

Appendix 4E

Preliminary final Report

Name of Entity	Wide Open Agriculture Limited
ABN	86 604 913 822
Year Ended	30 June 2020
Previous Corresponding Reporting Period	30 June 2019

Results for Announcement to the Market

	\$'000	Percentage increase/(decrease) over previous corresponding period
Revenue from ordinary activities	2,236	29,869%
(Loss) from ordinary activities after tax attributable to members	(1,856)	(11%)
Net (loss) for the period attributable to members	(1,856)	(11%)
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	It is not proposed to pay Dividends	
Interim Dividend	It is not proposed to pay Dividends	
Record date for determining entitlements to the dividends (if any)	Not Applicable	

Dividends

Date the dividend is payable	No dividends
Record date to determine entitlement to the dividend	No dividends
Amount per security	-c
Total dividend	-c
Amount per security of foreign sourced dividend or distribution	-c
Details of any dividend reinvestment plans in operation	No dividends
The last date for receipt of an election notice for participation in any dividend reinvestment plans	No dividends

Net Tangible Assets per Security

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	4.97c	3.77c

The 30 June 2020 financial report dated 31 August 2020 forms part of and should be read in conjunction with the Preliminary Final Report (Appendix 4E).

This report is based on financial statements that have been audited. The audit report is included in the 30 June 2020 Annual Financial Report.

WIDE OPEN AGRICULTURE LIMITED
ABN 86 604 913 822

CONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

WIDE OPEN AGRICULTURE LIMITED
ABN 866 049 138 22

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CORPORATE DIRECTORY

DIRECTORS

Mr Anthony Maslin (Non-Executive Chairman)

Dr Ben Cole (Managing Director)

Mr Stuart McAlpine (Non-Executive Director)

Mr Hans Schut (Non-Executive Director) – *resigned*
11/11/2019

Ms Elizabeth Brennan (Non-Executive Director) -
joined 11/11/2019

Mr Ronnie Duncan (Non-Executive Director) - *joined*
03/12/2019

JOINT COMPANY SECRETARIES

Mr Sam Wright

Ms Lydia Fee

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SHARE REGISTRY

Link Market Services Limited

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STOCK EXCHANGE

Australian Securities Exchange

Central Park

152-158 St Georges Terrace

Perth Western Australia 6000

ASX CODE: WOA

WIDE OPEN AGRICULTURE LIMITED
ABN 866 049 138 22

DIRECTOR'S REPORT

Your directors present this report on Wide Open Agriculture Limited (the "Company" or "WOA") and its subsidiaries ("Consolidated Entity" or "Group") for the year ended 30 June 2020.

DIRECTORS

The name of the directors in office at any time during, or since the end of the year are:

Ben Cole – Managing Director (appointed on 23 March 2015)

B.Env.Sc (Hons) PhD

With a PhD in environmental engineering, Ben is a proven entrepreneur with demonstrated strategic and operational experience. Ben has over 16 years of experience working with companies with a proven commitment to delivering strong results that deliver a positive environmental and social impact. Between 2008 to 2013 he founded, managed and sold a profitable, manufacturing company in Vietnam. Ben has extensive international experience as a manager of market-based, public health projects totalling \$30 million. Ben is a Non-Executive Director of the not for profit Regional Regeneration Alliance. In the last three years, Ben was not a director of any other publicly listed company.

Anthony Maslin – Non-Executive Chairman (appointed on 23 March 2015)

BBus (Fin and Ent)

Anthony started as a stockbroker 27 years ago managing capital raisings and providing ethical investment advice. In 1998 he founded Solar Energy Systems Ltd (now Solco Ltd), which became the first solar energy company to list on the ASX. Since then he has consulted to and managed various listed companies, including five years as Managing Director of Buxton Resources Ltd. Anthony served as a Non-Executive Director of Pancontinental Oil & Gas NL (ASX:PCL) and resigned 15 January 2016. Anthony is currently a Non-Executive Director of Buxton Resources Ltd (ASX:BUX). Anthony also co-founded community art hub the Artspace Collective and the Mo, Evie and Otis Maslin Foundation, which focuses on early intervention for dyslexia. In the last three years, Anthony was not a director of any other publicly listed company than those noted above.

Stuart McAlpine – Non-Executive Director (appointed 30 March 2016)

Stuart is a Wheatbelt farmer with 40 years' experience in agriculture who is committed to the environmental and social restoration of his region. He was co-founder of the Liebe Group, a farmer-led research and development group, and the inaugural President. He instigated the Regional Repopulation Plan with the Wheatbelt's Dalwallinu Shire and Chaired the Regional Repopulation Advisory Committee. Stuart is also co-founder and a Non-Executive Director of the not for profit Regional Regeneration Alliance and a Committee Member of RegenWA, and a Member of the Australian Institute of Company Directors. In the last three years, Stuart was not a director of any other publicly listed company.

Hans Schut – Non-Executive Director (appointed 30 November 2018, ceased 11 November 2019)

Hans operates a consultancy firm called BDFC. He is a Chairman of the Supervisory Board of DE-on, a provincial renewable energy fund in the Netherlands and serves on the investment committee of a large construction equity fund for renewables in emerging markets. 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. In the last three years, Hans was not a director of any other publicly listed company.

WIDE OPEN AGRICULTURE LIMITED

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DIRECTOR'S REPORT

Elizabeth Brennan – Non Executive Director (appointed 11 November 2019)

Elizabeth currently coordinates a multidisciplinary agricultural research for development program in Papua New Guinea on behalf of the Department of Foreign Affairs and Trade (DFAT) and the Australian Centre for International Agricultural Research (ACIAR). Elizabeth has previously led the marketing strategy development and implementation for one of the largest citrus operations in WA, Moora Citrus, as well as other international fresh produce brands such as Bravo Apples™, Family Tree Farms and Fruitico. She is currently a Board Director for the Rural, Regional and Remote Women's Network of WA (RRR Network) and a Commissioner for the Agricultural Produce Commission. Elizabeth is a Graduate of the Australian Institute of Company Directors (GAICD), a Fellow with the Australian Rural Leadership Foundation (FARLF) and is currently studying a Master of Food Security. In the last three years, Elizabeth was not a director of any other publicly listed company.

Ronnie Duncan – Non Executive Director (appointed 03 December 2019)

Ronnie Duncan was the co-founder and Chairman of Meerkats, one of Australia's leading branding, communication and advertising agencies – named the 2019 Australia/New Zealand independent agency of the year in the London International Advertising Awards – acquired by WPP AUSNZ Limited on 31 July 2020. Ronnie Duncan has extensive experience in purpose-led, brand strategy development and implementation in the food and energy sectors. Ronnie Duncan is a Committee Member of RegenWA – Western Australia's network of farmers and industry stakeholders committed to an ecological approach to farming that encourages landscapes to renew themselves. In the last three years, Ronnie was not a director of any other publicly listed company.

COMPANY SECRETARY

The name of the Company Secretaries in office at any time during, or since the end of the year are:

Sam Wright (appointed on 28 September 2016)

Sam has over fifteen years' 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 currently the company secretary for a number of ASX listed companies.

Lydia Fee (appointed on 28 September 2016)

Lydia has been a consultant at Straight Lines Consultancy for over nine years and is involved with a number of ASX listed clients. She has extensive experience in financial reporting, compliance, corporate governance, and marketing. Prior to that she worked at a boutique stockbroking firm, Mac Equity Partners. Lydia holds a Bachelor of PR and Marketing from the University of Notre Dame, a Diploma in Business Legal Studies.

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DIRECTOR'S REPORT

REVIEW OF OPERATIONS

The loss of the Group for the financial year after providing for income tax amounted to \$1,856,115. (2019: loss of \$2,079,197).

We have continued to be on an exciting journey of transformation and it has been very satisfying to see the level of growth achieved across our entire businesses. Since implementing a systematic and targeted growth strategy in June 2019, the company has achieved four consecutive quarters of revenue growth across this financial year. Furthermore, this growth has been achieved while operating in an external environment of heightened uncertainty and volatility due to COVID-19.

The Wide Open Agriculture team has made real change and I am proud of what we have been able to achieve this year. Together, we completed and progressed a number of initiatives to materially reshape our organisation and support our evolution into becoming Australia's leading regenerative food and agriculture company. We accelerated domestic sales of our regenerative meat products, expanded and diversified our product offering online and made critical steps towards launching an oat milk and plant-based protein product for Australian and global markets.

All of this is clear evidence of our business strategy delivering results and we plan to continue generating sustained shareholder value in 2020 and beyond.

Financial Results

Wide Open Agriculture achieved revenue of \$1,446,639 for this financial year. 40% of this revenue was delivered during the last quarter alone, whereby Q4 revenue increased 49% to \$571,928 over Q3 FY 2020 results. This clearly illustrates we have built a resilient business model catering to the growing demand from consumers as they incorporate ethical food into their daily diet. All sales were generated from Western Australia.

We are now excited about the prospects of continuing to build local market share, penetrating new domestic territories and launching a number of products globally over the next 12 months. Sales momentum is also anticipated to continue across 2020 and beyond, providing a robust revenue foundation to reach our ultimate goal of becoming profitable in the future.

Improving Wide Open Agriculture's balance sheet, the Group successfully completed an \$3.0 million capital raise via the issue of 11,111,112 new fully paid ordinary shares at an issue price of \$0.27 per share.

Dirty Clean Food

This year, we built a specialised, direct distribution platform and fully operational direct-to-consumer online sales portal with the ability to scale globally. Considerable time and effort also went into building the branding and marketing for Dirty Clean Food to become Australia's go-to brand for ethical and regenerative food products.

The initial launch of Dirty Clean Food's distribution and marketing services focussed on the food service industry across Perth and South-West WA. Our customer base has now grown from 20 customers to over 55 premium restaurants, cafes and meal kit companies.

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In August 2019, the online sales portal www.dirtycleanfood.com.au was launched to offer home delivery to customers across Perth's metropolitan area. The online, home delivery sales channel experienced significant growth in response to the WA Government's state-wide COVID19 lock-down that commenced in March 2020. Our offering has since expanded to include a range of regenerative, ethical products from aligned companies including milk, rolled oats, flour, eggs, bread and honey.

A non-packer meat export licence was also issued to WOA by the Federal government's Department of Agriculture and Water Resources. The licence permits WOA to market and distribute meat into export markets including South-East Asia.

New Products – Oat Milk and Lupin Protein

While our highest priority and commercial focus was to increase revenue, we also undertook a number of low capital-intensive development projects which have encouraging potential commercial opportunities.

The team completed two industrial trials of our oat milk recipe and the final recipe has been received by our European manufacturer. Laboratory testing confirmed that the final recipe meets Dirty Clean Food's nutritional and taste criteria and has received positive feedback from Perth's leading baristas, retailers and distributors during market testing.

We were also awarded a \$20,000 grant from the WA State Government. This grant will support a feasibility study to construct a plant-based milk production facility using oats from WA farms committed to regenerative principles. The assessment will provide critical metrics surrounding the commercial viability of the plant.

In May this year, the Company signed an agreement with Curtin University for the development and commercialisation of a proprietary lupin protein technology. Australian Sweet Lupin is a high protein, regenerative legume with 60% of global production occurring in Western Australia. CSIRO joined the project in June and will assist development towards pilot-scale commercial production and provide a techno-economic assessment.

Carbon Neutral Operations

Working together with customers, team members, community partners and suppliers, a number of achievements have been made across the Group's sustainability agenda in FY20, including an initiative to measure, reduce and sequester carbon through regenerative farming practices and emission reductions.

As part of this initiative, we signed a Memorandum of Understanding (MoU) with the CBH Group (CBH) to explore certification, marketing and global distribution of carbon neutral grain. The CBH Group is Australia's largest co-operative and a leader in the Australian grain industry. If successful, the project could lead to one of the world's first carbon neutral certified products for buyers seeking more sustainable grain alternatives.

The Board has set the target for WOA's operations to be carbon neutral by 2023, with an intention to be climate positive (sequestration of carbon exceeds emissions) soon after.

Corporate

The Board's capacity in marketing, distribution and export was significantly lifted with the appointment of Elizabeth Brennan and Ronnie Duncan. Elizabeth Brennan and Ronnie Duncan's skillset and experience aligns to our focus on marketing and distribution of regeneratively farmed animal and plant-based food products to Australian and South-East Asian markets.

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COVID-19 Pandemic Impact

In response to the COVID19 pandemic, the board also moved to closely align the interests of Directors and management with shareholders whilst protecting our cash position during the uncertainty associated with the onset of the pandemic. The Board agreed to accept a 20% fee reduction, with the balance paid in equity in lieu of cash. I personally volunteered to a 30% pay reduction. These agreements were in place from April to June 2020 and are subject to agreement at a general meeting to be held on 18 September 2020.

In mid-March 2020 the food service sector including restaurants and cafés were closed by the WA State Government. This resulted in a loss of sales to the food service sector, which was rapidly absorbed by an increase in online, home delivery sales. No impact has been experienced on the supply of livestock or with our contract manufacturers in our processing and transportation supply chain. The Company has developed a detailed COVID-19 response plan with a strong focus on protecting our employees and customers. The response plan also details the social distancing, hand washing and health requirements for our warehouse and cold storage facilities.

Cash Position

In June, the Company raised \$3.0 million via the issue of 11,111,112 new fully paid ordinary shares at an issue price of \$0.27 per share. We were delighted that the capital raising was strongly supported by a number of our existing shareholders and introduced a number of new, high net-worth investors to WOA's share register.

Our cash position at 30 June 2020 was \$4.4 million and the company remains adequately funded to accelerate its growth initiatives and will continue to demonstrate appropriate fiscal restraint. We also signed an amendment to the shareholder loan agreement with Commonland Foundation. The amendment confirms that repayments will require ten equal instalments of A\$81,186.30 per annum over a ten-year period. The first instalment is due on 9 February, 2026. In addition, Commonland Foundation remains highly supportive of Wide Open Agriculture's mandate for large scale landscape regeneration through 4 Returns by providing ongoing grant support.

PRINCIPLE ACTIVITIES

The principle activities of the Group during the financial year were the ongoing development of the farmland portfolio and food brand.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Subsequent to the reporting date a number of option holders elected to exercise their options. The number of options exercised up to the date of signing may be summarised as follows:

11/08/2020 – issued 200,000 fully paid ordinary shares and 200,000 unlisted options through exercising 200,000 unlisted options

14/08/2020 – issued 973,750 fully paid shares and 970,000 unlisted options through exercising 3,750 listed options and 970,000 unlisted options

21/08/2020 – issued 7,922,895 fully paid ordinary shares and 2,630,000 unlisted options through exercising 3,417,895 listed options and 4,505,000 unlisted options

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28/08/2020 – issued 390,500 fully paid ordinary shares through exercising 170,500 listed options and 220,000 unlisted options

Other than the matter described above, no matter or circumstance has arisen which has significantly affected the operations of the Group, the results of the operations or the state of affairs of the Group.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group

ENVIRONMENTAL REGULATION

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to the dividends.

The directors do not recommend the payment of a dividend.

DIRECTORS' INTERESTS

As at the date of this report, the number of shares and options in the Company held by each Director of Wide Open Agriculture Limited and other key management personnel of the Group, including their personally-related entities, are as follows:

Specified Directors and Key Management Personnel	Shares	Listed Options	Unlisted Options
Ben Cole	7,566,668	550,000	1,000,000
Anthony Maslin	7,816,668	1,717,985	500,000
Stuart McAlpine	3,235,000	-	-
Hans Schut ¹	515,000	-	1,000,000
Elizabeth Brennan	-	-	-
Ronnie Duncan	-	-	-

¹Hans Schut retired from the board on the 11th November 2019, however Hans remains as an adviser to the audit and risk committee.

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DIRECTOR'S REPORT

UNISSUED SHARES UNDER OPTIONS

As at the date of this report, the number unissued shares of the Group under option, are as follows:

Stream of Options	Expiry Date	Exercise Price	Number of options
Listed Options	30/06/2021	30 cents	8,443,062
Unlisted Options	31/12/2021	30 cents	200,000
Unlisted Options	08/01/2023	25 cents	1,500,000
Unlisted Options	30/11/2022	20 cents	1,750,000
Unlisted Options	31/03/2023	15 cents	4,130,000
Unlisted Options	31/12/2023	50 cents	3,150,000
			19,173,062

On 22 November 2019 at the Annual General Meeting of Shareholder it was approved to issue Directors 2,000,000 unlisted options, exercisable at \$0.20, expiring on 30 November 2022.

The terms and conditions of the options granted to directors are as follows:

Director	Grant Date	Number Granted	Exercise Price	Fair Value at Grant Date	Expiry Date	Vesting Hurdle
Anthony Maslin	22/11/2019	500,000	20 cents	\$30,589	30/11/2022	Nil
Ben Cole	22/11/2019	1,000,000	20 cents	\$61,177	30/11/2022	Nil
Stuart McAlpine	22/11/2019	250,000	20 cents	\$15,294	30/11/2022	Nil
Hans Schut	22/11/2019	250,000	20 cents	\$15,294	30/11/2022	Nil
		2,000,000		\$122,354		

The terms and conditions of the options granted to consultants and subcontractors are as follows:

Consultant	Grant Date	Number Granted	Exercise Price	Fair Value	Expiry Date	Vesting Hurdle
Straight Lines Holdings Pty Ltd	03/04/2020	250,000	15 cents	\$20,930	31/03/2023	Nil
Oofy Prosser Pty Ltd ¹	03/04/2020	1,000,000	15 cents	\$83,719	31/03/2023	Yes
Lydia Fee	03/04/2020	250,000	15 cents	\$20,930	31/03/2023	Nil
Michael Wills	03/04/2020	400,000	15 cents	\$33,488	31/03/2023	Nil
Paul Watts	03/04/2020	250,000	15 cents	\$20,930	31/03/2023	Nil
Liam Cornelius	03/04/2020	250,000	15 cents	\$20,930	31/03/2023	Nil
Matthew Reynolds	03/04/2020	200,000	15 cents	\$16,743	31/03/2023	Nil
Scott Cuomo	03/04/2020	125,000	15 cents	\$10,465	31/03/2023	Nil
		2,725,000		\$228,135		

¹Vesting hurdle of options issued to Oofy Prosser Pty Ltd are as follows; 50% on execution of binding option agreement with WOA, and 50% on WOA electing a 'go' decision to proceed with Curtin University at end of phase 3.

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The terms and conditions of the options granted under the Employee Incentive Scheme are as follows:

Grant Date	Number Granted	Exercise Price	Risk Free Rate	Fair Value	Expiry Date	Vesting Hurdle
03/04/2020	2,950,000	15 cents	0.26%	\$246,972	31/03/2023	Nil
	2,950,000			\$246,972		

The fair value of these options as shown in the above are based on the Black Scholes options pricing model.

On 1 April 2019 the Company lodged a Prospectus with ASX seeking to raise capital by way of a non-renounceable rights offer on the basis of 1 entitlement option for every 4 shares held at an issue price of 1 cent per entitlement option. The listed options have an exercise price of \$0.30 and an expiry date of 30 June 2021.

5,605,766 options were issued on 6 May 2019 raising \$56,057. 1,687,591 shortfall options were subscribed for raising a further \$16,876 and the options were issued on 24 July 2019.

No other options have been issued in the time between the Balance Date of the Group and signing of the Annual Report.

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS DURING THE YEAR

Name	Board of Directors' Meetings		Remuneration Committee		Audit & Risk Committee	
	No. attended	No. eligible to attend	No. attended	No. eligible to attend	No. attended	No. eligible to attend
Ben Cole	8	8	1	1	5	5
Anthony Maslin	8	8	1	1	-	-
Stuart McAlpine	6	8	1	1	4	5
Hans Schut ¹	3	3	1	1	1	1
Elizabeth Brennan	5	5	-	-	4	4
Ronnie Duncan	5	5	-	-	-	-

¹Hans retired from the board on the 11 November 2019, however he remains an advisor to the Audit & Risk Committee. During the year Hans was eligible to attend an additional 4 meetings of the Audit & Risk Committee as an advisor, all 4 of which Hans attended in his capacity as advisor.

INDEMNIFICATION OF OFFICERS

The Company has paid premiums to insure the directors against liabilities for costs and expenses incurred by them defending legal proceedings arising from their conduct while acting in the capacity of directors of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

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PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a part for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

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DIRECTOR'S REPORT

REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The reward framework is designed to promote superior performance and long-term commitment to the Group. The main principles of the policy are:

- Remuneration is reasonable and fair, taking into account the Group's obligations at law, the competitive market in which the Group operates and the relative size and scale of the Group's business;
- Individual reward should be linked to clearly specified performance targets which should be aligned to the Group's short term and long-term performance objectives; and
- Executives should be rewarded for both financial and non-financial performance

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Remuneration Committee. The Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of their own remuneration. Non-executive directors receive share options and other incentives.

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Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Remuneration Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash, payable monthly.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. Executives are eligible to participate in a profit participation plan if deemed appropriate.

The long-term incentives ('LTI') include long service leave and share-based payments. Executives may participate in share option schemes with the prior approval of the shareholders.

Use of remuneration consultants

During the financial year ended 30 June 2020, no remuneration consultants were engaged.

Voting and comments made at the Company's last Annual General Meeting

The Company received no specific feedback on its Remuneration Report at the 2019 Annual General Meeting.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Wide Open Agriculture Limited:

- Anthony Maslin - Non-Executive Chairman
- Ben Cole - Managing Director
- Hans Schut - Non-Executive Director (resigned 11 November 2019)
- Stuart McAlpine – Non-Executive Director
- Elizabeth Brennan – Non-Executive Director (appointed 11 November 2019)
- Ronnie Duncan – Non-Executive Director (appointed 03 December 2019)

During the reporting year, Hans Schut resigned from the board of directors, whilst Elizabeth Brennan and Ronnie Duncan were appointed to the board of directors. There have been no changes in the composition of the key management personnel since the end of the reporting period.

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	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		Total
	Cash salary and fees	Cash bonus	Non-monetary ²	Super-annuation	Long service leave	Equity-settled shares	Equity-settled options	
2020	\$	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>								
Anthony Maslin	43,265	-	12,500	4,110	-	-	30,589	90,464
Hans Schut ¹	6,108	-	-	-	-	-	15,294	21,402
Stuart McAlpine	22,500	-	7,500	2,138	-	-	15,294	47,432
Elizabeth Brennan	12,500	-	7,500	1,188	-	-	-	21,188
Ronnie Duncan	10,000	-	7,500	950	-	-	-	18,450
<i>Executive Directors:</i>								
Ben Cole	154,748	-	12,765	14,644	6,979	-	61,177	250,313
	249,121	-	47,765	23,030	6,979	-	122,354	449,249

¹Hans Schut retired from the board on the 11 November 2019, however he remains an advisor to the audit and risk committee.

²For the three month period 1 April 2020 to 30 June 2020 the non-executive directors of the Group agreed to forgo a 20% reduction in cash salary and fees and Executive Director Ben Cole agreed to a 30% reduction in salary, all in lieu of receiving shares in WOA equal to the value of cash salary and fees forgone. Shares to be issued are subject to approval by the shareholders at a General Meeting to be held on 18 September 2020.

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company, the Company Secretary and all executive officers of the Company. The contract of insurance prohibits disclosure of the nature of the liability. As such, the premium paid has not been allocated to individual directors.

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	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		Total
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled shares	Equity-settled options	
2019	\$	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>								
Anthony Maslin ¹	88,400	-	-	4,750	-	-	-	93,150
Hans Schut	15,000	-	-	-	-	-	-	15,000
James Mackintosh ²	-	-	-	-	-	-	-	-
Stuart McAlpine	30,000	-	-	2,850	-	-	-	32,850
<i>Executive Directors:</i>								
Ben Cole ¹	174,851	-	-	14,483	-	-	-	189,334
	308,251	-	-	22,083	-	-	-	330,334

¹During the period Anthony Maslin was paid amounts owing to him under his contract of \$38,400 and Ben Cole was paid amounts owing to him on his contract of \$21,200 in relation to the 2018 year for successfully completing WOA's IPO.

²Mr Mackintosh forfeited all Directors fees during the year.

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company, the Company Secretary and all executive officers of the Company. The contract of insurance prohibits disclosure of the nature of the liability. As such, the premium paid has not been allocated to individual directors.

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DIRECTOR'S REPORT

	Proportion of remuneration performance based		Value of share-based payments as a proportion of remuneration	
	2020	2019	2020	2019
<i>Non-Executive Directors:</i>				
Anthony Maslin	-	-	34%	-
Hans Schut	-	-	71%	-
Stuart McAlpine	-	-	32%	-
Elizabeth Brennan	-	-	-	-
Ronnie Duncan	-	-	-	-
 <i>Executive Directors:</i>				
Ben Cole	-	-	24%	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Ben Cole
Title:	Managing Director
Agreement commenced:	6 July 2018 (Amended 29 August 2018)
Term of agreement:	Until terminated by either party
Details:	Base salary \$165,000 plus superannuation, to be reviewed annually by the Board of directors. 6 month termination notice by either party, LTI arrangements from time to time on terms to be decided by the Board and approved by shareholders.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

WIDE OPEN AGRICULTURE LIMITED
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DIRECTOR'S REPORT

Share-based compensation

Issue of shares

No shares were issued to directors and other key management personnel as part of compensation during the year ended 30 June 2020. During the year the directors of the Group agreed to forgo cash salary and fees in lieu of receiving shares in WOA equal to the value of cash salary and fees forgone. Shares to be issued are subject to approval by the shareholders at the next Annual General Meeting.

Options

On 22 November 2019 at the Annual General Meeting of Shareholder it was approved to issue Directors 2,000,000 unlisted options, exercisable at \$0.20, expiring on 30 November 2022. No other options were issued to directors and other key management personnel as part of compensation during the year ended 30 June 2020. Options issued are as follows:

Director	Grant Date	Number Granted	Exercise Price	Fair Value at Grant Date	Expiry Date	Number Vested during the year
Anthony Maslin	22/11/2019	500,000	20 cents	\$30,589	30/11/2022	500,000
Ben Cole	22/11/2019	1,000,000	20 cents	\$61,177	30/11/2022	1,000,000
Stuart McAlpine	22/11/2019	250,000	20 cents	\$15,294	30/11/2022	250,000
Hans Schut	22/11/2019	250,000	20 cents	\$15,294	30/11/2022	250,000
		2,000,000		\$122,354		2,000,000

Key management personal of the Group have not exercised any options during the year ended 30 June 2020.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Ben Cole	7,566,668	-	-	-	7,566,668
Anthony Maslin	7,816,668	-	-	-	7,816,668
Hans Schut	515,000	-	-	-	515,000
Stuart McAlpine	2,000,000	-	-	-	2,000,000
Elizabeth Brennan	-	-	-	-	-
Ronnie Duncan	-	-	-	-	-
	17,898,336	-	-	-	17,898,336

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DIRECTOR'S REPORT

Option holding

The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Ben Cole	750,000	1,000,000	-	-	1,750,000
Anthony Maslin	3,454,167	500,000	-	-	3,954,167
Hans Schut	750,000	250,000	-	-	1,000,000
Stuart McAlpine	1,250,000	250,000	-	-	1,500,000
Elizabeth Brennan	-	-	-	-	-
Ronnie Duncan	-	-	-	-	-
	6,204,167	2,000,000	-	-	8,204,167

Other transactions with key management personnel and their related parties

During the financial year, the Group recognised rental income of \$9,000 during the period for the lease of farmland to McAlpine Farms and interest expense of \$3,947 relating to the purchase of Kulinbah East Block (refer to note 21). On 29 July 2016, the Group entered into a contract to acquire land from Buntine Holdings Pty Ltd with a deferred consideration element. The price of the land was \$323,879.13 and a deposit of \$50,000 paid on 29 July 2016 in the form of 1,000,000 shares at 0.05c each. A partial payment of \$150,000 was made on 13 August 2018. The remaining consideration is to be paid in full no later than 8 years from 23 March 2016. Interest is paid at the annual rate of the RBA base rate plus 2.5%. McAlpine Farms is owned by Stuart McAlpine, a current Director of the Group. All transactions were made on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The Group holds various agreements with a substantial shareholder, Commonland Foundation and its subsidiary 4 Returns Landscape B.V. The total loan balance as at 30 June 2020 is \$811,863 before discounting to present value. (2019: \$817,295). Further non-refundable project related grants amounting to \$135,000, \$71,894 and \$99,984 were received and included in income.

End of remuneration report.

WIDE OPEN AGRICULTURE LIMITED
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DIRECTOR'S REPORT

CORPORATE GOVERNANCE

The Consolidated Group's corporate governance policies and practices are available on the website <http://www.wideopenagriculture.com.au>

NON-AUDIT SERVICES

There were no non-audit services provided by the Group's auditors, Stantons International Audit & Consulting Pty Ltd, during the year ended 30 June 2020.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2020 has been received and can be found on page 55.

Signed for and on behalf of the board in accordance with a resolution of the directors:

Director:



Dr Ben Cole

Dated this 31st August 2020

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Revenue	2	1,446,639	50,664
Cost of goods sold		<u>(1,179,637)</u>	<u>(39,108)</u>
Gross Profit		267,002	11,556
Other Income	2	489,274	255,044
Fair Value Gain on Revaluation of Loan	13	296,365	-
Fair Value Movement of Biological Assets		4,104	-
Auditor's remuneration	20	(44,000)	(35,904)
Consultancy Fees		(216,457)	(358,105)
Depreciation Expense	10	(36,007)	(147,628)
Impairment Expense		-	(456,220)
Employee Benefits Cost		(1,249,498)	(734,968)
Share Based Payments		(615,365)	(28,013)
Selling Expenses	15	(165,177)	(885)
Share of Loss of an Equity-accounted Investment, net of tax	9	(14,040)	-
Other administration expenses	3	<u>(572,316)</u>	<u>(584,074)</u>
Loss for the year before income tax expense		(1,856,115)	(2,079,197)
Income tax expense	19	-	-
Loss after tax from continuing operations		<u>(1,856,115)</u>	<u>(2,079,197)</u>
Other comprehensive income:			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total other comprehensive income for the year		-	-
Total comprehensive loss for the year		<u>(1,856,115)</u>	<u>(2,079,197)</u>
Total comprehensive loss attributable to members of the entity		<u>(1,856,115)</u>	<u>(2,079,197)</u>
Basic loss per share (cents)	26	(2.56)	(2.95)
Diluted loss per share (cents)	26	(2.56)	(2.95)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

WIDE OPEN AGRICULTURE LIMITED
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,431,385	3,280,077
Biological Assets	5	35,668	-
Inventory	8	169,713	21,572
Prepayments	7	17,751	31,214
Trade and other receivables	6	183,823	46,623
TOTAL CURRENT ASSETS		<u>4,838,340</u>	<u>3,379,486</u>
NON-CURRENT ASSETS			
Equity-accounted Investments	9	85,960	-
Property Plant and Equipment	10	129,937	117,371
Other non-current assets	6	200,000	200,000
TOTAL NON-CURRENT ASSETS		<u>415,897</u>	<u>317,371</u>
TOTAL ASSETS		<u>5,254,237</u>	<u>3,696,857</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	290,480	169,061
Provisions	12	51,432	44,764
Borrowings and other financial liabilities	13	-	1,876
TOTAL CURRENT LIABILITIES		<u>341,912</u>	<u>215,701</u>
NON-CURRENT LIABILITIES			
Borrowings and other financial liabilities	13	515,498	817,295
Provisions	12	15,633	-
TOTAL NON-CURRENT LIABILITIES		<u>531,131</u>	<u>817,295</u>
TOTAL LIABILITIES		<u>873,043</u>	<u>1,032,996</u>
NET ASSETS		<u>4,381,194</u>	<u>2,663,861</u>
EQUITY			
Issued capital	14	9,636,717	6,666,094
Options – Unlisted	15	1,218,401	632,338
Options – Listed	15	72,820	56,058
Accumulated losses	16	(6,546,744)	(4,690,629)
TOTAL EQUITY		<u>4,381,194</u>	<u>2,663,861</u>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

2020	Attributable to equity holders of the Group				
	Issued Capital	Unlisted Options	Listed Options	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
As at the beginning of the year	6,666,094	632,338	56,058	(4,690,629)	2,663,861
Loss for the year	-	-	-	(1,856,115)	(1,856,115)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(1,856,115)	(1,856,115)
Transactions with owners, in their capacity as owners, and other transfers					
Shares issued	3,000,000	-	-	-	3,000,000
Shares issued on listed options exercised	2,659	-	-	-	2,659
Shares issued on employee share options exercised	81,802	-	-	-	81,802
Shares issued for employee services rendered	25,542	-	-	-	25,542
Shares issued for services	13,500	-	-	-	13,500
Capital raising costs	(152,880)	-	-	-	(152,880)
Options issued – Share based payments	-	615,365	-	-	615,365
Options issued – Listed options	-	-	16,876	-	16,876
Options exercised	-	(29,302)	(114)	-	(29,416)
At 30 June 2020	9,636,717	1,218,401	72,820	(6,546,744)	4,381,194

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

2019	Attributable to equity holders of the Group				
	Issued Capital	Unlisted Options	Listed Options	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
As at the beginning of the year	6,666,094	604,325	-	(2,611,432)	4,658,987
Loss for the year	-	-	-	(2,079,197)	(2,079,197)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(2,079,197)	(2,079,197)
Transactions with owners, in their capacity as owners, and other transfers					
Shares issued	-	-	-	-	-
Capital raising costs	-	-	-	-	-
Options issued – Share based payment	-	28,013	-	-	28,013
Options issued – Listed options	-	-	56,058	-	56,058
At 30 June 2019	6,666,094	632,338	56,058	(4,690,629)	2,663,861

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

WIDE OPEN AGRICULTURE LIMITED

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Cash Flows from Operating Activities			
Receipts from customers		1,368,375	83,098
Payments to suppliers and employees		(3,464,719)	(1,742,375)
Receipts from rental income		15,000	-
Interest received		45,236	56,584
Interest and other costs of finance paid		(9,475)	-
Reimbursements from Commonland		9,358	-
Government grants received		50,000	-
Net cash flows (used in) operating activities	18	<u>(1,986,225)</u>	<u>(1,602,693)</u>
Cash Flows from Investing Activities			
Payment for deposit on hand		-	(150,000)
Proceeds from sale of PPE	10	6,364	2,600
Payments for acquisition of PPE	10	(54,331)	(43,693)
Purchase of investment in equity-accounted investments		(100,000)	-
Net cash flows (used in) investing activities		<u>(147,967)</u>	<u>(191,093)</u>
Cash Flows from Financing Activities			
Proceeds from issue of capital (net of issue costs)		2,915,190	(84,649)
(Repayment)/Proceeds of borrowings		(5,432)	(100,000)
Grants received		375,742	133,000
Net cash flows generated from (used in) financing activities		<u>3,285,500</u>	<u>(51,649)</u>
Net increase/(decrease) in cash and cash equivalents		1,151,308	(1,845,435)
Cash and cash equivalents at the beginning of the financial year		<u>3,280,077</u>	<u>5,125,512</u>
Cash and cash equivalents at the end of the financial year	4	<u>4,431,385</u>	<u>3,280,077</u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1 Statement of Significant Accounting Policies

The financial statements cover Wide Open Agriculture Limited and its subsidiaries as a consolidated Group. Wide Open Agriculture Limited is a company limited by shares, incorporated and domiciled in Australia.

a. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 31st August 2020 by the directors of the Group.

Significant Accounting Policies

New and Amended Accounting Standards Adopted by the Group

The Group has adopted AASB 16 *Leases* which became effective for financial reporting periods commencing on or after 1 July 2019.

AASB 16 Leases

AASB 16 replaces AASB 117 *Leases*. AASB 16 sets out a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. AASB 16 applies a control model for the identification of leases, distinguishing between leases and service contracts on the basis of whether there is an identified asset controlled by the customer.

The Group has applied the new Standard effective from 1 July 2019 using the modified retrospective approach. Under this method, the cumulative effect of initial application is recognised as an adjustment to the opening balance of retained earnings at 1 July 2019 and comparatives are not restated.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Accounting Policies continued

b. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2020 and the results of all subsidiaries for the year then ended. The Company and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

c. Going Concern

The consolidated financial statements of the Group have been prepared on a going concern basis which anticipates the ability of the entity to meet its obligations in the normal course of business.

At 30 June 2020, the Group had net assets of \$4,381,194, cash and cash equivalents of \$4,431,385 and net working capital of \$4,496,428. The Group had incurred a loss for the year ended 30 June 2020 of \$1,856,115.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Accounting Policies continued

d. Leases

AASB 16 Leases – Accounting Policies applied from 1 July 2019

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. leases with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on the index of the rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options;
- lease payments under extension profits, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of options to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and initial direct costs. The subsequent measurement of the right-of-use asset is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the costs of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Group does not currently have any leases that would require recognition of a right-of-use asset in the current reporting period.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Accounting Policies continued

e. Foreign Currency Translation

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

f. Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement

Financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Accounting Policies continued

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments

Financial assets at fair value through other comprehensive income

The Group measures debt instruments at fair value through other comprehensive income (OCI) if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Accounting Policies continued

Financial assets at fair value through profit or loss (FVPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

g. Property, plant & equipment

Land and buildings are shown at historical cost, unless stated otherwise, less subsequent depreciation and impairment for buildings. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

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 items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives. Items valued at cost under \$1,000 are immediately deducted.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Accounting Policies continued

The depreciation rate used for each class of depreciable asset is:

<i>Asset Class</i>	<i>Depreciation Rate</i>
Plant & Equipment	30% Diminishing Value
Capital Work-in-Progress	-
Land & Buildings	20% Diminishing Value

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Capital expenditure on assets under construction and not yet ready for use by the Group is reflected as a distinct item in capital works in progress until the period of completion. Upon completion, the asset is reclassified and shown as distinct item in fixed assets.

h. 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 immediately 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 AASB 116). 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.

i. Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

WIDE OPEN AGRICULTURE LIMITED
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Accounting Policies continued

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

j. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

k. Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

l. Investments

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity but does not control or have joint control of those policies. Investments in associates are accounted for in the consolidated financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost (including transaction costs) and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate. In addition, the Group's share of the profit or loss and other comprehensive income is included in the consolidated financial statements.

The carrying amount of the investment includes, when applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Group's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

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Accounting Policies continued

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

The requirements of *AASB 128: Investments in Associates and Joint Ventures* and *AASB 9: Financial Instruments* are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with *AASB 136: Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with *AASB 136* to the extent that the recoverable amount of the investment subsequently increases.

m. Revenue and Other Income

Revenue arises mainly from sale of fresh produce, grants, and rentals over the farm property. To determine whether to recognise revenue, the Group follows a 5-step process:

- i. Identifying the contract with a customer
- ii. Identifying the performance obligations
- iii. Determining the transaction price
- iv. Allocating the transaction price to the performance obligations
- v. Recognising revenue when/as performance obligation(s) are satisfied.

The revenue excludes any amounts collected on behalf of third parties (GST).

I. Sale of goods

Revenue is recognised when control of the asset is transferred to the customer, generally, on delivery of the goods.

II. Interest revenue is recognised when received.

All revenue is stated net of the amount of goods and services tax (GST).

III. Grant revenue

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. Grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. Grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

The cash flow boost is an incentive provided by the Commonwealth Government to eligible employers to provide economic support during the COVID-19 pandemic and is accounted for on a cash receipts basis.

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Accounting Policies continued

n. Trade and Other Payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the Group that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

o. Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. No borrowing costs were recognised by the Group during the year.

p. Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

q. Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

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Accounting Policies continued

r. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

s. Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the income tax rate applicable in Australia adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted in Australia. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose on goodwill or in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

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Accounting Policies continued

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against tax liabilities and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

t. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

u. Segment Reporting

The Group operates in the agriculture industry in Australia. For management purposes, the Group is organised into one main operating segment which involves sales and marketing of fresh produce in Australia. All of the Group's activities are interrelated and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

v. Share Based Payments

The Group 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 of which are determined by reference to the value of the underlying goods or services exchanged.

Share based payments to employees and directors are valued using the Black Scholes valuation model and expensed over the vesting period.

w. Financial Risk Management

The Group's activities expose it to a variety of financial risks; market risk, credit risk, liquidity risk and cash flow interest risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

(i) Market risk

Currently the Group is not exposed to any significant market risk.

(ii) Credit risk

The Group currently has no significant concentrations of credit risk.

(iii) Liquidity risk

The Group manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance resources to finance the Group's current and future operations.

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NOTES TO THE FINANCIAL STATEMENTS
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Accounting Policies continued

(iv) Cash flow interest risk

The Group is not exposed to any significant interest risk. The shareholders loan is interest free with no fixed term of repayment.

(v) Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

x. Critical Accounting Estimates and Judgements

Estimates and judgements 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 Group and that are believed to be reasonable under the circumstances.

(i) Accounting for share based payments

The Group's accounting policy is stated in note 1 (v). The values of these share based payments are based on the market values of the goods or services acquired by the share based payments.

(ii) Recoverability of Deferred Tax Assets

Judgement is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets, including those arising from un-utilised tax losses require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in Australia. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted. At balance date the net deferred tax assets are not recognised on the statement of financial position.

Additionally, future changes in tax laws in Australia could limit the ability of the Group to obtain tax deductions in future periods.

(iii) Impairment

An impairment loss is recognised for the amount by which the assets' or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets within the next financial year.

Determining the applicable discount rate also involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

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NOTES TO THE FINANCIAL STATEMENTS
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Accounting Policies continued

(iv) Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company.

y. Issued Capital

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Group.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

z. 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 on application of AASB 141 Agriculture) and net realisable value.

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

aa. Biological assets

Recognition and Measurement

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

Net increments and decrements in the fair value of the growing assets are recognised as income or expense in the statement of profit/loss and other comprehensive income determined as:

- 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 price is determined based on underlying market prices of the product.

All cost incurred in relation to the development of biological assets in the current financial year have been expensed to the Statement of profit and loss and other comprehensive income as the Group has not yet commercialised its operations.

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2 Revenue and Other Income	2020	2019
	\$	\$
Revenue		
Dirty Clean Food revenues	1,446,639	50,664
Total Revenue	<u>1,446,639</u>	<u>50,664</u>
Other Income		
Rent Received ¹	9,000	9,000
Grants & Incentives ²	425,151	133,000
Interest Income	39,381	65,481
Consulting Fees	5,796	-
Gain on Disposal of Assets	606	-
Other Income ³	9,340	47,563
Total Other Income	<u>489,274</u>	<u>255,044</u>
	<u>1,935,913</u>	<u>305,708</u>

¹ Rent received is from McAlpine Farms which is owned by Stuart McAlpine (note 21).

² Grants and incentives received relate to Commonland grant funding received for carrying out 4 Returns work and to fund investments in Agtalent. Also included is COVID-19 government stimulus grants.

³ Other revenue comprises funds received from Commonland Foundation with no obligation to repay, treated as income.

3 Other Expenses	2020	2019
	\$	\$
Foreign Currency Gains & Losses	1,134	989
General Expenses	100,597	74,517
Insurance	39,155	25,456
Legal	18,000	13,110
Vehicle Expenses	36,625	11,560
Office Expenses	20,400	46,767
Production Development & Marketing	96,439	122,743
Regulatory Costs	209,656	226,972
Rent	23,601	13,612
Staffing Expenses	11,680	18,245
Travel	15,029	30,103
	<u>572,316</u>	<u>584,074*</u>

* Other Expenses have been reclassified and summarised. As a result, the comparative figures relating to 2019 have been reclassified and differ from the disclosure in the 2019 Annual Report.

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FOR THE YEAR ENDED 30 JUNE 2020

4	Cash and Cash Equivalents	2020	2019
		\$	\$
	Cash at bank	2,919,326	680,077
	Cash on deposit	1,512,059	2,600,000
		4,431,385	3,280,077

5 Biological Assets

Current

	Cattle Livestock	35,668	-
		35,668	-

Cattle livestock comprises of cattle purchased for processing and sale in the first half of the 2021 financial year. Cattle are held on agistment at a property in South Western Australia.

6	Trade and Other Receivables	2020	2019
		\$	\$
	Current		
	Accounts receivable	115,224	26,667
	Provision for Doubtful Debts	(10,332)	-
	GST receivable	72,285	-
	Initial Equity Issued	3	3
	Accrued Revenue	6,043	17,898
	Bonds & Deposits	600	2,055
		183,823	46,623
	Non-Current		
	Deposit (refer to note 21)	200,000	200,000
		200,000	200,000

7 Prepayments

	Workers Compensation	1,448	2,500
	Rent	-	3,682
	Insurances	16,303	19,581
	Other	-	5,451
		17,751	31,214

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FOR THE YEAR ENDED 30 JUNE 2020

8	Inventory	2020	2019
		\$	\$
	Fresh & Frozen Meat	101,247	13,782
	Rolled Oats	43,693	-
	Packaging	5,346	-
	Goods in transit	19,427	7,790
		169,713	21,572

Fresh & frozen meat comprises of beef, lamb and other items sold via the sales and marketing operation, Dirty Clean Food. Rolled oats are to be converted to oat milk and are held at a storage facility in Perth and Dirty Clean Food's oat milk manufacturing partner in Europe.

9 Investments

Farmfolk Services Pty Ltd

Cost accounted for	100,000	-
Share of loss for the period	(14,040)	-
	85,960	-

The carrying amount of investments have been accounted for at the balance date using the equity method provided for in AASB 128. The Group's share of the changes in the carrying amount of investments has been recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Wide Open Agriculture own 20% of the issued capital of Farmfolk Services Pty Ltd.

10 Property, Plant and Equipment

2020

Net book value	Plant and equipment \$	Capital works in progress \$	Land and Buildings \$	Total \$
At beginning of the year	116,398	973	-	117,371
Additions	51,412	2,919	-	54,331
Disposal	(5,758)	-	-	(5,758)
Impairment	-	-	-	-
Reclassification	3,892	(3,892)	-	-
Depreciation for the year	(36,007)	-	-	(36,007)
At 30 June 2020	129,937	-	-	129,937

2019

At beginning of the year	130,961	-	549,841	680,802
Additions	25,599	973	17,122	43,694
Disposal	(3,278)	-	-	(3,278)
Impairment	-	-	(456,220)	(456,220)
Depreciation for the year	(36,884)	-	(110,743)	(147,627)
At 30 June 2019	116,398	973	-	117,371

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

11	Trade and Other Payables	2020	2019
		\$	\$
	Current		
	Trade creditors	136,792	37,330
	Accruals	52,378	81,304
	Employee liabilities	101,010	24,155
	Other	-	26,272
	Unearned Revenue – Gift Cards	300	-
		290,480	169,061

At the reporting date none of the payables were past due. The normal credit terms from suppliers is between 14 and 21 days.

12 Provisions

Current

Annual Leave	51,432	44,764
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Non-Current

Long Service Leave	15,633	-
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13 Borrowings and other financial liabilities

Current

Amounts received for capital raising	-	1,876
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Non-Current

Shareholder loan – Gross Liability	811,863	817,295
Less: Fair value gain on revaluation	(296,365)	-
	515,498	817,295

The loan is between Wide Open Agriculture Ltd and Commonland (a related party) and is interest free. On 18 May 2020 the loan was renegotiated with Commonland to a longer settlement period. As such, at 30 June 2020 the loan has been revalued using the commercial interest rate of 4.5%. The resulting gain has been accounted through profit and loss. Refer to note 21 for further details of the loan.

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NOTES TO THE FINANCIAL STATEMENTS
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14	Issued Capital	2020	2019
		\$	\$
	Ordinary Shares	10,297,390	7,173,887
	Capital Raising Costs	(660,673)	(507,793)
		<u>9,636,717</u>	<u>6,666,094</u>

There are no externally imposed capital requirements.

(a) Issued and Paid up capital

	2020	2020
Issued Capital	Number	\$
Ordinary shares (opening)	70,579,249	6,666,094
Fully paid issued shares	11,629,525	3,123,503
Less transaction costs	-	(152,880)
Total issued capital	<u>82,208,774</u>	<u>9,636,717</u>

(b) Movement in Ordinary shares on issue

	No. Of shares	Issue Price \$	Total \$
Opening Balance as at 1 July 2019	70,579,249		6,666,094
Shares Issued	11,111,112	0.27	3,000,000
Shares Issued	141,978	0.24	33,542
Shares Issued	18,285	0.30	5,500
Options Exercised	350,000	0.15	81,802
Options Exercised	8,150	0.30	2,659
Less: Transaction Costs	-	-	(152,880)
Balance as at 30 June 2020	<u>82,208,774</u>		<u>9,636,717</u>

	No. Of shares	Issue Price \$	Total \$
Opening Balance as at 1 July 2018	<u>70,579,249</u>		<u>6,666,094</u>
Balance as at 30 June 2019	<u>70,579,249</u>		<u>6,666,094</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

15 Options

(a) Unlisted Options	2020	2019
	\$	\$
Balance at beginning of year	632,338	604,325
Options issued	615,365	28,013
Options exercised transferred to issued capital	(29,302)	-
Balance at end of year	<u>1,218,401</u>	<u>632,338</u>
(b) Listed Options	2020	2019
	\$	\$
Balance at beginning of year	56,058	-
Options issued	16,876	56,058
Options exercised transferred to issued capital	(114)	-
Balance at end of year	<u>72,820</u>	<u>56,058</u>

During 1 April to 2 May 2019, the Company completed a pro-rata non-renounceable entitlement issue. A total of 5,605,766 Applications were received under the Offer raising \$56,057 for the Company.

As per Section 4.4 of the Prospectus, the Directors reserved the right within 3 months of the Closing Date, to issue the Shortfall at the discretion of the Directors on the same terms as being offered to Eligible Shareholders under the Prospectus. 1,687,591 Shortfall Options were subscribed for raising a further \$16,876 and the Options were issued on 24 July 2019.

On 22 November 2019 at the Annual General Meeting of Shareholder it was approved to issue Directors 2,000,000 unlisted options, exercisable at \$0.20, expiring on 30 November 2022.

On 3 April 2020, 5,765,000 unlisted options were issued to employees for nil consideration under the employee incentive scheme. The options have an exercise price of \$0.15 and an expiry date of 31 March 2023.

Set out below are summaries of options granted:

2020

Grant Date	Expiry Date	Exercise Price	Opening Balance	Granted	Exercised	Expired/ forfeited/ other	Closing Balance
16/02/2018	30/06/2021	\$0.30	3,750,000	-	-	-	3,750,000
22/02/2018	30/06/2021	\$0.30	1,000,000	-	-	-	1,000,000
22/02/2018	31/12/2021	\$0.30	4,000,000	-	-	-	4,000,000
11/01/2019	08/01/2023	\$0.25	900,000	-	-	-	900,000
05/02/2019	08/01/2023	\$0.25	300,000	-	-	-	300,000
28/03/2019	08/01/2023	\$0.25	300,000	-	-	-	300,000
02/05/2019	30/06/2021*	\$0.30	5,605,766	-	(8,150)	-	5,597,616
24/07/2019	30/06/2021*	\$0.30	-	-	-	1,687,591	1,687,591
22/11/2019	30/11/2022	\$0.20	-	2,000,000	-	-	2,000,000
03/04/2020	31/03/2023	\$0.15	-	5,675,000	(350,000)	-	5,325,000
			<u>15,855,766</u>	<u>7,675,000</u>	<u>(358,150)</u>	<u>1,687,591</u>	<u>24,860,207</u>

* Listed options

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2019

Grant Date	Expiry Date	Exercise Price	Opening Balance	Granted	Exercised	Expired/ forfeited/ other	Closing Balance
16/02/2018	30/06/2021	\$0.30	3,750,000	-	-	-	3,750,000
22/02/2018	30/06/2021	\$0.30	1,000,000	-	-	-	1,000,000
22/02/2018	31/12/2021	\$0.30	4,000,000	-	-	-	4,000,000
11/01/2019	08/01/2023	\$0.25	-	900,000	-	-	900,000
05/02/2019	08/01/2023	\$0.25	-	300,000	-	-	300,000
28/03/2019	08/01/2023	\$0.25	-	300,000	-	-	300,000
02/05/2019	30/06/2021*	\$0.30	-	-	-	5,605,766	5,605,766
			8,750,000	1,500,000	-	5,605,766	15,855,766

* Listed options

Options issued in the form of share based payments are valued using the Black-Scholes model. For options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant Date	Expiry Date	Share Price	Exercise Price	Volatility	Dividend Yield	Risk-free interest rate	Fair value at grant date
22/11/2019	30/11/2022	\$0.155	\$0.200	69.99%	0%	0.77%	\$0.061
03/04/2020	31/03/2023	\$0.140	\$0.150	99.40%	0%	0.26%	\$0.084

16 Accumulated Losses

	2020	2019
	\$	\$
Accumulated losses at the beginning of the financial year	(4,690,629)	(2,611,432)
Net loss attributable to members of the Group	(1,856,115)	(2,079,197)
Accumulated losses at the end of the financial year	<u>(6,546,744)</u>	<u>(4,690,629)</u>

17 Financial Risk Management

Capital management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid, return capital to shareholders, issue new shares or sell assets to reduce debt.

Given the nature of the business, the Group monitors capital on the basis of current business operations and cash flow requirements. There were no changes in the Group's approach to capital management during the year.

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and borrowings.

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ABN 866 049 138 22

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

The totals for each category of financial instruments, measured in accordance with AASB 9 Financial Instruments as detailed in the accounting policies to these financial statements are as follows:

Financial Instruments	Floating Interest Rate \$	Fixed Interest Rate \$	Non-interest bearing \$	Total \$
2020				
Financial Assets				
Cash and cash equivalents	2,919,326	1,512,059	-	4,431,385
Trade and other receivables	-	-	183,823	183,823
Bonds and deposits	200,000	600	-	200,600
Total financial assets	3,119,326	1,512,659	183,823	4,815,808
Weighted average interest rate for the year	0.75%	1.82%	-	
Financial Liabilities				
Trade and other payables	-	-	242,724	242,724
Borrowings & other financial liabilities	-	-	515,498	515,498
Total financial liabilities	-	-	758,222	758,222

The fair value of the above financial instruments approximates their carrying values.

Financial Instruments	Floating Interest Rate \$	Fixed Interest Rate \$	Non-interest bearing \$	Total \$
2019				
Financial Assets				
Cash and cash equivalents	680,077	2,600,000	-	3,280,077
Trade and other receivables	-	-	44,568	44,568
Bonds and deposits	200,000	2,055	-	202,055
Total financial assets	880,077	2,602,055	44,568	3,526,700
Weighted average interest rate for the year	0.89%	1.56%	-	
Financial Liabilities				
Trade and other payables	-	-	169,060	169,060
Borrowings & other financial liabilities	-	-	819,171	819,171
Total financial liabilities	-	-	988,231	988,231

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Financial Risk Management Policies

The director's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These included the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for Group operations.

The Group does not have any derivative instruments at 30 June 2020.

Financial risk management objectives

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of those risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Group's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the Group where such impacts may be material. The board receives monthly financial reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

a. Market risk

Market risk for the Group arises from the use of interest-bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate (see b. below)

b. Interest rate risk management

Interest rate risk arises on cash and cash equivalents and receivables from related parties. The Group does not enter into any derivative instruments to mitigate this risk. As this is not considered a significant risk for the Group, no policies are in place to formally mitigate this risk.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end on the reporting period.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 30 June 2020 would decrease/increase by \$19,230.

c. Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. At 30 June 2020, the Company has no cash denominated in other foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. As at 30 June 2020, the Group has not entered in any forward foreign exchange contracts.

d. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

e. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity by maintaining adequate banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

	Contractual cash flows					
	Carrying Amount	Less than 1 month	1-3 months	3-12 months	1 year to 5 years	Total contractual cash flows
	\$	\$	\$	\$	\$	\$
2020						
Trade and other payables	242,724	242,724	-	-	-	242,724
2019						
Trade and other payables	169,060	169,060	-	-	-	169,060

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18 Reconciliation of Loss after Tax to Net Cash Outflow from Operating Activities

	2020	2019
	\$	\$
Loss after income tax	(1,856,115)	(2,079,197)
Grants received	(375,151)	(133,000)
Fair Value Gain on Revaluation of Loan	(296,365)	-
Share Based Payments	615,365	28,013
Non-Cash Employee Benefit Costs	39,042	-
(Gain)/Loss on sale of PPE	(606)	678
Unrealised currency (gain)/loss	(67)	-
Impairment	-	456,220
Share of loss from associate	14,040	-
Depreciation	36,007	147,628
Changes in assets and liabilities		
(Increase)/Decrease in operating receivables	(123,737)	(55,821)
(Increase)/Decrease in inventory	(148,141)	(21,572)
(Increase)/Decrease in biological assets	(35,668)	-
Increase/(Decrease) in operating payables	122,870	50,836
Increase/(Decrease) in provisions	22,301	3,522
Net cash (outflows) from operating activities	<u>(1,986,225)</u>	<u>(1,602,693)</u>

19 Income Tax Expense

Reconciliation between tax expense and pre-tax loss:

Accounting Profit/(Loss) before income tax	(1,856,115)	(2,079,197)
Tax at the domestic income tax rate of 27.5% (2019: 27.5%)	(510,432)	(571,779)
Temporary differences	(33,521)	81,875
Permanent differences	(12,855)	9,209
Adjustments for prior periods	-	(63,387)
Income tax benefit not recognised	556,808	544,082
Recoupment of Prior period tax losses	-	-
Income tax expenses/(benefit)	<u>-</u>	<u>-</u>

Unrecognised temporary differences

Unused tax losses for which no deferred tax asset recognised	5,079,587	3,229,911
Temporary difference	121,895	184,046
Adjustment recognised for prior periods	(139,417)	(237,229)
Total	<u>5,062,065</u>	<u>3,176,728</u>
Potential benefit at 27.5%	<u>1,392,068</u>	<u>873,600</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

20	Remuneration of Auditors	2020	2019
		\$	\$
	Audit Services		
	Stantons International – Audit of financial report	44,000	35,904
	Non-Audit Services		
	Stantons International – Investigating accountants report	-	-
		44,000	35,904
		44,000	35,904

21 Commitments for expenditure and contingencies

On 29 July 2016, the Group entered into a contract to acquire land from Buntine Holdings Pty Ltd with a deferred consideration element. The details are:

- Price of the land was \$323,879.13
- Deposit of \$50,000 paid on 29 July 2016 in the form of 1,000,000 shares at 0.05c each
- Partial payment of \$150,000 was made on 13 August 2018
- Remaining consideration to be paid in full no later than 8 years from 23 March 2016
- Interest to be paid on this outstanding amount at the annual rate of the RBA base rate plus 2.5%. This has been treated as operational expense as Right of access and use.
- The land has not been accounted for in fixed assets

On the 18 May 2020, the Group renegotiated a loan agreement with Commonland, replacing the previous facility due to be paid in full on the 9 February 2026. The details are as follow:

- Loan amount \$811,863
- Repayable in ten equal annual instalments of \$81,186.30
- The first instalment due on 9 February 2026 with subsequent instalments payable each year on 9 February, with the final instalment due on 9 February 2035
- No interest payable

	2020	2019
	\$	\$
Not longer than one year	176,389	109,956
Longer than one year, but not longer than five years	123,879	173,879
Longer than five years	811,863	817,295
	1,112,131	1,101,130
	1,112,131	1,101,130
 Operating Lease Commitment	 7,536	 9,956

Commitments for expenditure in 2020 within one year represent payment of funds to Curtin University and CSIRO for work relating to development and commercialisation of proprietary lupin protein technology, Agtalent for project management services, and payment for office lease costs.

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Commitments for expenditure in 2020 Longer than one year, but not longer than five years represent deferred consideration of purchase of Kulinbah East Block from Buntine Holdings Pty Ltd

Commitments for expenditure in 2020 over five years represent Shareholder Loan from Commonland, the first of ten equal annual repayment instalments being due on 9 February 2026.

Operating lease commitments represent funds due for rent of the Williams Community Resource Centre, being \$208 per week for 12 weeks, commenced 1 July 2020, and rent of an office in Margaret River for \$210 per week for six months

Other than the interests disclosed above there were no further contingencies as at 30 June 2020.

23 Key Management Personnel Remuneration

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the activities of the Group as a whole. The compensation made to directors and other members of key management personnel of the Group during the year ended 30 June 2020 is disclosed in the Remuneration Report included in the Directors' Report. A summary of the key management personnel remuneration is as follows.

	2020	2019
	\$	\$
Short-term employee benefits ¹	296,886	308,251
Post-employment benefits	23,030	22,083
Long term benefits	6,979	-
Share based payments	122,354	-
	<hr/> 449,249 <hr/>	<hr/> 330,334 <hr/>

¹Short-term employee benefits include unlisted options issued to the Directors of the Group which was approved at the 2019 Annual General Meeting of Shareholders, and shares equal to the value of cash salary and fees forgone by the Directors during the year which is subject to approval by the shareholders at the next Annual General Meeting.

24 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

On 29 July 2016, the Group entered into a contract to acquire land from Buntine Holdings Pty Ltd with a deferred consideration element. Refer to note 21 for further details.

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NOTES TO THE FINANCIAL STATEMENTS
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The Group recognised rental income of \$9,000 (2019: \$9,000) during the period for the lease of farmland to McAlpine Farms and interest expense of \$3,947 relating to the purchase of Kulinbah East Block. McAlpine Farms is owned by Stuart McAlpine, a current Director of the Group.

During the year the Company renegotiated a loan agreement with Commonland, replacing the previous facility which was due within five years. The new loan is for \$811,863 with the first instalment payable on 9 February 2026 and no interest is payable.

The Group repaid an IPO contingency loan arrangement with Commonland Foundation of \$100,000 on 27 July 2018. The total loan balance as at 30 June 2020 is \$811,863 before discounted to present value (2019: \$817,295). Further non-refundable amounts of \$135,000, \$71,894 & \$99,984 were received and included in income.

25 Equity Instruments Disclosure - Key Management Personnel

The Number of shares held by Directors and Key Management Personnel of the Group during the year ended 30 June 2020, including their personally related parties, is set out below:

2020	Balance at 1	Granted as	Issued as	Bought &	Balance at
Name	July 2019	compensation	repayment	(Sold)	30 June
			of loan		2020
Ben Cole	7,566,668	-	-	-	7,566,668
Anthony Maslin	7,816,668	-	-	-	7,816,668
Hans Schut	515,000	-	-	-	515,000
Stuart McAlpine	2,000,000	-	-	-	2,000,000
Elizabeth Brennan	-	-	-	-	-
Ronnie Duncan	-	-	-	-	-
Total	17,898,336	-	-	-	17,898,336

The Number of shares held by Directors and Key Management Personnel of the Group during the year ended 30 June 2019, including their personally related parties, is set out below:

2019	Balance at 1	Granted as	Issued as	Bought &	Balance at
Name	July 2018	compensation	repayment	(Sold)	30 June
			of loan		2019
Ben Cole	7,566,668	-	-	-	7,566,668
Anthony Maslin	7,816,668	-	-	-	7,816,668
Hans Schut	515,000	-	-	-	515,000
Stuart McAlpine	2,000,000	-	-	-	2,000,000
Total	17,898,336	-	-	-	17,898,336

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

26	Basic and Diluted Earning/(Loss) per Share	2020	2019
		\$	\$
	Basic loss per share (cents)	(2.56)	(2.95)
	Diluted loss per share (cents)	(2.56)	(2.95)
	Loss attributable to members of Wide Open Agriculture Ltd	(1,856,115)	(2,079,197)
	Weighted average number of shares outstanding	72,442,200	70,579,249

The Group has no ordinary share capital in respect of potential ordinary shares which would lead to diluted earnings per share that shows an inferior view of the earnings per share. For this reason, the diluted earning/(loss) per share for the year ended 30 June 2020 is the same as basic earning/(loss) per share.

27 Significant Events After the Reporting Date

Subsequent to the reporting date a number of option holders elected to exercise their options. The number of options exercised up to the date of signing may be summarised as follows:

11/08/2020 – issued 200,000 fully paid ordinary shares and 200,000 unlisted options through exercising 200,000 unlisted options

14/08/2020 – issued 973,750 fully paid shares and 970,000 unlisted options through exercising 3,750 listed options and 970,000 unlisted options

21/08/2020 – issued 7,922,895 fully paid ordinary shares and 2,630,000 unlisted options through exercising 3,417,895 listed options and 4,505,000 unlisted options

28/08/2020 – issued 390,500 fully paid ordinary shares through exercising 170,500 listed options and 220,000 unlisted options

Other than the matter described above, no matter or circumstance has arisen which has significantly affected the operations of the Group, the results of the operations or the state of affairs of the Group.

28 Controlled Entities Disclosure

Controlled Entities

Parent Entity	Country of Incorporation	Ownership Interest	
		2020	2019
Wide Open Agriculture Ltd	Australia		
Subsidiaries			
Dirty Clean Food Pty Ltd	Australia	100%	100%
Wide Open Land Pty Ltd	Australia	100%	100%
Wide Open Hemp Pty Ltd	Australia	100%	100%

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

29 Parent Entity Disclosures

Wide Open Agriculture Ltd	2020	2019
	\$	\$
Statement of Financial Position		
Current Assets	4,838,340	3,379,486
Non-Current Assets	415,897	317,371
Total Assets	<u>5,254,237</u>	<u>3,696,857</u>
Current Liabilities	341,912	215,701
Non-Current Liabilities	531,131	817,295
Total Liabilities	<u>873,043</u>	<u>1,032,996</u>
Net Assets	<u>4,381,194</u>	<u>2,663,861</u>
Equity		
Issued Capital	9,636,717	6,666,094
Listed Option Reserve	72,820	56,058
Unlisted Option Reserve	1,218,401	632,338
Accumulated Losses	(6,546,744)	(4,690,629)
Total Equity	<u>4,381,194</u>	<u>2,663,861</u>
Loss attributable to equity holders of the company	<u>(1,856,115)</u>	<u>(2,079,197)</u>
Commitments		
Within one year	176,389	109,956
Between 12 months and 5 years	123,879	173,879
Longer than 5 years	811,863	817,295
	<u>1,112,131</u>	<u>1,101,130</u>
Operating Lease Commitments	<u>7,536</u>	<u>9,956</u>
Contingent Liabilities		

Responsibility for all contingent liabilities of the group are held by the parent entity. Please refer to Note 21 for further information.

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DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The consolidated financial statements and notes, as set out on pages 19 to 53, are in accordance with the Corporations Act 2001 and:
 - (a) complying with Australian Accounting Standards (including the Australian accounting interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the Group's financial position as at 30 June 2020 and its performance for the year ended on that date;
2. In the director's opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
3. The consolidated financial report also complies with International Reporting Standards.
4. The directors have been given the declarations required by s.295A of the Corporations Act

This declaration is made in accordance with a resolution of the directors.

Director:



Dr Ben Cole

Dated this 31st day of August 2020

31 August 2020

Board of Directors
Wide Open Agriculture Limited
Suite 116, 1 Kyle Way,
CLAREMONT, WA, 6010

Dear Directors

RE: WIDE OPEN AGRICULTURE LIMITED

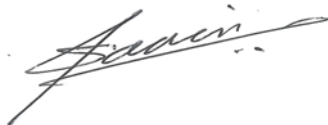
In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Wide Open Agriculture Limited.

As Audit Director for the audit of the financial statements of Wide Open Agriculture Limited for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)



Samir Tirodkar
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WIDE OPEN AGRICULTURE LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Wide Open Agriculture Limited (the Company) and its subsidiaries (Group), which comprises the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

In our opinion:

- (a) the financial report of Wide Open Agriculture Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report of the Group also complies with International Financial Reporting Standards as disclosed in note 1(a).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The following matters have been identified as a key audit matters.

Key Audit Matters	How the matter was addressed in the audit
<p>Share-based payments - \$615,365 (Refer to note 15 — Options)</p> <p>The share based payment expense has been deemed a key audit matter due to the judgement involved in determine the inputs to the valuation model and the fact that this is material to the financial statement for the year ended 30 June 2020.</p> <p>As referred to in Note 15 to the financial statements, the Company granted share options to directors, employees and consultants during the year. These options have different vesting conditions. Further to this some options granted in prior year vested during the year.</p> <p>These options are subject to the measurement and recognition criterial of AASB <i>Share-base Payment</i>. There are various inputs applied to the model used to calculate the fair value of the options and management's judgements in determining the vesting conditions.</p>	<p>Our audit procedures included, inter alia, the following:</p> <ol style="list-style-type: none"> i. Obtaining a reconciliation of the share based payments in existence during the year; ii. Enquiring with management whether there have been any new options granted during the year and agreeing to relevant documentation and announcements; iii. Obtaining management's calculations of the fair value of options issued and assessing the inputs used in the model; iv. Assessing the amounts recognised during the year against the vesting conditions of the options; v. Enquiring with management about the vesting of options granted in prior periods and assessing the amounts recognised in the current year against the original terms of the options issued in prior periods; and vi. Ensuring disclosures made in the financial statements are complete and in accordance with accounting standards.
<p>Valuation of Related Party Loan Refer to Note 13 — Borrowings and other financial liabilities and note 21— Commitments for expenditure and contingencies</p> <p>At the reporting date, the Company had an interest-free loan from Commonland, a significant shareholder amounting to \$811,863. During the current financial year, the Company renegotiated the repayment terms of the loan such that the loan is repayable in ten equal annual instalments of \$81,186 commencing in February 2026.</p> <p>As the loan is not on arm's length terms and is within the scope of scope of AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, the fair value of the loan needs to be determined and the loan recognised at fair value (plus directly attributable transaction costs).</p> <p>We have determined the valuation of the related-party loan as a key audit matter due to the complexity of the accounting treatment and calculations required for the recognition and valuation of the related-party loan and judgement involved in estimating the comparable market interest rates used to discount the concessional related-party loans.</p>	<p>Our audit procedures included, inter alia, the following:</p> <ol style="list-style-type: none"> i. Reviewed the amended agreement with the lender and agree the loan balance to the confirmation at 30 June 2020; ii. evaluated the application of the Group's accounting policy in respect of recognition and measurement of financial liabilities; iii. evaluated the methodology adopted by the Company to determine the market interest rate used in the fair valuation of related-party loans; and iv. reviewed the valuation performed by the Company to determine the fair value of the loan and ensured that the future cashflows (repayments) are in accordance with the renegotiated agreement and, challenging the estimated market interest rate used; and vii. Ensuring disclosures made in the financial statements are complete and in accordance with accounting standards.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance opinion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

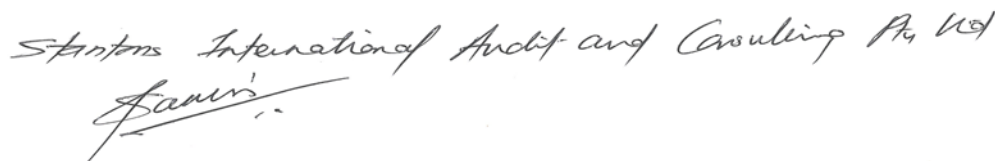
We have audited the Remuneration Report included in pages 11 to 17 of the directors' report for the year ended 30 June 2020. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards

Opinion on the Remuneration Report

In our opinion, the Remuneration Report of Wide Open Agriculture Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Stantons International Audit and Consulting Pty Ltd
Samir

Samir Tirodkar
Director
West Perth, Western Australia
31 August 2020

ADDITIONAL ASX INFORMATION SHAREHOLDER INFORMATION

Additional information required by the Australian Stock Exchange and not shown elsewhere in this report is as follows. The information is current as at **25 August 2020**:

a) Distribution of Securities

Range	Securities	%	No. of holders	%
100,001 and Over	70,364,464	77.06	59	2.34
10,001 to 100,000	13,807,496	15.12	477	18.95
5,001 to 10,000	4,093,814	4.48	488	19.39
1,001 to 5,000	2,721,535	2.98	1,005	39.93
1 to 1,000	318,110	0.35	488	19.39
Total	91,305,419	100.00	2,517	100.00
Unmarketable Parcels	0	0.00	0	0.00

b) Distribution of WAOO Securities

Range	Securities	%	No. of holders	%
100,001 and Over	5,594,195	64.95	15	6.52
10,001 to 100,000	2,516,244	29.21	69	30.00
5,001 to 10,000	221,328	2.57	30	13.04
1,001 to 5,000	264,517	3.07	91	39.57
1 to 1,000	17,278	0.20	25	10.87
Total	8,613,562	100.00	230	100.00
Unmarketable Parcels	5,340	0.06	11	4.78

c) Substantial holders

The names of substantial shareholders in accordance with section 671B of the Corporations Act 2001 are:

Holder	Number of Shares	%
FANJA PON & HANS RAE	16,437,644	18.00
COMMONLAND FOUNDATION	12,000,000	13.14
ANTHONY MASLIN	7,816,668	8.56
BEN COLE	7,566,668	8.29

d) Twenty largest shareholders (ASX:WOA)

The name of the twenty largest holders of securities are:

Rank	Name	24 Aug 2020	%IC
1	FANJA PON & HANS RAVE	14,379,037	15.75
2	COMMONLAND FOUNDATION	12,000,000	13.14
3	MR BEN COLE	6,316,668	6.92
4	MR ANTHONY MASLIN & MS MARITE NORRIS	4,750,000	5.20
5	STUART MCALPINE	3,235,000	3.54
6	MR ANTHONY MASLIN & MS MARITE NORRIS	2,916,668	3.19
7	HELMSHOEVE HOLDING B.V.	2,476,112	2.71
8	MRS FANJA PON	2,058,607	2.25
9	MR & MRS VAN CAMPEN	2,000,000	2.19
10	ICE COLD INVESTMENTS PTY LTD	1,468,749	1.61
11	MS JUNMEI WU	1,315,743	1.44
12	MR BEN COLE	1,250,000	1.37
13	MR SCOTT ANDRE CUOMO	1,125,000	1.23
14	MR STEPHEN SEUNG KIL TAK	1,082,000	1.19
15	TOPSFIELD PTY LTD	1,011,112	1.11
16	MR JAMES STIRLING WHYTE	1,000,000	1.10
16	ZERO NOMINEES PTY LTD	1,000,000	1.10
17	STRAIGHT LINES HOLDINGS PTY LTD	948,917	1.04
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	630,678	0.69
19	BDFC HOLDING BV	515,000	0.56
20	NORMAN PATER	500,000	0.55
	Total	61,979,291	67.88
	Balance of register	29,326,128	32.12
	Grand total	91,305,419	100.00