realise their investment in the Company.

### Insurance

The Company may maintain insurance within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. However, it is not always possible to cost-effectively insure against all risks associated with the Company's activities. The Company may decide not to take out insurance against certain risks as a result of high premiums or for other reasons. Should liabilities arise on uninsured risks, the Company's business, financial condition and results of operations and the market price of the Shares may be materially adversely affected.

## 6. Risk Factors (continued)

### **Legal Proceedings**

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

### **GENERAL INVESTMENT RISKS**

#### **Securities investments and share market conditions**

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, securities markets (such as the ASX) may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of a company such as an agriculture and food company. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

#### **Legislative**

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

#### **Economic risk**

Changes in both Australian and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

## 7. Investigating Accountant's Report

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## 7. Investigating Accountant's Report (continued)

### Stantons International Securities

Stantons International Securities  
 100 Broad Street  
 10th Floor  
 New York, NY 10038  
 Tel: (212) 512-1234  
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8 March 2018

The Directors  
 Wide Open Agriculture Limited  
 100 Broad Street  
 WILLOWMS WSA 1000

Dear Sirs,

RE: INVESTIGATING ACCOUNTANT'S REPORT

#### 1 Introduction

This report has been prepared at the request of the Directors of Wide Open Agriculture Limited ("WOA") for the Company's forthcoming Prospectus to be dated and issued 5 April 2018 ("the Prospectus") relating to the proposed offer and issue by WOA of 75,000,000 Shares ("New Shares") at a price of 20 cents each to raise a gross amount of \$5,000,000.

#### 2 Basis of Preparation

This report has been prepared to provide investors with information on historical results, the condensed consolidated statement of financial position (balance sheet) of WOA and the profit/loss consolidated statement of financial position of WOA as noted in Appendix 2. The historical and post-balance financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Accounting Accounting Standards applicable to annual financial reports in accordance with the Corporations Act 2001.

This report does not address the going concern status of the securities to be issued in accordance with the Prospectus, nor the risks associated with the investment in Stantons International Securities Pty Ltd (trading as Stantons International Securities) has not been requested to consider the prospects for WOA, the securities on offer and related pricing issues, nor the merits and risks associated with becoming a shareholder and accordingly has not advised our partners to do so.

Stantons International Securities Pty Ltd accordingly takes no responsibility for these matters or for any matter or omission in the Prospectus, other than responsibility for this report and information in the Prospectus taken from or based on this report. Risk factors are set out in Sections 4 and 6 of the Prospectus and all investors should read the risks associated with investing in the Company.

#### 3 Background

The principal activities of the Company during the financial year were the establishment and conducting of diversified regenerative farming practices in the Wheatbelt WOA, in particular, horticultural activities.

Review of Operations performed on 10 June 2018

- Share capital issued at \$0.10 per share, totaling 864,198,131,002,500 shares at between 0.001 cents and \$1 per share.

Stantons International Securities Pty Ltd

Member of the Stantons International Securities Group



## 7. Investigating Accountant's Report (continued)

- Corporate Investor secured from Commonland Foundation for \$150,000 (i.e. R133,333) in January 2016 to 31 December 2016, at which \$71,172 was drawn down as at 30 June 2016;
- Establishment of the Foundation brand strategy; and
- On 14 June 2016, a 5,186 square metre Protected Cropping System was acquired for operation on leased land in Wagin, WA.

### Review of Operations period ended 30 June 2017

The loss of the company for the financial year after providing for income tax provided to \$801,602 (2016 loss of \$110,121).

Significant changes and events affecting the company during the financial year ended 30 June 2017 have been:

- Share capital issued at 30 June 2017 totalling \$2,137,557.45 (276,247 shares at between \$0.012 and \$1 per share);
- Issue of 15,376,747 shares between \$0.05 and \$0.11 for a total of \$1,490,750;
- Final amounts drawn down under a 2016 Shareholder Loan Agreement with Commonland Foundation being \$9,297,061 R \$7,000;
- Shareholder loan secured from Commonland Foundation for \$1,250,000 R \$1,133,333 for January 2017 to 31 Dec. 2017, at which \$104,327 was drawn down at 30 June 2017;
- Establishment of the Foundation Recons brand and strategy;
- Construction and completion of a 5,186 square metre Protected Cropping System for operation on leased land in Wagin, WA;
- Commencement of horticultural activities in Wagin, WA in October 2016, with the first growing season completed by June 2017; and
- 3.6 hectare farmland acquired in Baringer, WA.

During the period ended 30 December 2017, the Company:

- Planted 98 hectares of fodder forage shrubs on Baringer farm and;
- Registered and confirmed trademark of Fund For Recons on IP Australia;
- Received further \$2,137,557.45 R 1,500,000 from Commonland Foundation.

The Company has entered in the East Kulinbah Project Land Purchase Agreement summarised in Section 8.2 of the Prospectus. The remaining purchase price of the property of \$252,876 is payable out of before July 2024. The Company currently pays interest on the outstanding purchase price monthly in arrears at a rate of 4.9% per annum being \$1,077 per month. The Company intends to pay \$750,000 from the GDF proceeds to reduce the remaining purchase price on the East Kulinbah Project property to \$123,876 which will result in outstanding monthly interest payments of \$460 per month. Transfer of the registered holding of the East Kulinbah property only passes to WOA after all payments are made and thus the balance of the acquisition was not taken up in the accounts of the Company as at 31 December 2017. However, the initial deposit paid (by way of the issue of shares in WOA) of \$500,000 is disclosed as an asset of the Company in the accounts of the Company.

The Company has entered into a key management personnel employment contract with Ben Cook the details of which are outlined in the Material Contracts Section 8.5 of the Prospectus. The proposed fees of the other Directors are noted in Section 8.5 of the Prospectus.

On 8 January 2018, the Group executed agreements for the 2018 Shareholder Loan with Commonland Foundation whereby Commonland will provide loan funds of \$465,000 and will reimburse the Company in return up to \$300,000 on production of invoices by the Company to Commonland Foundation (not \$505,000). The reimbursement of up to \$300,000 is a gift and not a loan. The loan of up to \$505,000 is repayable within 5 years from the date of the agreement.



## 7. Investigating Accountant's Report (continued)

January 2018) and is interest free. The loan portfolio with Commonwealth and its subsidiary is summarised in Section 8 of the Prospectus' *Financials and Financials Appendix 1*.

In February 2018, the Company issued a further 300,000 shares at a deemed issue price of 17 cents each, of which 200,000 shares were issued to settle secretarial fees for the year ended 31 December 2017 (\$20,000) and 100,000 shares were issued in lieu of cash to settle secretarial fees for the period 1 January 2018 to 30 June 2018 (\$12,000).

Potential investors should read the Prospectus in full. We make no comment as to ownership or values of the current and proposed assets of WOYA. Further details on all significant material contracts entered into by WOYA relevant to new and existing investors are referred to in Section 8 and elsewhere in the Prospectus.

### 4. Scope of Examination

You have requested Statsons International, Accountants Pty Ltd to prepare an Independent Accountant's Report on:

- (a) The consolidated statement of profit and loss and other comprehensive income of WOYA for the period from incorporation to 30 June 2016, the year ended 30 June 2017, and the six months ended 31 December 2017;
- (b) The consolidated statement of financial position of WOYA as at 31 December 2017; and
- (c) The pro-forma consolidated statement of financial position of WOYA as at 31 December 2017 adjusted to include funds to be raised by the Prospectus and the completion of transactions referred to in notes 1 of Appendix 3.

All of the pro-forma financial information included in above has been subject to and reviewed in accordance with Auditing Standard on Review Engagements ASAE 3405 *Review of Disclosures of Financial Information other than a Financial Report*, rather than an audit and a review conducted in accordance with ASAE 3405 *Interim Financials: Engagements involving: Engagement, Examination and/or Prospective Financial Information*. However, that an audit of WOYA was conducted for the periods to 30 June 2017 by Statsons Audit and Consulting Pty Ltd. An audit was also conducted by Statsons International Audit and Consulting Pty Ltd for the six months ended 31 December 2017.

It is our view that the historical financial information set out in Appendices 1, 2 and 3 presents fairly and no adjustments in the historical results, cash flows and statements of financial position as shown in Appendices 1, 2 and 3 are required. We state that nothing has come to our attention which would require any further modification to the financial information relating to WOYA in order for it to present fairly the consolidated statements of other comprehensive income and consolidated statements of cash flows for WOYA for the period from incorporation to 30 June 2016, the year ended 30 June 2017 and the six month period ended 31 December 2017 and the consolidated statements of financial position as at 30 June 2016, 30 June 2017 and 31 December 2017 for WOYA.

The scope of our examination was substantially less than an audit examination conducted in accordance with Australian Auditing Standards are accordingly, we do not express such an opinion. It is noted that WOYA has been audited by an accounting firm associated with us and we have accepted the audit opinions and the financial information is giving a true and fair view of the results and cash flows of WOYA for the periods ended 30 June 2016 and 2017 and 31 December 2017 and the statement of cash flows for the relevant periods to 31 December 2017 and the consolidated statements of financial position as at 30 June 2016, 30 June 2017 and 31 December 2017.

## 7. Investigating Accountant's Report (continued)

Our examination also included:

- (a) Discussions with management of WOA;
- (b) Review of contractual arrangements;
- (c) A review of publicly available information; and
- (d) A review of work papers, accounting records and other documents.

### A. Opinion

In our opinion, the post-transaction consolidated statement of financial position as set out in Appendix 3 presents fairly the post-transaction consolidated statement of financial position of WOA as at 31 December 2017 in accordance with the accounting methodologies required by Australian Accounting Standards on the basis of assumptions and transactions set out in Appendix 3. It is our view that the financial information set out in Appendices 1, 2 and 3 presents fairly and without adjustments in the historical results and cash flows and statements of financial position as shown in Appendices 1, 2 and 3 (WOA information for 30 June 2017 audited by an independent accounting firm associated with Stattons International Securities Pty Ltd and WOA information included in 31 December 2017) are required.

We state that nothing has come to our attention which would require any further modifications to the financial information relating to WOA in order for it to present fairly the statements of other comprehensive income for WOA for the relevant periods to 31 December 2017 (refer Appendix 1) and the statement of financial position as at 31 December 2017 for WOA.

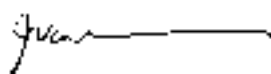
To the best of our knowledge and belief there have been no other material events, transactions or events subsequent to 31 December 2017 that have come to our attention during the course of our review which would cause the information included in this report to be misleading.

### A. Other Matters

At the date of this report, Stattons International Securities Pty Ltd does not have any interest in WOA either directly or indirectly, or in the outcome of the Offer as described in the Prospectus. Stattons International Securities Pty Ltd were not involved in the preparation of any other part of the Prospectus, and accordingly, make no representations or warranties as to the completeness and accuracy of any information contained in any other part of the Prospectus except to the extent such information is, or is based on, the information in this report. The parent entity of Stattons International Securities Pty Ltd being Stattons International Audit and Consulting Pty Ltd, are the auditors of WOA and have issued unqualified audit reports as noted above. However, the audit reports contained no emphasis of matter pertaining to going concern. The raising of cash funds from the IPO as noted above will alleviate the going concern issue. The financial information in this report as to 31 December 2017 only and does not take into account losses incurred post 31 December 2017 to the date of the Prospectus. Stattons International Securities Pty Ltd consent to the inclusion of this report (including Appendix 3) in the Prospectus in the form and content in which it is included. At the date of this report, this consent has not been withdrawn.

Yours faithfully

STATTONS INTERNATIONAL SECURITIES PTY LTD



John P Vinn Dierem FCA  
Director

## 7. Investigating Accountant's Report (continued)

### INVESTIGATING ACCOUNTANT'S REPORT

#### APPENDIX 1 – CONDENSED AUDITED STATEMENTS OF FINANCIAL PERFORMANCE AND OTHER COMPREHENSIVE INCOME YEARS FOR THE PERIOD ENDED 30 JUNE 2016, THE YEAR ENDED 30 JUNE 2017 AND SIX MONTHS ENDED 31 DECEMBER 2017

	6 months 31 Dec 2017	30 June 2017	30 June 2016
	\$	\$	\$
Revenue and other income	897,776	66,256	116
Biological assets at fair value	12,140	-	-
Cost of goods sold	(413,448)	(553,487)	-
Amplifier's remuneration	-	(5,000)	(5,000)
Consolidation Fees	(92,779)	(1,242,003)	(195,250)
Wages	(2,009,946)	(45,123)	(94,413)
Depreciation	(84,471)	(74,783)	-
Foreign exchange loss	(12,896)	-	-
First right of refusal cost expensed	(25,000)	-	-
Other administrative expenses	(261,761)	(256,216)	(118,671)
<b>Profit/Loss for the year before income tax</b>	<b>(612,146)</b>	<b>(907,692)</b>	<b>(313,421)</b>
Income tax expense	-	-	-
<b>Profit/Loss after tax from continuing</b>	<b>(612,146)</b>	<b>(907,692)</b>	<b>(313,421)</b>
Other comprehensive income:			
Items that will not be reclassified to profit or loss	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-
<b>Total comprehensive Profit/(Loss) for the year</b>	<b>(612,146)</b>	<b>(907,692)</b>	<b>(313,421)</b>
<b>Total comprehensive income attributable to members of the entity</b>	<b>(612,146)</b>	<b>(907,692)</b>	<b>(313,421)</b>

## 7. Investigating Accountant's Report (continued)

### APPENDIX 2 AUDITED CONSOLIDATED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2017 AND AUDIT REVIEWED PRO-FORMA STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	WOA 31 December 2017 \$	WOA Pro-forma 31 December 2017 \$
<b>Current Assets</b>			
Cash assets	1	74,762	1,676,317
Trade and other receivables	4	92,131	42,151
Biological assets	5	12,040	12,320
<b>Total Current Assets</b>		<b>178,933</b>	<b>1,730,788</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6	742,155	1,765,362
<b>Total Non-Current Assets</b>		<b>742,155</b>	<b>1,765,362</b>
<b>Total Assets</b>		<b>921,088</b>	<b>3,496,150</b>
<b>Current Liabilities</b>			
Trade payables	7	167,345	-
Provisions	8	27,616	27,616
Interest bearing loans	9	17,256	20,580
<b>Total Current Liabilities</b>		<b>212,217</b>	<b>48,196</b>
<b>Non-Current Liabilities</b>			
Interest bearing liabilities	10	467,703	912,258
<b>Total Non-Current Liabilities</b>		<b>467,703</b>	<b>912,258</b>
<b>Total Liabilities</b>		<b>680,000</b>	<b>960,454</b>
<b>Net Assets</b>		<b>240,768</b>	<b>2,535,696</b>
<b>Equity</b>			
Issued capital	11	2,137,882	2,271,120
Reserves	11	-	1,160,463
Accumulated losses	12	(1,925,094)	(2,000,784)
<b>Total Equity</b>		<b>240,768</b>	<b>2,535,696</b>

Condensed notes to and forming part of the above condensed statements of financial position are attached

## 7. Investigating Accountant's Report (continued)

### INVESTIGATING ACCOUNTANT'S REPORT

#### APPENDIX

#### CONDENSED NOTES TO THE AUDITED AND AUDIT REVIEWED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME AND STATEMENTS OF FINANCIAL POSITION

##### 1 Statement of Significant Accounting Policies

###### Basis of Accounting

The audited condensed Statement of Other Comprehensive Income and audited and unaudited condensed statements of Financial Position have been prepared in accordance with applicable accounting standards, the Corporations Act 2001 and mandatory financial reporting requirements in Australia (including the Auditor's expectations of International Financial Reporting Standards) and we have made such disclosures as considered necessary. They have also been prepared on the basis of historical cost and do not take into account changing money values. The accounting policies have been consistently applied unless otherwise stated. The financial statements have been prepared on a going concern basis that is dependent on the capital raising being successful.

###### Basis of Consolidation

The Group financial statements consolidate those of the parent company and its subsidiaries. The parent controls a subsidiary if it is exposed, or has rights to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition up to the effective date of disposal, as applicable.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

###### Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the aggregate fair value of assets transferred, liabilities incurred and the equity interest issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

## 7. Investigating Accountant's Report (continued)

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (i) the fair value of consideration transferred, (ii) the recognised amount of any non-controlling interest in the acquiree, and (iii) the acquiree's date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identified liability net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess is recognised directly in profit and loss as a bargain purchase.

### Foreign currency translation

Foreign currency transactions during the period are converted to Austrian currency using the exchange rates prevailing at the date of the transactions. Amounts receivable and payable in foreign currency at balance date are also converted at the spot rate at each reporting date.

Realised exchange gains and losses during the period are included in the operating profit before income tax as they arise. Unrealised exchange gains and losses at balance date are included in the operating profit before income tax to the extent that their realisation is certain.

### Revenue recognition

Revenue from the sale of goods is recognised upon the dispatch of goods to customers. Revenue from the rendering of a service is recognised upon the delivery of the services to the customer. All revenue is stated net of the amount of goods and services tax (GST).

Interest income and expenses are reported on an accrual basis.

### Research and development tax refund

Refund payments received or receivable under the Federal Government's Research and Development Tax Incentive are recognised on an accrual basis.

### Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to lessees in the economic sense are classified as finance leases.

Finance leases are recognised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.



## 7. Investigating Accountant's Report (continued)

### Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related interest. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for these benefits.

### Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets are impaired. In the case of financial assets classified as available for sale, a significant or prolonged decline in the fair value of an asset below its cost is considered as an indicator that the assets are impaired. If any such evidence exists for financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the statement of profit or loss and other comprehensive income – is removed from equity and recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in the statement of profit or loss and other comprehensive income in equity in statement classed as available for sale are not reversed through the statement of profit or loss and other comprehensive income.

### Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The Group is not consolidated for tax purposes.

The current income tax charge is calculated on the basis of the tax laws enacted in substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax legislation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income taxes is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 7. Investigating Accountant's Report (continued)

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### Good and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the tax incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST receivable from or payable to the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are receivable from or payable to the taxation authority are presented as operating cash flows.

### Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position includes cash on hand, deposits held at call with banks and other highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the Statement of Cash Flows, cash and cash equivalents are as identified above.

### Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any irrecoverable amounts.

Collectibility of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

### Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information, including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset (being the higher of the asset's fair value less costs to sell and value in use) to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised (noted such) in profit or loss unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in ASB 110). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

## 7. Investigating Accountant's Report (continued)

### Agricultural produce and consumables on hand

Agricultural produce, such as harvested produce, is recognised on harvest and is stated at the lower of cost determined or application of IASB 141 Agricultural land net realisable value.

Consumables such as equipment, fertiliser and other farming ingredients on hand at balance date are recognised at the lower of cost or net realisable value.

### Biological assets

#### Recognition and Measurement

Biological assets are measured at their fair value less costs to sell at each reporting date. The fair value is determined as the net present value of cash flows expected to be generated by these crops (including a cost adjustment factor). Where fair value cannot be measured reliably, biological assets are measured at cost.

Net increases or decreases in the fair value of the growing assets are recognised as income or expense in the statement of profit or loss and other comprehensive income (as applicable) as follows:

- The difference between the total fair value of the biological assets recognised at the beginning of the reporting period and the total fair value of the biological assets recognised at reporting date.
- Costs incurred in maintaining or enhancing the biological assets recognised at the beginning of the reporting period and the total fair value of the biological assets recognised at the reporting date.
- The market value of the produce picked during the reporting period is measured at their fair value less estimated costs to be incurred up until the time of picking. Market prices is determined based on underlying market prices of the product.

### Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 5 years, valuations by a certified independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is treated as the revaluation amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are charged to other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrement is initially taken to other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrement is taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Depreciation is calculated on a diminishing value method at the following rates:

Buildings	20%
Plant and equipment	10% - 50%
Capital works in progress	

### Intangible assets

Trademarks, patents, leases and licenses are initially recorded at cost incurred to acquire. Intangible assets which are deemed to have an indefinite life are tested annually for impairment and carried at cost less accumulated impairment losses. Assets deemed to have a finite life are amortised over their expected economic life to the Company and then recorded at cost less accumulated amortisation and impairment losses.

## 7. Investigating Accountant's Report (continued)

### Share Based Payments

The Company makes payments to selected suppliers in the form of equity settled share based payments, where shares are issued in exchange for goods or services. The amounts at which are determined by reference to the value of the underlying goods or services exchanged.

### Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company and in the case of the financial year, which are repaid. The amounts are unsecured and are usually paid within 30 days of recognition.

### Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the term of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fees are deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

### Provisions

Provisions are recognised when the entity has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

### Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### Deferred Tax Assets and Liabilities

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the tax benefit can be utilised. Deferred tax assets are reviewed at each reporting date to assess the probability that the related tax benefit will be realised. Assumptions about the generation of future taxable profits depends on the Group's estimates of future cash flows, which in turn depend on estimates of future sales volumes and pricing, operational costs, capital expenditure and capital management transactions.

The Group recognises liabilities for anticipated tax issues based on estimates of the additional taxes that are likely to become due, which requires judgement. Accruals are accrued based on management's interpretation of applicable tax law and the likelihood of settlement. Where the final tax position is different from the amounts that were initially recorded, such differences will impact the income tax and

## 7. Investigating Accountant's Report (continued)

deferred tax liabilities in the period in which such determination is made, resulting in an adjustment to profit/loss.

### *Impairment*

In assessing impairment, management estimates the recoverable amount of cash assets or cash generating unit based on expected future cash flows and uses an interest rate to discount them where applicable. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (if applicable).

### *Useful life of depreciable assets*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date. It also reviews the expected useful life of the assets. Uncertainties in these estimates include assessing the impact of the Company's operating environment and technical and other factors of obsolescence.

### *Accounting for share-based payments*

The Company's accounting policy is stated above. The values of these share-based payments are based on the market values of the goods or services acquired by the share-based payments.

### *New standards and interpretations not yet adopted*

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2017 and have not been applied in preparing these consolidated financial statements. Some of these are expected to have a significant effect on the Group's financial statements, except for:

- **IASB 9 *Financial Instruments***, which becomes mandatory for the Group's 2019 financial statements. A detailed impact assessment is yet to be completed. However, no significant impact on WOA's Financial performance is position on transition after 1 July 2019 is expected.
- **IASB 15 *Revenue from Contracts with Customers***, which becomes mandatory for the Group's 2019 financial statements, while a detailed impact assessment is yet to be completed, we expect the majority of current revenue recognition practice to not be significantly impacted by the new standard. Revenue recognition for certain contracts may be impacted because of the nature and timing of performance obligations.
- **IASB 16 *Leases***, which becomes mandatory for the Group's 2020 financial statements. Whilst work is yet to commence, this standard will ultimately result in a portion of the Group's operating leases to be assumed on balance sheet as a "right to use asset" and "lease liability". Upon adoption of the standard on 1 July 2019, the standard will also result in reclassification of certain operating lease expense into depreciation and finance expenses, and a reclassification of certain cash flow from operating into financing activities.

The Group does not plan to early adopt the above-mentioned standards.

## 7. Investigating Accountant's Report (continued)

### 2. Actual and Proposed Transactions to Adjust at Pro-Forma Audit Reviewed Consolidated Statement of Financial Position

Actual and proposed transactions adjusting the 31 December 2017 audited condensed consolidated Statement of Financial Position of WOA in the pro-forma consolidated Statement of Financial Position of WOA are as follows:

- (a) The issue of 300,000 shares at a deemed price of 17 cents each to settle secretarial fees of \$25,000 on 31 December 2017 (increased at the date) and \$12,000 for secretarial fees in 30 June 2018;
- (b) The issue of a 25,000,000 New Shares raising the gross amount of \$8,000,000 from the capital raising (Offer) at 10 cents each;
- (c) The increasing of capital raising costs estimated and expensing against issued capital at \$410,000;
- (d) Partly completing the acquisition of the East Kallidish property for \$323,870 (\$50,000 deposit paid prior to 31 December 2017 and paying \$15,000 of the amount owing out of 20 weeks of the Offer, so that the remaining amount owing reduces to \$17,870);
- (e) The receiving of a new loan in 2018 of \$305,000 from Commonwealth;
- (f) Payment of 31 December 2017 accounts payable of \$143,715; and
- (g) The issue of 4,500,000 Series A Options at a deemed fair value of \$0.308154 and the balance of 2,000,000 Series A Options at a deemed fair value of \$0.307311 (all expensed); and the issue of 6,000,000 Series A Options with a deemed fair value of \$192,738 expensed against share capital as capital raising cost.

	Note 2	Audited WOA Group 31 December 2017 \$	Audit Reviewed WOA Group Pro-forma 31 December 2017 \$
<b>3. Cash Assets</b>			
The movements in cash assets are as follows:			
Audited 31 December 2017		71,762	71,762
Issue of New Shares under the Offer	(b)	-	8,000,000
Prospectus issue costs	(c)	-	(410,000)
Payment of loan regarding East Kallidish property	(d)	-	(150,000)
Cash loan from Commonwealth	(e)	-	305,000
Payment of accounts payable	(f)	-	(143,715)
		71,762	1,762,047
<b>4. Trade and other receivables</b>			
Trade debtors		2,266	2,266
Prepayments		15,926	15,926
GST receivable		13,917	13,917
Deposit on the East Kallidish property		50,000	50,000
Less: transfer to property, plant and equipment	(d)	-	(50,000)
		82,109	41,009



## 7. Investigating Accountant's Report (continued)

	Note 2	Audited WOA Group 31 December 2017 \$	Audit Reviewed WOA Group 31 December 2017 \$
<b>5. Biological assets</b>			
Current			
Agriculture assets at fair value		12,040	12,040
		<u>12,040</u>	<u>12,040</u>
<b>6. Group Property, plant and equipment</b>			
Plant & equipment and vehicles, at cost		185,723	185,723
Less: Accumulated depreciation		(34,171)	(34,311)
		150,952	150,502
Land and buildings at cost		215,562	215,562
Less: Accumulated depreciation		(23,668)	(23,108)
Add: Transfer from receivables	(1)	-	(6,000)
Add: Balance of acquisition of Fyst Kuluha	(1)	-	(75,877)
		501,563	501,444
<b>Net carrying amount</b>		<b>754,515</b>	<b>1,066,354</b>
<b>7. Trade and other payables</b>			
Trade payables		143,745	143,745
Amounts received for share subscriptions		21,000	21,000
Less: Transfer to issued capital	(1)	-	(24,000)
Less: Repayment of trade payables	(1)	-	(143,745)
		<u>167,745</u>	<u>-</u>
<b>8. Provisions</b>			
Accrual wage		27,616	27,616
		<u>27,616</u>	<u>27,616</u>
<b>9. Interest bearing liabilities</b>			
Current			
Insurance premium funding		17,256	17,256
Less: Kuluha fees	(1)	-	(2,121)
		<u>17,256</u>	<u>15,135</u>

## 7. Investigating Accountant's Report (continued)

	Note 2	Audited WOA Group 31 December 2017 \$	Audit Reviewed WOA Group 31 December 2017 \$
Net current			
Shareholder loans (interest-bearing)		497,793	497,793
Additional shareholder loan	131	-	765,000
East Koolberr.com	130	-	1,135,554
		<u>497,793</u>	<u>914,258</u>

The Group has a shareholder loan fully denominated in a foreign currency (Euro), hence it has an exposure to exchange rate fluctuations. The shareholder loan is denominated in Euros and has a carrying value in Australian dollars of \$497,793 (Euro 325,000) as at 31 December 2017. The shareholder loan Euro Command Foundation is interest free and as at 31 December 2017 is repayable in February 2018 (\$153,139) (Euro 100,000) and Euros 765,000 (\$444,564) (Euro 325,000). The loan received in January 2018 of \$305,000 is repayable within 5 years reflected in the pro-forma figures. The first two loans are due in Euros and thus any amount payable in Euros on the due dates may reflect to the Australian dollar at 2 months time above.

The Company currently pays interest on the outstanding East Koolberr property purchase price monthly in arrears at a rate of 4.5% per annum being \$1,025 per month. The Company intends to pay \$150,000 until the 01st proceeds to reduce the remaining purchase price on the East Koolberr project property to \$155,879 which will result in outstanding monthly interest payments of \$465 per month.

### III. Issued Capital

#### Ordinary

45,276,249 ordinary shares as at 31 December 2017		2,137,887	2,137,887
300,000 shares issued	121	-	36,000
15,000,000 New Shares pursuant to the Prospectus	110	-	5,000,000
Pro-forma		2,137,887	7,173,887
45,576,249 shares on issue (pro-forma)			
Less: estimated capital raising costs	136g1	-	(942,524)
Total net capital raised		2,137,887	6,231,363

## 7. Investigating Accountant's Report (continued)

	Note 2	Audited WOA Group 31 December 2017	Audit Reviewed WOA Group Pro-forma 31 December 2017
		5	5
<b>III. Reserve: Option Reserve</b>			
Balance at 31 December 2017			
Issue of 8,000,000 Options at fair value	1g1	-	46,738
Issue of 8,750,000 Options at fair value	1g1	-	46,738
			<u>1,167,403</u>

Options	Number
Series A Options <sup>1</sup>	8,000,000
Series C Options <sup>2</sup>	8,750,000
<b>Total Options</b>	<b>14,750,000</b>

### Notes

- The key rights attaching to the Shares are summarised at Section 8.1 of the Prospectus.
- The Series A Options have an exercise price of 50 cents and an expiry date of 31 December 2021. 8,000,000 Series A Options will be issued after the successful closing of the Offer to the Lead Manager under the terms of the agreement summarised in Section 8.6 of the Prospectus. The Series A Options are primary Options which upon exercise at all, 1 Series A Option results in the issue of one Share and one Series B Option (a secondary Option). The Series B Options will have an exercise price of 50 cents and an expiry date of 31 December 2021. If all Series A Options are exercised, 8,000,000 Series B Options will be issued. The full terms of the Series A Options and Series B Options are set out in Section 9.2 of the Prospectus.
- The Series C Options have an exercise price of 50 cents and an expiry date of 30 June 2021. 4,750,000 Series C Options have been issued to the Directors, the Executive Director and the non-employee executives. 4,000,000 Series C Options will be issued after the successful closing of the Offer to unrelated parties who have assisted in the prior fundraisings. The full terms of the Series C Options are set out in Section 9.2 of the Prospectus.
- As set out in Sections 3.12 and 9.3 of the Prospectus, the Company intends to issue future Employees Options. Based on the Shares at ASX listing up to 17,644,812, Employees Options will be issued.

## 7. Investigating Accountant's Report (continued)

	Note 2	Audited WOA Group 31 December 2017	Audit Reviewed WOA Group Free-Forming 31 December 2017 <sup>a</sup>
		\$	\$
<b>12. Accumulated losses</b>			
Balance as at 31 December 2016		1,923,116	1,923,116
Share-based payments	121	-	17,000
Share option issued	122	-	667,005
		<u>1,923,116</u>	<u>2,607,121</u>

### 13. Contingent Assets, Liabilities and Commitments

The Company has the following contingent liabilities and commitments that have not been accounted for in the preceding consolidated statement of financial position as at 31 December 2017:

The Group had the following commitments as at 31 December 2017:

Within one year	15,600
After one year but not more than five years	-
More than five years	273,870
	<u>\$389,470</u>

Commitments for expenditure within one year represent remaining funds due for the projected cropping system purchased on 24 June 2016 being 10% of purchase price of \$1,768,000. (\$D = Exchange rate used MYR1 = S\$0.78)

Commitments for expenditure over five years represent deferred consideration on purchase of Kibunguh East Block Green Banteng Holdings Pte Ltd, which is due no later than July 2024.

Based on discussions with the Directors, in our knowledge, WOA has no material commitments or contingent liabilities not otherwise disclosed in this Investigating Accountant's Report (refer Background Section 12) and in the Prospectus. Investors should read the Prospectus for further possible contingencies and commitments.

For details on proposed commitments pertaining to the expanded WOA, refer to sections 3.3 and 4.1 of the Prospectus.

Refer Section 5 of the prospectus regarding challenges including borrowings from with Governmental Institution. The major shareholder of WOA,

## 7. Investigating Accountant's Report (continued)

14. Additional Consolidated Financial Information: Statement of Consolidated Audited Balance Sheets as at 30 June 2015 and 30 June 2016

	30 June 2015	30 June 2016
	\$	\$
<b>Current Assets</b>		
Cash and cash equivalents	3,188,778	3,200,319
Trade and other receivables	161,461	89,553
<b>Total Current Assets</b>	<b>4,850,239</b>	<b>3,289,872</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	800,788	61,536
<b>Total Non-Current Assets</b>	<b>800,788</b>	<b>61,536</b>
<b>Total Assets</b>	<b>1,298,138</b>	<b>1,038,208</b>
<b>Current Liabilities</b>		
Trade and other payables	152,573	62,063
Provisions	21,381	5,056
Unearned bearing liabilities	301,405	100,582
<b>Total Current Liabilities</b>	<b>475,359</b>	<b>167,701</b>
<b>Total Liabilities</b>	<b>475,359</b>	<b>167,701</b>
<b>Net Assets / (Deficiency)</b>	<b>822,779</b>	<b>870,507</b>
<b>Equity</b>		
Issued capital	2,137,887	647,128
Share-based payment reserve	-	-
Accumulated losses	(1,315,111)	(143,421)
<b>Total Equity / (Deficiency)</b>	<b>822,779</b>	<b>870,507</b>

## 7. Investigating Accountant's Report (continued)

**15. Additional Consolidated Financial Information - Summary of Consolidated Audited Cash Flows for the two years ended 30 June 2016 and 2017 and the half year ended 31 December 2017 - WOLA Group**

	31 December 2017 S	30 June 2017 S	30 June 2016 S
<b>Cash flows from operating activities</b>			
Receives from customers	6,506	327	-
Interest income	15	24,159	116
Payments to suppliers and employees	(137,668)	(810,090)	(186,444)
R&D tax incentive	51,830	-	-
Borrowing costs	(6,115)	-	-
<b>Net cash (used in) operating activities</b>	<b>(41,432)</b>	<b>(785,704)</b>	<b>(186,328)</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant, equipment	(81,321)	(760,170)	(61,533)
<b>Net cash (used in) investing activities</b>	<b>(81,321)</b>	<b>(760,170)</b>	<b>(61,533)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	27,544	1,54,625	72,182
Repayment of borrowings	(1,54,191)	-	-
Grants received	-	22,077	-
Share issue proceeds	-	1,335,429	508,600
<b>Net cash from financing activities</b>	<b>116,353</b>	<b>1,752,031</b>	<b>580,782</b>
<b>Net increase / decrease in cash and cash equivalents</b>	<b>(26,399)</b>	<b>6,556</b>	<b>329,316</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>115,475</b>	<b>379,416</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>89,076</b>	<b>385,972</b>	<b>329,316</b>

# 8. Material Contracts

Set out below is a summary of the contracts to which the Company is a party which may be material in terms of this Prospectus.

## 8.1 LEASE OF ARTHUR RIVER LAND

The Company's retractable roof protected cropping operations at Arthur River is conducted from land leased by the Company.

By a lease as varied with Kingdale Nominees Pty Ltd the Company is the lessee of land upon which the Company's Arthur River operations are conducted.

Kingdale Nominees Pty Ltd as the registered holder of land comprised in certificate of title volume 1338 folio 260 leases a portion of the land of 5 hectares in size to the Company for the period from 1 July 2016 until 30 June 2020. The annual rent is \$2,000 plus GST payable every 12 months from the commencement date.

The land is to be used by the Company for intensive horticultural and protected cropping purposes and other regenerative agricultural research and development activities. The Company as lessee is entitled to use a minimum of 5,000m<sup>3</sup> of water per annum from dams located on the leased property in accordance with the lease.

Rabobank Australia Limited as mortgagee of land (by a mortgage granted by Kingdale Nominees Pty Ltd to Rabobank Australia Limited) has consented to the lease to the Company.

## 8.2 EAST KULINBAH PROJECT LAND PURCHASE AGREEMENT

In March 2016 the Company entered into a contract for the purchase of land with Buntine Holdings Pty Ltd as the seller.

By the contract the Company has agreed to purchase land of approximately 310 hectares in size in East Kulinbah in the north of the Western Australian Wheatbelt being land comprised in certificate of title volume 2219 folio 692.

The purchase price of \$323,879 is payable by:

- (a) a deposit of 1,000,000 Shares in the Company (Wide Open Agriculture Limited) at a deemed price of 5 cents representing \$50,000 in value. Upon payment of this deposit, the Company takes possession of the land; and
- (b) \$273,879 payable on or before 8 years after the Company takes possession upon the payment of the Shares referred to in paragraph (a) above.

The Company issued the deposit of 1,000,000 Shares and took possession of the land in July 2016. The purchase price that remains outstanding is \$273,879 payable on or before July 2024. The Company will become the registered holder of the land upon payment of this outstanding sum of the purchase price. \$150,000 of the outstanding purchase price is to be paid to the seller from the Offer proceeds.

The Company currently pays interest on the outstanding purchase price monthly in arrears at a rate of 4.5% per annum being \$1,027 per month.

## 8.3 EAST KULINBAH PROJECT LEASE

In April 2017 the Company (as the holder of rights of possession under the East Kulinbah Project Land Purchase Agreement) entered into an agreement to lease part of the land the subject of the East Kulinbah Project Land Purchase Agreement to Stuart McAlpine and Leanne McAlpine.

By the agreement as varied Stuart and Leanne McAlpine as the tenant take a lease of the relevant part of the land from 1 May 2017 to 28 February 2021. Annual rent is \$9,000 per year plus GST. Rent is payable in 6 monthly instalments of \$4,500 plus GST commencing in May 2017. The Company as the lessor agrees to pay all rates and taxes and for water consumed and other services or consumables used by the tenant on the leased property.

Under the agreement, an 'economic zone' is exclusively leased to Stuart and Leanne McAlpine, the farmer. This land represents almost 50% of the land area of the farm (being 150 hectares). The land is used by the farmer to conduct biological cropping practice including for wheat and canola production as well as raising sheep.

By the agreement there is a 'combined zone' by which the Company grants a non-exclusive licence to use this land to the farmer. This land is thereby shared land between the Company and the farmer. This land represents approximately 30%



## 8. Material Contracts (continued)

of the farm area (being 98 hectares). In this combined zone the Company has planted approximately 60,000 fodder forage shrubs and the farmer can and has raised sheep.

The remaining area of the farm (outside the economic zone and the combined zone) is a retained 'nature zone' by the Company where the Company retains exclusive possession.

### 8.4 COMMONLAND LOAN AGREEMENTS

The Company has entered into four loan agreements respectively with Commonland Foundation and its wholly owned subsidiary.

The first loan agreement was entered into in February 2016 between the Company and Commonland Foundation.

By this first agreement, Commonland Foundation has loaned the sum of 100,000 Euros to the Company. The loan is unsecured and there is no interest payable on the loan. There are no performance or restrictive covenants on the Company or upon the use of the moneys.

The loan is to be repaid 5 years after the execution of the loan agreement being in February 2021.

The second loan agreement was entered into in January 2017 between the Company and 4 Returns Projects B.V., a wholly owned subsidiary of Commonland Foundation.

By this second agreement, 4 Returns Projects B.V. has loaned the sum of 225,000 Euros to the Company. The loan is unsecured and there is no interest payable on the loan. There are no performance or restrictive covenants on the Company or upon the use of the moneys.

The loan is to be repaid 5 years after the execution of the loan agreement being in January 2022.

The third loan agreement was entered into in January 2018 between the Company and 4 Returns Projects B.V.

By this third agreement, 4 Returns Projects B.V. has loaned the sum of \$305,000. The loan is unsecured and there is no interest payable on the loan when drawn down. There are no performance or restrictive covenants on the Company or upon the use of the moneys.

The loan is to be repaid in January 2023.

The fourth loan agreement was entered into in February 2018 between the Company and Commonland Foundation.

By this fourth agreement, Commonland Foundation has made available a loan facility of \$100,000 (Australian dollars) to the Company. The loan is unsecured and there is no interest payable on the loan. There are no performance or restrictive covenants on the Company or upon the use of the moneys.

At the date of this Prospectus, no funds have been drawn down on this facility by the Company.

Any loan funds drawn down are repayable from the proceeds of the Offer under this Prospectus.

### 8.5 EXECUTIVE SERVICE AGREEMENT WITH BEN COLE (Managing Director)

The Company has entered into an executive service agreement with Ben Cole as managing director.

By the agreement Dr Cole is employed as the full-time managing director.

The engagement of Dr Cole under the agreement commences on the date of ASX listing and continues until terminated by either party. The Company may terminate the employment without notice upon limited events akin to misconduct or incapacity. Additionally, either party may terminate the agreement without cause upon 6 months written notice.

Dr Cole's cash remuneration will consist of \$96,000 per annum plus statutory superannuation. He will be provided with a laptop and mobile telephone. Dr Cole will not be paid a separate director's fee for serving on the Board. Dr Cole has been issued with 750,000 Series C Options, the terms of which are set out in Section 9.2.

The remuneration of Dr Cole will be reviewed 12 months from the commencement date and every 12 months thereafter or as otherwise agreed between the parties.

## 8. Material Contracts (continued)

### 8.6 LEAD MANAGER AGREEMENT WITH MAC EQUITY PARTNERS

The Company has entered into an agreement with Mac Equity Partners in January 2018 by which Mac Equity Partners has been appointed as Lead Manager to the Offer under this Prospectus.

Mac Equity Partners in its role as Lead Manager will manage the capital raising by the Offer on a best endeavours basis.

In respect of its role as Lead Manager to the Offer, the fees payable to Mac Equity Partners upon successful completion of the Offer is a 1% management fee plus GST on all funds raised under the Offer and a 5% capital raising fee plus GST of all funds raised by the Lead Manager. It is intended that between \$2,000,000 to \$3,000,000 can be raised by investors introduced by the Directors and to which only the 1% management fee will apply and not the 5% capital raising fee under the Offer. Mac Equity Partners will also be issued with 6,000,000 Series A Options. The Series A Options are primary Options which upon exercise of each Series A Option results in the issue of one Share and one Series B Option (a secondary Option). Mac Equity Partners may pass on any part of the fees to Australian financial services licensees or authorised representatives or nominate parties to receive some of the Series A Options. The terms of the Series A Options are set out in Section 9.2.

The Company has agreed to engage Mac Equity Partners as a corporate adviser for a period of 2 years after listing on ASX on a retainer basis of \$12,000 per year.

### 8.7 VOLUNTARY ESCROW AGREEMENTS

The Company has entered into voluntary restriction (escrow) deeds with its 3 major shareholders.

Commonland Foundation is the largest shareholder in the Company holding 12,000,000 Shares and it has agreed to a voluntary escrow of 8,000,000 Shares.

Anthony Maslin and his wife, Marite Norris, are the second largest shareholders in the Company jointly holding 7,766,668 Shares and they have agreed to a voluntary escrow of 4,750,000 Shares.

Ben Cole is the third largest shareholder in the Company holding 7,566,668 Shares and he has agreed to a voluntary escrow of 1,250,000 Shares.

By the agreements, the Shares the subject of voluntary escrow are restricted for a period of 5 years from the date on which official quotation of the Shares on ASX commences (ASX listing). The Shares the subject of voluntary escrow will also be the subject of ASX escrow for a period of 24 months from the date on which official quotation of the Shares commences on ASX. Thereby, the restriction on the voluntary escrow Shares has the effect of continuing a restriction for a period of a further 3 years after the conclusion of the 24 month ASX required escrow.

The voluntary restriction deeds restrict the disposal of the securities in question on the same terms as ASX restriction agreements. Thereby, the holder of the Shares cannot dispose of or agree or offer to dispose of the restricted securities, create or agree or offer to create any security interest in the restricted securities or do or omit to do any act if the act or omission would have the effect of transferring effective ownership or control of the restricted securities. There is a release from the restriction in the event of a takeover bid which satisfies the conditions of Listing Rule 9.18 or in the event of a merger by way of a scheme of arrangement under the Corporations Act.

# 9. Additional Information

## 9.1 RIGHTS ATTACHING TO SHARES

The rights to ownership of the Shares are:

- detailed in our Constitution; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

A summary of the more significant rights attaching to Shares is set out below. The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, you should seek independent legal advice.

### Powers of the Company and Directors

The Company may exercise, in any matter permitted by the Corporations Act, any power which a public company limited by shares may exercise under the Corporations Act. Subject to the Corporations Act, the Listing Rules and the Constitution, the business of the Company shall be managed by, or under the direction of, the Directors who may exercise such powers of the Company as are not required to be exercised by the Company in general meeting.

The Directors in managing the business for the Company and exercising powers, as are not required to be exercised by the Company in general meeting, may apply a 4 returns framework on seeking measurable outcomes on each of financial return (with a focus on long term sustainable profit), natural return (with a focus on restoring biodiversity, soil and water quality), social return (with a focus on bringing back jobs, business activity, education and/or security) and inspirational return (with a focus on giving people hope and a sense of purpose).

### Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. The person who holds a share which is not fully paid shall be entitled to a fraction of a vote equal to that proportion of a vote that the amount paid on the relevant share bears to the total issue price of the share. Voting may be in person or by proxy, attorney or representative.

### Dividends

Subject to the rights of holders of shares issued with any special rights (at present there are none), the profits of the Company which the Board may from time to time determine to distribute by way of dividend are divisible to each share of a class on which the Board resolves to pay a dividend in proportion to the amount for the time being paid on a share bears to the total issue price of the share. All Shares currently on issue and the shares to be issued under this Prospectus are fully paid Shares.

### Future Issues of Securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

### Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

## 9. Additional Information (continued)

### Meetings and Notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

### Election of Directors

There must be a minimum of three Directors. At every annual general meeting one third of the Directors (rounded to the nearest whole number) must retire from office. If the Company has less than three Directors, one Director must retire from office together with any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting. These retirement rules do not apply to certain appointments including the managing director.

### Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

### Winding Up

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the shareholders:

- divide the assets of the Company among the members in kind;
- for that purpose fix the value of assets and decide how the division is to be carried out as between the members and different class of members; and
- vest assets of the Company in trustees on any trusts for the benefit of the members as the liquidator thinks appropriate.

### Shareholder Liability

As the Shares under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

### Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

### Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

## 9. Additional Information (continued)

### 9.2 OPTION TERMS

At the date of ASX listing the Company will have the following Options on issue.

Type	Total Number of Options <sup>3</sup>	Vesting Hurdle	Exercise Price	Expiry Date
Series A Options <sup>1</sup>	6,000,000	Nil	30 cents	31 December 2021
Series C Options <sup>2</sup>	8,750,000	Nil	30 cents	30 June 2021

1. The Series A Options will be issued to the Lead Manager (6,000,000 Options) after the successful closing of the Offer. The Series A Options are primary Options which upon exercise of each Series A Option results in the issue of one Share and one Series B Option (a secondary Option). The Series B Options will have an exercise price of 50 cents and an expiry date of 31 December 2023. If all Series A Options are exercised, 6,000,000 Series B Options will be issued. The full terms of the Series A and B Options are set out below.
2. 4,750,000 of the Series C Options have been issued to some of the Directors, to the Alternate Director and to the joint company secretaries. 4,000,000 Series C Options will be issued after the successful closing of the Offer to unrelated parties who have assisted in prior fundraisings. The full terms of the Series C Options are set out below.
3. As set out in Sections 3.12 and 9.3, the Company intends to issue future Entitlements Options on the basis of 1 Option for every 4 Shares held at the relevant record date. Based on the Shares at ASX listing, up to 17,644,812 Entitlements Options will be issued.

The terms of the Series A Options, Series B Options and Series C Options are set out below.

#### Series A Options

- (a) Each Option entitles the holder to one Share (fully paid ordinary share).
- (b) The exercise price of the Options is 30 cents.
- (c) The Options are exercisable at any time prior to 5.00 pm WST on 31 December 2021 (Expiry Date).
- (d) The Options are freely transferable subject to any ASX escrow restrictions. The Options are not intended to be quoted.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
- (f) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued with a Share ranking equally with the then issued Shares.
- (g) There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that the Optionholder will be notified of a proposed issue after the issue is announced. This will give an Optionholder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules.

## 9. Additional Information (continued)

### Series B Options

- (a) Each Option entitles the holder to one Share (fully paid ordinary share).
- (b) The exercise price of the Options is 50 cents.
- (c) The Options are exercisable at any time prior to 5.00 pm WST on 31 December 2023 (Expiry Date).
- (d) The Options are freely transferable subject to any ASX escrow restrictions. The Options are not intended to be quoted.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
- (f) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued with a Share ranking equally with the then issued Shares.
- (g) There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that the Optionholder will be notified of a proposed issue after the issue is announced. This will give an Optionholder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules.

## 9. Additional Information (continued)

### Series C Options

- (a) Each Option entitles the holder to one Share (fully paid ordinary share).
- (b) The exercise price of the Options is 30 cents.
- (c) The Options are exercisable at any time prior to 5.00 pm WST on 30 June 2021 (Expiry Date).
- (d) The Options are only transferable with Board approval and are subject to any ASX escrow restrictions. The Options are not intended to be quoted.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
- (f) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued with a Share ranking equally with the then issued Shares.
- (g) There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that the Optionholder will be notified of a proposed issue after the issue is announced. This will give an Optionholder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules.



## 9. Additional Information (continued)

### 9.3 ENTITLEMENTS OPTIONS ISSUE

The Company intends to undertake a non-renounceable entitlements issue of Entitlements Options to registered Shareholders at a time approximately 6 months after admission to the Official List. The Entitlements Options are intended to be offered for subscription at a price of 1 cent each and on the basis of 1 Entitlements Option for every 4 Shares held. The Entitlements Option will have an exercise price of 30 cents and an expiry date of 30 June 2021.

It is proposed that all Shareholders registered on the applicable record date and resident in Australia or New Zealand will be entitled to participate in the non-renounceable entitlements issue of Entitlements Options. A disclosure document for the issue of the Entitlements Options will be issued and mailed to eligible Shareholders. Anyone who wishes to acquire Entitlements Options will need to complete an application form which will be in or accompanying the disclosure document.

Application is intended to be made for the Entitlements Options to be granted quotation on the ASX. Any offer will be subject to then prevailing market conditions.

The intended full terms of the Entitlements Options are set out below. Other than having a subscription price, the proposed terms of the Entitlements Options are the same as the Series C Options.

- (a) The Options will be issued for a subscription price of 1 cent each.
- (b) Each Option entitles the holder to one Share (fully paid ordinary share).
- (c) The exercise price of the Options is 30 cents.
- (d) The Options are exercisable at any time prior to 5.00 pm WST on 30 June 2021 (Expiry Date).
- (e) The Options are freely transferable. The Company intends to apply for quotation of the Options on ASX.
- (f) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
- (g) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued a Share ranking equally with the then issued Shares.
- (h) There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that the Optionholder will be notified of a proposed issue after the issue is announced. This will give an Optionholder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (i) If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (j) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules.

### 9.4 EMPLOYEE INCENTIVE SCHEME

#### Purpose

The Company has established an employee incentive scheme (Plan) to provide an incentive for eligible participants to participate in the future growth of the Company and to offer Options or performance rights to assist with reward, retention, motivation and recruitment of eligible participants. A summary of the terms of the Plan is set out below.

## 9. Additional Information (continued)

### Eligible Participants

Eligible participants are a full or part-time employee, or a director of the Company or a subsidiary and relevant contractors and casual employees and prospective participants (Eligible Participants).

### Offers

Subject to any necessary Shareholder approval, the Board may offer Options or performance rights to Eligible Participants for nil consideration.

### Exercise Price and Expiry Date

The exercise price and expiry date of any Options and the expiry date of any performance rights will be determined by the Board.

### Vesting Conditions and Lapse

An Option or performance right may only be exercised after it has vested and before its expiry date. Notwithstanding this, Options may be exercised where a takeover or merger occurs or, in the Board's discretion, upon the death or permanent disablement of an Eligible Participant. The Board may determine the conditions upon the vesting of the options or performance rights at its discretion. By way of example, the Board may impose Share price and/or continuous service vesting hurdles.

An Option or performance right lapses upon various events or within a prescribed time of an event including a vesting condition not being satisfied, a participant ceasing to be an Eligible Participant (except for certain matters such as death or retirement) and upon misconduct by a participant.

### Shares issued on vesting

Each Option or performance right entitles the holder to one fully paid ordinary share on vesting.

### Transferability and quotation

An Option or performance right may not be transferred without the prior written approval of the Board or by force of law. Quotation of the Options or performance rights on the ASX will not be sought. However, the Company will apply for official quotation of Shares issued on vesting of the options or performance rights.

### No voting or dividend rights

The Options or performance rights are personal and do not confer any entitlement to attend or vote at meetings, any entitlement to dividends or any entitlement to participate in any return of capital unless the Options or performance rights are vested and the underlying Shares have been issued.

### No participation rights

The Options or performance rights do not entitle the holder to participate in the issue of securities unless the Options or performance rights are vested and Shares have been issued before the record date for determining entitlements.

### Limitation on number of securities

Securities to be issued under the Plan when aggregated with the number of Shares issued during the previous 3 years under any employee incentive scheme of the Company must not exceed 5% of the total number of Shares on issue at the time of the relevant offer. Various excluded offers may be disregarded so as to not count for the 5% limit.

### Administration of Plan

The Plan will be administered under the directions of the Board and the Board may determine procedures for the administration of the Plan as it considers appropriate.

### Operation

The operation of the Plan is subject to the Listing Rules and the Corporations Act.

## 9. Additional Information (continued)

### Application of Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth)

Subdivision 83A-C (deferred inclusion of gain in assessable income) of the *Income Tax Assessment Act 1997 (Cth)* applies to the Plan and holders of securities issued under the Plan may agree to a restriction period for the disposal or transfer of the securities including any underlying securities.

### 9.5 COMPANY TAX STATUS AND FINANCIAL YEAR

We will be taxed in Australia as a public company. Our financial year ends on 30 June annually.

### 9.6 DIVIDEND POLICY

The Company will use the proceeds of the Offer to further develop and expand its operations.

These activities are expected to dominate the two year period following the date of this Prospectus. Income growth in the form of dividends will only eventuate if our planned expansion is commercially successful. We have no immediate intention to declare or distribute dividends.

Any future determination as to the payment of dividends generally by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors.

### 9.7 DIRECTORS' INTERESTS

Other than as set out below or elsewhere in this Prospectus, no Director, Alternate Director or proposed Director holds at the date of this Prospectus, or held at any time during the last two years before the date of lodgement of this Prospectus with ASIC, any interest in:

9.7.1 the formation or promotion of the Company; or

9.7.2 any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or

9.7.3 the Offer;

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person to a Director, Alternate Director or proposed Director to induce him or her to become, or to qualify as, a Director; or for services provided by a Director, Alternate Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

### Interests in securities

The Directors, the Alternate Director (and their respective associates) at the close of the Offer will have a relevant interest in securities of the Company as set out below. Interests include those held directly and indirectly.

Director	Shares <sup>1</sup>	Options
Anthony Maslin	7,766,668	1,500,000 <sup>2</sup>
Ben Cole	7,566,668	750,000 <sup>2</sup>
Stuart McAlpine	2,000,000	750,000 <sup>2</sup>
James Mackintosh	0	0
Hans Schut (Alternate Director for James Mackintosh)	500,000	750,000 <sup>2</sup>

Notes:

- The Directors and the Alternate Director may subscribe for Shares under the Prospectus.  
The table assumes that the Directors and the Alternate Director do not subscribe for Shares under this Prospectus.
- These Options are Series C Options and have an exercise price of 30 cents and an expiry date of 30 June 2021.  
The full terms of the Options are set out in Section 9.2.

## 9. Additional Information (continued)

### Remuneration of Directors and Alternate Director

Mr Anthony Maslin will be paid a Director's fee of \$50,000 per annum plus statutory superannuation as non-executive Chairman and has been issued with 1,500,000 Series C Options. In the 2 years prior to the date of this Prospectus, Mr Maslin has not received any cash remuneration from the Company.

Dr Ben Cole has entered into an executive service agreement with the Company under which he will be engaged as managing director. The agreement is summarised in Section 8.5 and includes the issue of 750,000 Series C Options. In the 2 years prior to the date of this Prospectus, Dr Cole has received cash remuneration totalling approximately \$154,866 exclusive of GST.

Mr Stuart McAlpine will be paid a Director's fee of \$30,000 per annum plus statutory superannuation and has been issued with 750,000 Series C Options. In the 2 years prior to the date of this Prospectus, Mr McAlpine has not received any cash remuneration from the Company.

Dr James Mackintosh will be entitled to be paid a Director's fee of \$30,000 per annum plus statutory superannuation. In the two years prior to the date of this Prospectus, Dr Mackintosh has not received any cash remuneration from the Company.

Mr Hans Schut is the Alternate Director for Dr James Mackintosh. He is not paid a Director's fee but has been issued with 750,000 Series C Options. In the two years prior to the date of this Prospectus, Mr Schut has not received any cash remuneration from the Company.

A Director may also be paid fees or other amounts as the Directors determine if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

### 9.8 INTERESTS OF EXPERTS AND ADVISORS

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

9.8.1 the formation or promotion of the Company; or

9.8.2 property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or

9.8.3 the Offer.

Fairweather Corporate Lawyers has acted as solicitors to the Offer. In respect of this work, the Company will pay approximately \$70,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. In the two years prior to the date of this Prospectus, Fairweather Corporate Lawyers has been paid fees of approximately \$19,000 for other legal services.

Stantons International Securities Pty Ltd has prepared the Investigating Accountant's Report in this Prospectus. In respect of this work, the Company will pay approximately \$15,000. Stantons International Securities Pty Ltd has not received any other fees for services to the Company in the two years prior to the date of this Prospectus. An associated entity of Stantons International Securities Pty Ltd has been paid fees of approximately \$22,040 for audit services to the Company in the two years prior to the date of this Prospectus.

Mac Equity Partners Pty Ltd is Lead Manager to the offer. The material terms of the mandate agreement with the Company and the fees to be paid to Mac Equity Partners Pty Ltd are set out in Section 8.6. In the two years prior to the date of this Prospectus, Mac Equity Partners Pty Ltd has not received fees for other services.

## 9. Additional Information (continued)

### 9.9 CONSENTS

The following parties have given their written consent to be named in this Prospectus and for the inclusion of statements made by those parties as described below in the form and context in which they are included, and have not withdrawn such consent before lodgement of this Prospectus with ASIC.

9.9.1 FW Legal Pty Ltd trading as Fairweather Corporate Lawyers has consented to being named as the Solicitors to the Offer in this Prospectus.

9.9.2 Stantons International Securities Pty Ltd has consented to being named as the Investigating Accountant to the Company and the inclusion of the Investigating Accountant's Report in this Prospectus.

9.9.3 Stantons International Audit and Consulting Pty Ltd has consented to reference in this Prospectus to the audited financial information of the Company.

9.9.4 Link Market Services Limited has consented to being named as the Share Registry to the Offer.

9.9.5 Mac Equity Partners Pty Ltd has consented to being named as the Lead Manager to the Offer and the inclusion in the Prospectus of all statements referring to it.

9.9.6 Commonland Foundation has consented to the inclusion in the Prospectus of all statements referring to it.

Each of the parties referred to above in this Section:

- does not make, or purport to make any statement in this Prospectus, or on which a statement made in this Prospectus is based other than as specified in this Section;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in the Prospectus with the consent of that party as specified in this Section; and
- has not caused or authorised the issue of this Prospectus.

### 9.10 EXPENSES OF THE OFFER

The cash expenses of the Offer payable by the Company are estimated to be approximately \$410,000 exclusive of GST at Full Subscription. These expenses are expected to be applied to the items set out in the table below at Full Subscription.

Item of Expenditure	Full Subscription \$
Capital raising fees to Lead Manager	200,000 <sup>1</sup>
Legal costs	70,000
Investigating Accountant's Report	15,000
ASX listing fee	68,350
ASIC fees	2,400
Design, printing, share registry and miscellaneous	54,250
<b>TOTAL</b>	<b>\$410,000<sup>2</sup></b>

1. The assumption is that the Lead Manager will receive a 1% management fee on all the funds raised under the Offer (\$50,000 being 1% of \$5,000,000) and a 5% capital raising fee on \$3,000,000 (\$150,000 being 5% of \$3,000,000). For the purposes of estimating the fees to the Lead Manager, the Company assumes \$2,000,000 will be raised by investors introduced by the Directors and to which only the 1% management fee will apply and not the 5% capital raising fee. The fees payable to the Lead Manager could be as high as \$300,000 if the 5% capital raising fee is payable upon all the Offer Shares.
2. The expenses above are the estimated cash expenses of the Offer. 6,000,000 Series A Options are to be issued to the Lead Manager under the terms of the agreement summarised in Section 8.6. These Options may be seen as a non-cash cost of the Offer. These Options have been valued by the Investigating Accountant in the Investigating Accountant's Report in Section 7 for a total fair value of \$492,738.

# 10. Directors' Responsibility and Consent

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of the Shares pursuant to this Prospectus.

Each Director and the Alternate Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 12 April 2018



Signed for and on behalf of Wide Open Agriculture Limited by

**Dr Ben Cole**

Managing Director

**12th April 2018**

# 11. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

<b>AFSL</b>	Australian Financial Services Licence.
<b>Alternate Director</b>	Hans Schut, the alternate director for Dr James Mackintosh.
<b>Applicant</b>	A person who submits a valid Application Form.
<b>Application</b>	An application to subscribe for Shares under this Prospectus.
<b>Application Form</b>	The Application Form attached to or accompanying this Prospectus and, where relevant, includes an online application form.
<b>Application Money</b>	The Offer Price multiplied by the total number of Shares subscribed for by an Applicant.
<b>ASIC</b>	Australian Securities & Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691).
<b>Board</b>	The Board of Directors.
<b>Closing Date</b>	The time and date at which the Offer closes, being 5.00pm WST on 7 June 2018, as varied by us.
<b>Company or WOA</b>	Wide Open Agriculture Limited (ACN 604 913 822).
<b>Company Group</b>	The Company and subsidiaries.
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>Director</b>	A director of the Company and, where the context requires, the Alternate Director.
<b>Entitlements Options</b>	Options on the terms set out in Section 9.3.
<b>Full Subscription</b>	The amount to be raised under this Prospectus being \$5,000,000.
<b>Lead Manager or Mac Equity Partners</b>	Mac Equity Partners Pty Ltd (ACN 009 230 120) (AFSL 338731).
<b>Listing Rules</b>	The listing rules of the ASX.
<b>Offer</b>	The Offer to the public under this Prospectus to subscribe for 25,000,000 Shares at a price of 20 cents each to raise \$5,000,000.
<b>Official List</b>	The official list of ASX.
<b>Opening Date</b>	20 April 2018.



## 11. Glossary (continued)

Option	An option to acquire a Share.
Project	A project of the Company.
Prospectus	This Prospectus dated 12 April 2018.
Series A Options	Series A Options on the terms set out in Section 9.2.
Series B Options	Series B Options on the terms set out in Section 9.2.
Series C Options	Series C Options on the terms set out in Section 9.2.
Share	A fully paid ordinary share in the Company.
Shareholder	A registered holder of Shares.
Share Registry	Link Market Services Limited.
Western Australian Wheatbelt	An area of approximately 197,303km <sup>2</sup> as depicted on the map in Section 4.2 being a region located in the south-west corner of Western Australia.
WST	Western Standard Time, Perth, Western Australia.
\$, A\$ or Dollars	Australian dollars unless otherwise stated.

# Application Form



# WIDE OPEN AGRICULTURE LIMITED

ACN 604 913 822

Broker Code

Adviser Code

## Application Form

This is an Application Form for Shares in Wide Open Agriculture Limited under the Offer on the terms set out in the Prospectus dated 12 April 2018. You may apply for a minimum of 10,000 Shares. This Application Form and your cheque or bank draft must be received by **5.00pm (WST) on the Closing Date**.

If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus contains information relevant to a decision to invest in Shares and you should read the entire Prospectus carefully before applying for Shares.

Shares applied for

Price per Share

Application Monies

A

at

A\$0.20

B A\$

(minimum 10,000)

**PLEASE COMPLETE YOUR DETAILS BELOW** (refer overleaf for correct forms of registrable names)

+

Applicant #1

Surname/Company Name

C

Title

First Name

Middle Name

Joint Applicant #2

Surname

Title

First Name

Middle Name

Designated account e.g. <Super Fund> (or Joint Applicant #3)

TFN/ABN/Exemption Code

First Applicant

Joint Applicant #2

Joint Applicant #3

D

TFN/ABN type – if NOT an individual, please mark the appropriate box

Company

Partnership

Trust

Super Fund

**PLEASE COMPLETE ADDRESS DETAILS**

PO Box/RMB/Locked Bag/Care of (c-)/Property name/Building name (if applicable)

E

Unit Number/Level

Street Number

Street Name

Suburb/City or Town

State

Postcode

Email address (only for purpose of electronic communication of shareholder information)

CHESS HIN (if you want to add this holding to a specific CHESS holder, write the number here)

F

+

Please note: that if you supply a CHESS HIN but the name and address details on your Application Form do not correspond exactly with the registration details held at CHESS, your Application will be deemed to be made without the CHESS HIN and any Shares issued as a result of the Offer will be held on the issuer sponsored sub-register.

Telephone Number where you can be contacted during Business Hours

Contact Name (PRINT)

G

Cheques or bank drafts should be made payable to "Wide Open Agriculture Limited – Share Offer Account" in Australian currency and crossed "Not Negotiable".

Cheque or Bank Draft Number

BSB

Account Number

H

Total Amount

A\$

### LODGEMENT INSTRUCTIONS

You must return your application so it is received before 5.00pm (WST) on the Closing Date to:  
Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235.

WOA IPO001



# Your Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The Shares to which this Application Form relates are Wide Open Agriculture Limited ("The Company") Shares. Further details about the Shares are contained in the Prospectus dated 12 April 2018 issued by Wide Open Agriculture Limited. The Prospectus will expire 13 months after the date of the Prospectus. While the Prospectus is current, Wide Open Agriculture Limited will send paper copies of the Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investments Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Prospectus. This Application Form is included in the Prospectus.

The Prospectus contains important information about investing in the Shares. You should read the Prospectus before applying for Shares.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of 10,000 Shares. You may be issued all of the Shares applied for or a lesser number.
- B** Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.
- C** Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.
- D** Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, Wide Open Agriculture Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from Wide Open Agriculture Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are already a CHES participant or sponsored by a CHES participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHES for this HIN is different to the details given on this form, your Shares will be issued to Wide Open Agriculture Limited's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
- H** Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.

Make your cheque or bank draft payable to **"Wide Open Agriculture Limited – Share Offer Account"** in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian bank. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.

If you receive a firm allocation of Shares from your Broker make your cheque payable to your Broker in accordance with their instructions.

## LODGEMENT INSTRUCTIONS

This Application Form and your cheque or bank draft must be mailed or delivered so that it is received before 5.00pm (WST) on the Closing Date at:

### Mailing Address

Wide Open Agriculture Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

### Hand Delivery

Wide Open Agriculture Limited  
C/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

**(do not use this address for mailing purposes)**

## PERSONAL INFORMATION COLLECTION NOTIFICATION STATEMENT

Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

## CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
<b>Individual</b> Use given names in full, not initials	Mrs Katherine Clare Edwards	K C Edwards
<b>Company</b> Use Company's full title, not abbreviations	Liz Biz Pty Ltd	Liz Biz P/L or Liz Biz Co.
<b>Joint Holdings</b> Use full and complete names	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	Peter Paul & Mary Tranche
<b>Trusts</b> Use the trustee(s) personal name(s)	Mrs Alessandra Herbert Smith <Alessandra Smith A/C>	Alessandra Smith Family Trust
<b>Deceased Estates</b> Use the executor(s) personal name(s)	Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C>	Estate of late Harold Post or Harold Post Deceased
<b>Minor (a person under the age of 18 years)</b> Use the name of a responsible adult with an appropriate designation	Mrs Sally Hamilton <Henry Hamilton>	Master Henry Hamilton
<b>Partnerships</b> Use the partners' personal names	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C>	Fred Smith & Son
<b>Long Names</b>	Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
<b>Clubs/Unincorporated Bodies/Business Names</b> Use office bearer(s) personal name(s)	Mr Alistair Edward Lilley <Vintage Wine Club A/C>	Vintage Wine Club
<b>Superannuation Funds</b> Use the name of the trustee of the fund	XYZ Pty Ltd <Super Fund A/C>	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.





[wideopenagriculture.com.au](http://wideopenagriculture.com.au)