

Appendix 4D
Half-Year Report for the period ended 31 December 2019

Results for announcement to the Market

Financial Performance

Wide Open Agriculture Limited - Consolidated			
(AUD 000')	Half-year ended 31 Dec 2019	Half-year ended 31 Dec 2018	Movement %
Revenue	491	-	100%
(Loss) before tax attributable to members	(730)	(614)	(19%)
(Loss) after tax attributable to members	(730)	(614)	(19%)

Review of Operations

Refer to Directors' Report included in the attached half-year financial report.

Dividends

No Dividends were paid or declared for payment during the half-year period.

Earnings Per Share

	Half-year ended 31 Dec 2019	Half-year ended 31 Dec 2018
(Loss) per share (Basic & Diluted)	(1.03) cents	(0.87) cents

Net Tangible Asset Backing

	Half-year ended 31 Dec 2019	Half-year ended 31 Dec 2018
Net tangible asset backing	2.26 cents	3.39 cents

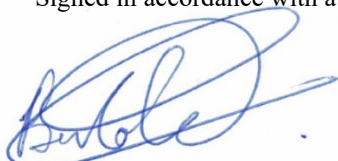
Entities Acquired and Disposed During the Period

Refer to Note 9 for details of investments made by Wide Open Agriculture Limited during the period

Compliance Statement

The report is based on financial statements reviewed by the auditor, a copy of which is attached.

Signed in accordance with a resolution of Directors. On behalf of the Directors:



Ben Cole
Managing Director

Signed at Perth this 28th day of February 2020

Appendix 4D

Wide Open Agriculture Ltd

ABN 86 604 913 822

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2019

Contents

3	Corporate Directory
4	Director's Report
8	Consolidated Statement of Profit or Loss and Other Comprehensive Income
9	Consolidated Statement of Financial Position
10	Consolidated Statement of Changes in Equity
11	Consolidated Statement of Cash Flows
12	Condensed Notes to the Consolidated Financial Statements
22	Directors Declaration
23	Independent Auditor's Declaration
24	Auditor's Report

Corporate Directory

Wide Open Agriculture Ltd

For the 6 months ended 31 December 2019

DIRECTORS Mr Anthony Maslin (Non-Executive Chairman) Dr Ben Cole (Managing Director) Mr Stuart McAlpine (Non-Executive Director) Mr Hans Schut (Non-Executive Director) - <i>retired 11/11/2019</i> Ms Elizabeth Brennan (Non-Executive Director) - <i>joined 11/11/2019</i> Mr Ronnie Duncan (Non-Executive Director) - <i>joined 03/12/2019</i>	SOLICITORS Fairweather Corporate Lawyers 595 Stirling Highway Cottesloe, Western Australia, 6011
JOINT COMPANY SECRETARIES Mr Sam Wright Ms Lydia Fee	AUDITORS Stantons International Audit & Consulting Pty Ltd Level 2, 1 Walker Avenue West Perth, Western Australia, 6005
BUSINESS OFFICE 5 Brooking Street, Williams, Western Australia, 6391	SHARE REGISTRY Link Market Services Limited Level 12, 250 St Georges Terrace Perth, Western Australia, 6000 Telephone: +61 1300 554 474 (within Australia)
REGISTERED OFFICE Suite 39, 1 Freshwater Parade, Claremont, Western Australia, 6010 Telephone: +61 6161 7412	STOCK EXCHANGE Australian Securities Exchange Central Park 152-158 St Georges Terrace Perth, Western Australia, 6000 ASX Code: WOA
WEBSITE www.wideopenagriculture.com.au	

Director's Report

Wide Open Agriculture Ltd

For the 6 months ended 31 December 2019

Your directors present this report on Wide Open Agriculture Ltd (the "Company" or WOA) and its subsidiaries ("Consolidated Entity" or "Group") for the half year ended 31 December 2019.

Directors

The names of the Group's directors in office during the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

- Ben Cole - Managing Director
- Anthony Maslin - Non-Executive Chairman
- Stuart McAlpine - Non-Executive Director
- Elizabeth Brennan – Non-Executive Director (appointed 11 November 2019)
- Ronnie Duncan - Non-Executive Director (appointed 3 December 2019)
- Hans Schut - Non-Executive Director (appointed 30 November 2018, ceased 11 November 2019)

Review of Operations

The loss of the Group for the half year after providing for income tax amounted to \$729,621 (December 2018: loss of \$614,127)

Half yearly summary

- Q2 FY2020 results increased 46% to \$290,000 over Q1 FY2020 results with total sales for H1 FY2020 to \$490,000
- Restaurant customers sales grew 64% (June '19 to Dec '19) with over 50 regular customers from premium restaurants and food service outlets
- Retail sales grew to over 20 leading independent retailers stocking Dirty Clean Food's product lines
- Successfully launched online sales channel – www.dirtycleanfood.com.au
- Oat drink business case progressed and West Australian oats purchased from regenerative farmer
- Board strengthened with branding, distribution and export expertise from Elizabeth Brennan and Ronnie Duncan

Wide Open Agriculture's Managing Director, Dr Ben Cole

Listed on the ASX in July 2018, WOA is Australia's leading publicly listed regenerative food and agriculture company. Our growth strategy is focussed on building a trusted food brand supplied by farmers with a proven commitment to regenerative farming practices. We offer regenerative animal and plant-based food products that respond to growing expectations of conscious consumers in Australia and South-East Asia. We maximise our ecological impact on farmland through supporting farmers to build soil health and sequester carbon, enhance biodiversity and restore a healthy water cycle.

We finished the half year reporting period for the financial year 2020 with a clear demonstration of our capability to deliver our strategy. We have connected with our customers through our brand proposition and dramatically expanded our revenue streams. Our key milestones included launching our food brand, Dirty Clean Food, confirming suppliers of grass-fed beef and lamb and growing multiple sales channels with substantial revenue growth. The Company was also successful in gaining a non-packers export licence providing a pathway to engage with overseas markets including South-East Asia.

We are now perfectly positioned to grow and scale on two fronts. The first is to expand our grass-fed, regenerative beef and lamb products into East coast and South-East Asian markets, and secondly to launch our regenerative, WA-grown oat drink and future plant-based product lines to our existing and new customers.

Dirty Clean Food

100% grass-fed, regenerative beef and lamb

In May 2019, the Company began distribution of regenerative, 100% grass-fed beef and Dorper lamb to restaurants and food outlets throughout Perth and South Western Australia. During the three-month period ending 30 September 2019 sales to the WA restaurant sector and online sales surpassed \$200,000.

Wide Open delivered quarter on quarter revenue growth, with Q2 quarter revenue increasing 46% to \$290,000 over Q1 FY2020 results. The results were primarily driven by record revenues in December, with the company achieving \$107,000 for the month.

The results were the highest in the company's history and bring the total sales for H1 FY2020 to \$490,000. It should be noted these sales were made only in Western Australia to premium restaurants and food-service customers, leading independent retailers and direct-to-consumer online sales.

Restaurant customer sales grew 64% (June '19 to Dec '19) with over 55 regular customers from premium restaurants and food service outlets. Repeat customers include Cape Lodge in Yallingup, Rockpool at Perth's Crown Casino, Yarri's in Dunsborough and Young George in East Fremantle.

Retail sales grew to over 20 leading independent retailers stocking Dirty Clean Food's product lines. Retailers are located across the Perth metropolitan area including locations at Farmer Jacks and IGA's along with Boatshed, Peaches, Loose Produce, Fresh Provisions and Perth Organics.

Supply agreements were established with Blackwood Valley Beef, Black Point Beef, Greenwood Grazing and Parron Dorper lamb. These suppliers have a proven and documented commitment to regenerative farming practices.

In August 2019, the Company launched its direct to customer online sales platform – www.dirtycleanfood.com.au Dirty Clean Food products can be ordered online and delivered the next day across the Perth metropolitan area. Deliveries are made through the Company's own delivery fleet.

In October 2019, the Company was granted a non-packer meat export licence by the Department of Agriculture and Water Resources. The licence permits the Company to market and distribute meat into export markets including South-East Asia.

Regenerative, WA-grown oat drink

In the H1 FY2020 reporting period the oat drink business case was submitted to the Board for review. The Board agreed to progress the business case to the next stage of development. The Company purchased 90 tonnes of regeneratively grown oats from a Western Australian farm in the Shire of Kojonup. Planning has commenced for local processing and logistics for the production of an industrial trial of oat drink.

Wide Open Land

During the reporting period, the due diligence of a Western Australian farmland acquisition of significant scale was completed. The next stages will include the development of an investment memorandum. A second Western Australian farm is undergoing due diligence and includes a review of the carbon sequestration capacity and related financial modeling.

During the reporting period, the Company commenced an industrial hemp trial in Pingrup, Shire of Kent. The trial is one component of a state-wide hemp trial managed by Western Australia's largest hemp co-operative and supported by the Department of Primary Industries and Regional Development. The Company's trial included two plantings of 12 industrial hemp varieties. The results of the trial will be available in the second half of the FY2020 reporting period.

Corporate

Board members

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 WOA's focus on marketing, sales and distribution of regeneratively farmed animal and plant-based food products to Australian and Asian markets.

Having lived in Papua New Guinea and the WA Wheatbelt, Elizabeth has a unique insight into global food systems and extensive experience in fresh produce marketing and agricultural development programs. Elizabeth currently coordinates a multidisciplinary agricultural research program in PNG on behalf of the Department of Foreign Affairs and Trade (DFAT) and the Australian Centre for International Agricultural Research (ACIAR). Elizabeth has also 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 a Director for the RRR Network, Commissioner for the Agricultural Produce Commission, former President of Australian Women in Agriculture and volunteers on many agricultural advisory groups and committees. Elizabeth is a Member of the Australian Institute of Company Directors (MAICD) and a Fellow with the Australian Rural Leadership Foundation (FARLF).

Ronnie Duncan is 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. As Chairman of Meerkats, Ronnie has overseen the brand strategy for food-based clients including Harvey Beef, Southern Forests Food Council, Brownes Dairy, and WOA's own food brand Dirty Clean Food. Ronnie Duncan has a passion for regenerative agriculture, as he believes a shift in our food and agriculture system is the most effective, underdeveloped opportunity to redress climate change.

Hans Schut retired as a highly valued founder, contributor and friend of Wide Open Agriculture. Hans Schut will continue as an independent advisor to the Board's Audit and Risk Committee. The Board offered its heartfelt gratitude to Hans for his contribution to date and the contribution he continues to offer the company going forward.

Annual General Meeting

The Annual General Meeting of the Shareholders of Wide Open Agriculture Limited was held at Tradewinds Hotel, 1 Sewell Street, East Fremantle, Western Australia at 11:00am (AWST) on Friday, 22 November 2019. All resolutions that were put to shareholders were passed by a poll.

Other Significant Changes

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.

Principal Activities

The principal activities of the Group during the half year were the establishment and undertaking of diversified, regenerative farming practices in the Wheatbelt of Western Australia, to facilitate the marketing/branding and sale of meat products.

Events Subsequent to the End of the Reporting Period

Tranche two of the agreement to acquire an initial 20% minority interest in Farmfolk Services Pty Ltd (Agtalent) was due and payable January 2020. Funding for this payment will be provided by Commonland to WOA. Please refer to Note 17 for further information on the agreement.

Issue of Unlisted Options

The Group issued 2,000,000 Unlisted Options on 25 November 2020. The options have an exercise price of 20 cents and an expiry date of 30 November 2022. The options were issued to Directors, for nil consideration (under the Employee Incentive Plan) as per Shareholder approval at the Company's 2019 AGM held on 22 November 2019.

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 half year and no recommendation is made as to the dividends.

The directors do not recommend the payment of a dividend.

Auditors Independence Declaration

The lead auditor's independence declaration under s307 of the *Corporations Act 2001* is set out on page 23 for the half year ended 31 December 2019.

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



Director: _____

Sign Date: 28 February 2020

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Wide Open Agriculture Ltd

For the 6 months ended 31 December 2019

	NOTES	31 DEC 2019	31 DEC 2018
Trading Income			
Revenue	2	491,014	-
Total Trading Income		491,014	-
Cost of Sales			
Cost of Goods Sold		394,734	-
Total Cost of Sales		394,734	-
Gross Profit		96,280	-
Other Income			
Other Income	2	321,624	83,071
Total Other Income		321,624	83,071
Operating Expenses			
Auditor's Remuneration		18,000	12,560
Consultancy Fees		96,458	149,045
Depreciation	10	15,816	69,729
Employee Benefits Cost		727,450	284,641
Foreign currency gains and losses		731	-
Selling Expenses		40,403	-
Share of Loss of an Associate		9,204	-
Other Administration Costs	3	239,463	181,223
Total Operating Expenses		1,147,525	697,198
Loss for the Period Before Income Tax Expense		(729,621)	(614,127)
Net Loss After Tax from Continuing Operations		(729,621)	(614,127)
Total Comprehensive Loss for the Period		(729,621)	(614,127)
Total Comprehensive Loss Attributable to the Members of the Entity		(729,621)	(614,127)
Basic profit (loss) per share (cents)	18	(1.03)	(0.87)
Diluted profit (loss) per share (cents)	18	(1.03)	(0.87)

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

Consolidated Statement of Financial Position

Wide Open Agriculture Ltd

As at 31 December 2019

	NOTES	31 DEC 2019	30 JUN 2019
Assets			
Current Assets			
Cash and cash equivalents	4	2,291,644	3,280,077
Biological Assets	5	69,962	-
Inventories	6	144,635	21,572
Trade and other receivables	7	156,444	46,623
Prepayments	8	47,005	31,214
Total Current Assets		2,709,690	3,379,486
Non-Current Assets			
Investments	9	90,797	-
Property, plant and equipment	10	149,966	117,370
Other non-current assets	7	200,000	200,000
Total Non-Current Assets		440,763	317,370
Total Assets		3,150,453	3,696,856
Liabilities			
Current Liabilities			
Trade and other payables	11	203,700	169,060
Provisions	12	36,101	44,764
Borrowings and other financial liabilities	13	-	1,876
Total Current Liabilities		239,801	215,700
Non-Current Liabilities			
Borrowings and other financial liabilities	13	811,863	817,295
Provisions	12	12,470	-
Total Non-Current Liabilities		824,333	817,295
Total Liabilities		1,064,134	1,032,995
Net Assets		2,086,319	2,663,861
Equity			
Issued Capital	14	6,666,094	6,666,094
Employee Options	15	767,541	632,338
Listed Options	15	72,934	56,058
Accumulated profits (losses)	16	(5,420,250)	(4,690,629)
Total Equity		2,086,319	2,663,861

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

Consolidated Statement of Changes in Equity

Wide Open Agriculture Ltd

For the 6 months ended 31 December 2019

	NOTES	ISSUED CAPITAL (\$)	EMPLOYEE OPTIONS (\$)	LISTED OPTIONS (\$)	ACCUMULATED LOSSES (\$)	TOTAL EQUITY (\$)
31 Dec 2019 (reviewed)						
As at 1 July 2019		6,666,094	632,338	56,058	(4,690,629)	2,663,861
Profit/(loss) for the period		-	-	-	(729,621)	(729,621)
Total comprehensive income/(loss) for the period		-	-	-	(729,621)	(729,621)
Options issued - Share base payments		-	135,203	-	-	135,203
Options issued - Listed options		-	-	16,876	-	16,876
As at 31 December 2019		6,666,094	767,541	72,934	(5,420,250)	2,086,319
	NOTES	ISSUED CAPITAL (\$)	EMPLOYEE OPTIONS (\$)	LISTED OPTIONS (\$)	ACCUMULATED LOSSES (\$)	TOTAL EQUITY (\$)

31 Dec 2018 (reviewed)

As at 1 July 2018		6,666,094	604,325	-	(2,611,432)	4,658,987
Profit/(loss) for the period		-	-	-	(614,127)	(614,127)
Total comprehensive income/(loss) for the period		-	-	-	(614,127)	(614,127)
Options issued - Share base payments		-	-	-	-	-
Options issued - Listed options		-	-	-	-	-
As at 31 December 2018		6,666,094	604,325	-	(3,225,559)	4,044,860

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

Consolidated Statement of Cash Flows

Wide Open Agriculture Ltd

For the 6 months ended 31 December 2019

	NOTES	31 DEC 2019	31 DEC 2018
Cash Flows From Operating Activities			
Receipts from customers		458,448	506
Payments to suppliers and employees		(1,643,587)	(648,987)
Receipts from rental income		-	177
Interest received		9,175	2,283
Interest and other costs of finance paid		(2,789)	(202)
Funds received from Commonland		284,921	40,000
Government grants		-	18,000
Net Cash Flows Used in Operating Activities		(893,832)	(588,223)
Cash Flows From Investing Activities			
Payment for property, plant and equipment	10	(54,169)	(8,198)
Purchase of investment in equity-accounted investments		(50,000)	-
Net Cash Flows Used in Investing Activities		(104,169)	(8,198)
Cash Flows From Financing Activities			
Proceeds from issued shares		-	(8,000)
Proceeds from share options issued		15,000	-
Transaction costs related to issue of shares, convertible notes or options		-	(108,485)
Repayment of borrowings		(5,432)	(268,640)
Net Cash Flows From/(Used in) Financing Activities		9,568	(385,125)
Net Cash Flows		(988,433)	(981,546)
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period		3,280,077	5,125,512
Cash and cash equivalents at end of period	4	2,291,644	4,143,966
Net change in cash for period		(988,433)	(981,546)

Condensed Notes to the Consolidated Financial Statements

Wide Open Agriculture Ltd

For the 6 months ended 31 December 2019

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 for Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2019 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under the Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Wide Open Agriculture Limited and its controlled entities (referred to as the "Consolidated Group" or "Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2019, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issues on 28 February 2020.

Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the new and amended standards as described below.

New and Amended Accounting Standards Adopted by the Group

The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period and the group had to change its accounting policies to align with the new Accounting Standards.

b. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 31 December 2019 and the results of all subsidiaries for the half 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 31 December 2019, the Group had net assets of \$2,086,319, cash and cash equivalents of \$2,291,644 and net working capital of \$2,469,889. The Group had incurred a loss for the half year ended 31 December 2019 of \$729,621.

The ability of the Group to continue as a going concern and meet its planned operational, administration and other commitments is dependent upon the Group raising further working capital and/or successfully operating its food and farming business. In the event that the Group is not successful in raising further equity or operating its food and farming business, the Group may not be able to meet its liabilities as and when they fall due and the realisable value of the Group's non-current assets may be significantly less than book values.

d. Leases

Changes in Accounting Policies

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.

e. Segment Reporting

The Group operates in the agricultural industry in Australia. For management purposes, the Group is organised into one main operating segment which involves agriculture activities 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 the 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.

f. 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 values of these share based payments are based on the market values of the goods or services acquired by the share based payments. In relation to employee share based payments, certain assumptions and estimates are made in relation to volatility, vesting, etc.

(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) Accounting for leases

The Group is required to make judgement as to whether any leases need to be recognised on the balance sheet under the mandatory accounting standard, AASB 16: *Leases*. Under the new standard, an asset (right-of-use asset) and a lease liability are to be recognised. The only exemptions being short-term and low-value leases.

The Group has assessed that there are no leases to be recognised on the balance sheet at the reporting date. Leases currently entered into by the group are either less than 12 months or are of low value. Renewal of these leases are dependant on business conditions at the time of renewal. The Board have assessed that at this point, it is not certain whether the leases will be renewed.

	31 DEC 2019	31 DEC 2018
2. Revenue and Other Income		
Revenue		
Fresh meat revenues	491,014	-
Total Revenue	491,014	-
Other Income		
Rent Received	4,500	-
Grants & Incentives	275,167	18,000
Interest Income	26,215	21,586
Consulting Fees	5,796	-
Gain on Disposal of Assets	606	-
Other Income	9,340	43,485
Total Other Income	321,624	83,071
Total Revenue and Other Income	812,638	83,071

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

	31 DEC 2019	31 DEC 2018
3. Other Administration Expenses		
General Expenses	46,727	52,589
Insurance	20,382	7,895
Legal Expenses	8,950	4,150
Motor Vehicle Expenses	18,062	4,338
Office Expenses	9,017	18,898
Product Development & Marketing	26,736	14,911
Regulatory Costs	79,052	49,911
Rent	13,193	6,978
Staff & Contractor Costs	8,221	14,124
Travel	9,123	7,429
Total Other Administration Expenses	239,463	181,223

	31 DEC 2019	30 JUNE 2019
4. Cash and Cash Equivalents		
Cash at Bank	591,644	680,077
Cash on Deposit	1,700,000	2,600,000
Total Cash and Cash Equivalents	2,291,644	3,280,077

	31 DEC 2019	30 JUNE 2019
5. Biological Assets		
Cattle livestock	69,962	-
Total Biological Assets	69,962	-

Cattle livestock comprises of cattle purchased for processing and sale in the second half for the 2020 financial year. Cattle are held on agistment at a property in South Western Australia.

	31 DEC 2019	30 JUNE 2019
6. Inventories		
Fresh meat	97,575	13,782
Raw oats	42,285	-
Packaging	4,775	-
Goods in transit	-	7,790
Total Inventories	144,635	21,572

Fresh meat comprises of beef and lamb sold via the sales and marketing operations. Raw oats are to be converted to oat milk and are currently held at a grain handling and storage facility in the wheatbelt.

	31 DEC 2019	30 JUNE 2019
7. Trade and Other Receivable		
Current		
Accounts Receivable	83,832	26,667
Accrued Revenue	4,673	8,898
GST	54,386	-
Other Receivables	13,553	11,058
Total Current	156,444	46,623
Non-Current		
Deposits Paid - Non Current	200,000	200,000
Total Non-Current	200,000	200,000
Total Trade and Other Receivable	356,444	246,623

Accrued revenue comprises of interest earned on term deposit accounts.

31 DEC 2019 30 JUNE 2019

8. Prepayments

Workers Compensation	4,411	2,500
Rent	1,000	3,682
Insurance	26,264	19,581
Other	15,330	5,451
Total Prepayments	47,005	31,214

31 DEC 2019 30 JUNE 2019

9. Investments

Farmfolk Services Pty Ltd		
Cost accounted for	100,001	-
Share of loss for the period	(9,204)	-
Total Farmfolk Services Pty Ltd	90,797	-
Total Investments	90,797	-

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.

31 DEC 2019 30 JUNE 2019

10. Property, Plant & Equipment

Plant & Equipment	249,571	209,038
Less Accumulated Depreciation on Plant & Equipment	(99,605)	(91,668)
Land & Buildings	-	2
Less Accumulated Depreciation on Land & Buildings	-	(2)
Total Property, Plant & Equipment	149,966	117,370

31 December 2019 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	51,250	2,919	-	54,169
Disposals	(5,758)	-	-	(5,758)
Reclassification	3,892	(3,892)	-	-
Depreciation for the year	(15,816)	-	-	(15,816)
At 31 December 2019	149,966	-	-	149,966

30 June 2019 Net book value	Plant and equipment \$	Capital works in progress \$	Land and buildings \$	Total \$
At beginning of the year	130,961	-	549,841	680,802
Additions	25,599	973	17,122	43,694
Disposals	(3,278)	-	-	(3,278)
Impairment	-	-	(456,220)	(456,220)
Reclassification	-	-	-	-
Depreciation for the year	(36,884)	-	(110,743)	(147,627)
At 31 December 2019	116,398	973	-	117,371

31 DEC 2019 30 JUNE 2019

11. Trade and Other Payables

Accounts Payable	41,737	37,330
Accruals	98,073	81,304
Employee Liabilities	63,690	24,155
Other	-	26,271
Unearned Revenue - Gift Cards	200	-
Total Trade and Other Payables	203,700	169,060

31 DEC 2019 30 JUNE 2019

12. Provisions

Current

Annual Leave Accrual	36,101	44,764
Total Current	36,101	44,764

Non-Current

Long Service Leave Accrual	12,470	-
Total Non-Current	12,470	-

Total Provisions	48,571	44,764
-------------------------	---------------	---------------

31 DEC 2019 30 JUNE 2019

13. Borrowings and Other Financial Liabilities

Current

Capital Raising Funds	-	1,876
Total Current	-	1,876

Non-Current

Shareholder Loan	811,863	817,295
Total Non-Current	811,863	817,295

Total Borrowings and Other Financial Liabilities	811,863	819,171
---	----------------	----------------

31 DEC 2019 30 JUNE 2019

14. Issued Capital

Share Capital	7,173,887	7,173,887
Capital Raising Costs	(507,793)	(507,793)
Total Issued Capital	6,666,094	6,666,094

(a) Issued and Paid up Capital

	31 Dec2019 Number	31 Dec 2019 \$
Issue Capital		
Ordinary Shares (opening)	70,579,249	6,666,094
Fully Paid Issued Shares	-	-
Less: Transactions Costs	-	-
Total Issued Capital	70,579,249	6,666,094

(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	-	-	-
Less: Transaction Costs	-	-	-
Balance as at 31 December 2019	70,579,249		6,666,094
Opening Balance as at 1 July 2018	70,579,249		6,666,094
IPO Shares Issued	-	-	-
Shares issue (in lieu of service)	-	-	-
Less: Transaction Costs	-	-	-
Balance as at 30 June 2019	70,579,249		6,666,094

15. Options Reserve**a) Employee Options**

	31 December 2019 \$	30 June 2019 \$
Balance at beginning year	632,338	604,325
Options issued	135,203	28,013
Balance at end of year	767,541	632,338

b) Listed Options

	31 December 2019 \$	30 June 2019 \$
Balance at beginning year	56,058	-
Options issued	16,876	56,058
Balance at end of year	72,934	56,058

The share options reserve represents the fair value of share options granted. The estimate of fair value of the services in relation to employees and directors is based on the Black-Sholes model. The value of listed options is based on the price paid for the options.

	31 DEC 2019	30 JUNE 2019
16. Accumulated Profits/Losses		
Accumulated profit/losses at the beginning of the financial year	(4,690,629)	(2,611,432)
Net profit/loss attributable to the members of the Group	(729,621)	(2,079,197)
Accumulated profit/losses at the end of the financial year	(5,420,250)	(4,690,629)

17. Commitments for expenditure and contingencies

	31 December 2019 \$	30 June 2019 \$
Not longer than one year	110,252	109,956
Longer than one year, but not longer than five years	123,879	173,879
Longer than five years	811,863	817,295
	1,045,994	1,101,130
Operating Lease Commitment	10,252	9,956

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 28 December 2018, the Group renegotiated a loan agreement with Commonland, replacing the previous facility due within five years. The details are as follow:

- Loan amount \$811,863
- Repayment due in full 9 February 2026
- No interest payable

On 29 July 2019, the Group agreed to acquire a 25% minority interest in Farmfolk Services Pty Ltd (Agtalent) an online global talent marketplace for regenerative agriculture. Terms of the consideration include:

- Agtalent will receive a cash investment of \$150,000 AUD from WOA, payable in three tranches of \$50,000 AUD each (Aug 2019, Jan 2020 & July 2020).

- 20% equity vested to WOA upon signing of this agreement and receipt of the first payment of \$50,000 AUD.
- Upon payment of the final \$50,000 tranche, 5% equity will be vested to WOA.
- All funding for this August 2019 and January 2020 (\$100,000) will be provided for by Commonland to WOA. At the reporting date, no accrual has been made for the funds to be received from Commonland.

Commitments for expenditure in 2020 within one year represent payment of funds to Agtalent for tranche two and three, and payment for office lease costs.

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.

Operating lease commitments represent funds due for rent of the Williams Community Resource Centre, being \$208 per week for 12 weeks, commenced 1 October 2019, land from Kingdale Nominees Pty Ltd, being \$2,000 per annum, commencing 2 July 2018 and ending 30 June 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 31 December 2019.

18. Basic and Diluted Earnings/(Loss) per Share

	31 December 2019 \$	31 December 2018 \$
Basic profit (loss) per share (cents)	(1.03)	(0.87)
Diluted profit (loss) per share (cents)	(1.03)	(0.87)
Loss attributable to the members of Wide Open Agriculture Ltd	(729,621)	(614,127)
Weighted average number of shares outstanding	70,579,249	70,579,249

19. Significant Events After the Reporting Date

Other than the following, the Group is not aware of any other significant events since the end of the reporting period.

Tranche two of the agreement to acquire an initial 20% minority interest in Farmfolk Services Pty Ltd (Agtalent) was due and payable January 2020. Funding for this payment was provided by Commonland to WOA. Please refer to Note 17 above for further information on the agreement.

Directors Declaration

Wide Open Agriculture Ltd

For the 6 months ended 31 December 2019

The directors of the company declare that:

1. The consolidated financial statements and notes are in accordance with the *Corporations Act 2001* and:
 - comply with Accounting Standard AASB134: *Interim Financial Reporting*; and
 - give a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the period ended on that date
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Director: _____

Sign Date: 28 February 2020

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Wide Open Agriculture Limited, which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Wide Open Agriculture Limited ("the consolidated entity"). The consolidated entity comprises both Wide Open Agriculture Limited ("the Company") and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Wide Open Agriculture Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Wide Open Agriculture Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

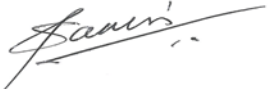
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Wide Open Agriculture Limited on 28 February 2020.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Wide Open Agriculture Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

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

Stantons International Audit and Consulting Pty Ltd


Samir Tirodkar
Director

West Perth, Western Australia
28 February 2020

28 February 2020

Board of Directors
Wide Open Agriculture Limited
Suite 39, 1 Freshwater Parade
CLAREMONT WA 6010

Dear Sirs

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 review of the financial statements of Wide Open Agriculture Limited for the half year ended 31 December 2019, 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

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



Samir Tirodkar
Director