

30 July 2020

QUARTERLY REPORT

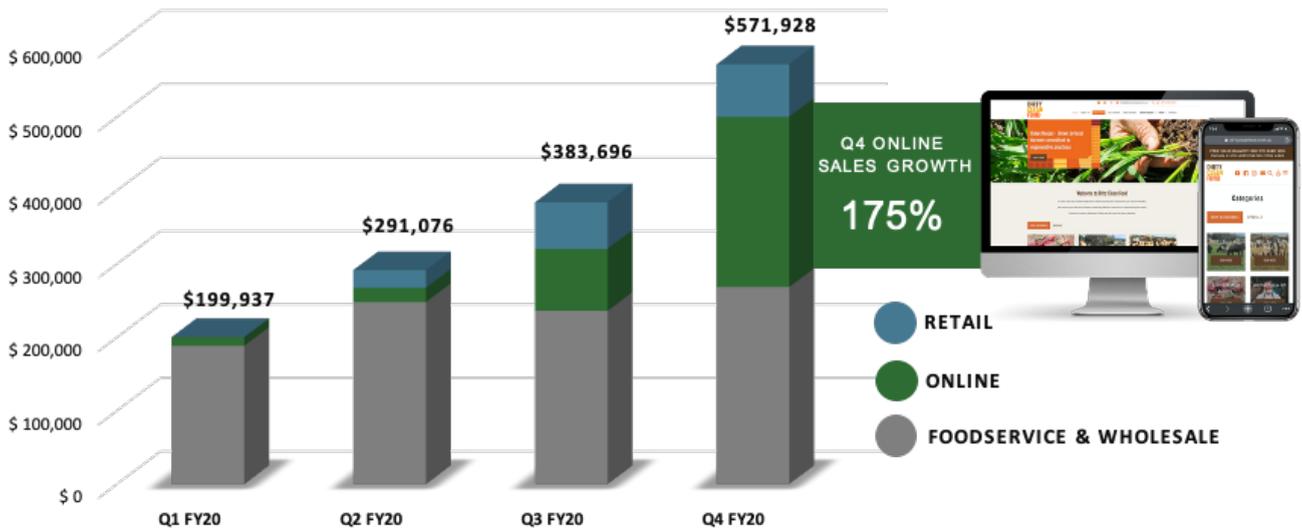
Highlights:

- *Achieved a fourth consecutive quarter of revenue growth, with Q4 FY20 revenue increasing to AUD\$571,928 resulting in a 49% increase over Q3 FY20 results.*
- *Expanded the product offering across DirtyCleanFood.com.au and experienced an increase in online customers over the quarter.*
- *Partnered with Curtin University and CSIRO to develop proprietary plant-based protein from Australia Sweet Lupin, to compete in the global USD\$18.5 billion market.*
- *Oat milk received positive feedback from Perth's leading baristas, retailers and distributors during initial market testing. Commercial launch on track for Q4 CY20.*
- *Partnered with CBH Group (CBH) to explore certification, marketing and global distribution of carbon neutral grain. CBH is Australia's largest exporter of grain.*
- *Successfully raised AUD\$3 million to accelerate a systematic and targeted revenue growth strategy to deliver shareholder value in 2020 and beyond.*

Wide Open Agriculture Limited (ASX: WOA) ("WOA" or the "Company"), is pleased to release its Appendix 4C cash flow statement for the three-month period ending 30 June 2020, which highlights continued quarter-on-quarter revenue growth and achievements which move the company closer towards developing and launching additional products for high-growth food and beverage sectors.

Revenue Growth

WOA continued to see increasing sales momentum during the quarter, leading to its fourth consecutive quarter of revenue growth, with Q4 revenue increasing 49% to \$571,928 over Q3 FY 2020 results. All sales were from Western Australian customers as the Company continued to focus on growing local market share. Progress was also made towards launching in new domestic territories and South-East Asia.



Online sales experienced an increase in new and repeat customers, processing approximately 125 orders per week, with revenue growing 175% to \$232,033. Sales to foodservice and wholesale customers showed encouraging signs of recovery from the impact of COVID-19 and WOA secured a number of new retail store accounts, with sequential growth expected in Q1 FY21.

A number of improvements were also identified to potentially unlock further sales efficiencies and improve margins as the business scales.

WOA’s Managing Director, Dr Ben Cole said “We have built and maintained a healthy online business and see a growing base of loyal customers, demonstrating the power of our online platform to connect regenerative food to conscious consumers. Sales momentum is anticipated to continue across 2020 as demand for our products continues to grow and we focus on launching in new markets.”



Through a number of new partnerships with regenerative and ethical food producers, the Company expanded and diversified its product offering online. WOA also partnered with leading Perth chefs and developed a range of ready-to-go meals made with fresh, locally sourced ingredients to bring restaurant quality meals direct to consumers door.

Further expanding and selling multi-division food products will remain a key priority to increase online revenue. The Company also plans to resume in-store promotional activities as COVID-19 restrictions ease further. Dirty Clean Food has ambitions to become Australia’s leading ethical and regenerative food brand.





In May, WOA 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.

Work has already begun working towards refining the production process, which converts raw lupin into a viable protein for the production of plant-based food products. Plant-based protein is used to make alternatives to the meat, dairy, beverage and egg sectors. The global market is estimated to be valued at USD\$18.5 billion in 2019 and is forecast to grow at 14% p.a. to reach USD\$40.6 billion by 2025.

WOA also joined Bridge2Food, Europe's leading plant-based partnership and network group who inspire the food industry to collaborate, partner, and to create innovative solutions for the industry. In September, WOA will present to a global audience that includes the world's largest food companies. The Company has also commenced early stage discussions with European and North American food companies in relation to its lupin technology.

www.bridge2food.com



WOA recently received the final oat milk formulation from its European manufacturer. Laboratory testing confirmed that the recipe meets Dirty Clean Food's nutritional criteria and it received encouraging feedback from Perth's leading baristas, retailers and distributors during market testing. Product packaging and market campaign concepts are now under final development and discussions with WA and eastern states' distributors are underway.

WOA was awarded a \$20,000 grant from the WA State Government. The 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.



WOA remains dedicated to unlocking the immense opportunity to measure, reduce and sequester carbon through regenerative farming practices and emission reductions.



Recently, WOA signed a Memorandum of Understanding (MoU) with the CBH Group (CBH) to explore certification, marketing and global distribution of carbon neutral grain. CBH is Australia's largest exporter of grain. If successful, the project could lead to one of the world's first carbon neutral certified products for buyers seeking more sustainable grain alternatives.

WOA's Managing Director, Dr Ben Cole said "WOA is committed to being carbon neutral by 2023, both as a company and its product lines. This commitment will be achieved through applying regenerative farming practices that sequester carbon, restore biodiversity and enhance the natural water cycle."

Cash position

In early June, the Company raised AUD\$3.0 million via the issue of 11,111,112 new fully paid ordinary shares at an issue price of AUD\$0.27 per share. The placement allows WOA to focus on accelerating sales of regenerative meat, expand and diversify its product offering online and develop oat milk and plant-based protein products for Australian and global markets.

Wide Open Agriculture Ltd's cash position at 30 June 2020 was \$4.4 million. The company is adequately funded to continue its current activities during these uncertain times and will continue to demonstrate appropriate fiscal restraint.

During the quarter, payments for Research and Development of \$0.026 million represented costs involved with the development of the Company's novel plant-based protein alternative.

Payments for Product Manufacturing and Operating Costs represent costs associated with manufacturing Dirty Clean Food beef, lamb and other products.

Payments for Advertising & Marketing represent costs associated with marketing the Company's Dirty Clean Food brand.

Payments for Staff Costs represent salaries for administration, sales, distribution and general management activities.

Payments for Administration and Corporate Costs represent general costs associated with running the Company, including ASX fees, legal fees, rent, etc.

Other operating cash flows represent the government's COVID-19 stimulus receipts.

Proceeds from issues of equity securities relates to the Company's recent capital raise and options exercised by employees.

The aggregate amount of payments to related parties and their associates included in the current quarter Cash flows from operating activities were \$0.019 million comprising Directors fees, salaries and superannuation.



Cash outflows for the quarter were in line with management expectations. The cash balance at 30 June 2020 amounted to \$4.4 million. Please refer to the attached Appendix 4C for further details on cash flows for the quarter and subsequent events outlined below.

There are no subsequent events to be disclosed

This announcement has been authorised and approved in accordance with the Company's published continuous disclosure policy and has been approved by the Board.

[ENDS]

For investor, media or other enquiries please contact:

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About Wide Open Agriculture Ltd

Wide Open Agriculture (WOA) is Australia's leading ASX-listed regenerative food and agriculture company. The Company's innovative Dirty Clean Food brand markets and distributes food products with a focus on conscious consumers in Australia and South-East Asia. Products are chosen based on their market potential and the positive impact they deliver to farmers, their farmland and regional communities. The company is based in the Wheatbelt of Western Australia. WOA operates under a '4 Returns' framework and seeks to deliver measurable outcomes on financial, natural, social and inspirational returns.

WOA is listed on the Australian Securities Exchange (code: WOA) and the Frankfurt Stock Exchange (code: 2WO) and is the world's first '4 Returns' publicly listed company.

www.wideopenagriculture.com.au

www.dirtycleanfood.com.au



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Wide Open Agriculture Ltd

ABN

86 604 913 822

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers	552,788	1,390,962
1.2 Payments for		
(a) product manufacturing and operating costs	(666,933)	(2,345,008)
(b) advertising and marketing	(47,907)	(92,844)
(c) staff costs	(123,784)	(800,120)
(d) administration and corporate costs	(78,145)	(192,958)
1.4 Interest received	3,013	23,466
1.7 Other	50,000	50,000
1.9 Net cash from / (used in) operating activities	(310,968)	(2,016,502)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(e) property, plant and equipment	-	(40,993)
(f) investments	-	(100,000)
2.6 Net cash from / (used in) investing activities	-	(140,993)
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	2,918,652	2,933,652
3.9 Other – Grant Income	-	375,151
3.10 Net cash from / (used in) financing activities	2,918,652	3,308,804

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,823,701	3,280,077
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(310,968)	(2,016,502)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(140,994)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,918,652	3,308,804
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	4,431,385	4,431,385

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,931,385	286,298
5.2	Call deposits	1,500,000	1,500,000
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,431,385	1,786,298

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

19,729

NIL

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	NIL	NIL
7.2 Credit standby arrangements	NIL	NIL
7.3 Other (please specify)	NIL	NIL
7.4 Total financing facilities	NIL	NIL

7.5 **Unused financing facilities available at quarter end** NIL

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(300,000)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	4,431,385
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	4,431,385
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	15

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

30 July 2020

Date:

By the board

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.