

WIDE OPEN AGRICULTURE LIMITED
ABN 86 604 913 822

CONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

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)
Dr James Mackintosh (Non-Executive Director)

ALTERNATE DIRECTOR

Mr Hans Schut (Alternate Director for Dr James Mackintosh)

JOINT COMPANY SECRETARIES

Mr Sam Wright
Ms Lydia Fee

BUSINESS OFFICE

5 Brooking Street
Williams, Western Australia, 6391
Email: info@wideopenagriculture.com.au

REGISTERED OFFICE

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

WEBSITE

www.wideopenagriculture.com.au

SOLICITORS

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

AUDITORS

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

SHARE REGISTRY

Link Market Services Limited
Level 4, 152 St Georges Terrace
Perth, Western Australia, 6000
Telephone: 1800 502 355 (within Australia)

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 2018.

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 social enterprise expert who has extensive international experience as a Grant Manager of market-based, water supply and sanitation projects, totalling up to \$30 million. Between 2008 and 2013 he founded, managed and sold a profitable, social enterprise – Karibon - in Vietnam. A genuine start-up from invention through to sales, Ben gained valuable experience in business development and management.

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

BBus (Fin and Ent)

Anthony started as a stockbroker 25 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 also co-founded community art hub the Artspace Collective and the Mo, Evie and Otis Maslin Foundation, which focuses on early intervention for dyslexia.

James Mackintosh – Non Executive Director (appointed 24 July 2015)

James has more than 10 years experience as a corporate finance professional in New Zealand, the UK and the Netherlands. James was formerly a Director at KPMG Deal Advisory in Amsterdam where he also co-led KPMG’s financial modelling practice in the Netherlands. James holds a PhD in chemistry and co-owns an Australian based wine company. James is the Managing Director of 4 Returns Projects B.V, the 100% subsidiary of WOA shareholder Commonland Foundation and represents Commonland on the WOA Board.

Johannes Schut – Non-Executive Director (appointed 23 July 2015) - alternate Director for James Mackintosh

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

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DIRECTOR'S REPORT

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

Stuart is a Wheatbelt farmer with over 35 years' experience in agriculture who is committed to the environmental and social restoration of his region. He was co-founder of the Liebe Group and inaugural President. He instigated the Regional Repopulation Plan with the Wheatbelt's Dalwallinu Shire and Chaired the Regional Repopulation Advisory Committee.

Directors have been in office since the start of the year to the date of this report unless otherwise stated.

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)

Lydia Fee (appointed on 28 September 2016)

REVIEW OF OPERATIONS

The loss of the Group for the financial year after providing for income tax amounted to \$1,296,319 (2017: loss of \$901,692).

Significant changes and events affecting the Group during the financial year have been:

The Company currently has three subsidiaries and continues to develop these business streams:

- a) Protected Cropping Holdings – Protected cropping and associated open field operations to grow premium vegetables;
- b) Food for Reasons TM- Food brand to market and distribute food produce and
- c) Land for Reasons – a regenerative farmland management business

Protected Cropping Holdings

From October 2017 to March 2018, the Group completed its second growing period of horticultural activities in the retractable roof protected cropping system of 5,186m² in Arthur River near Wagin, Western Australia. To date, the Group has focused on growing grape and roma tomatoes.

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

Food for Reasons TM

The Group has established distribution and marketing channels in Western Australia through its Food for Reasons brand. Sales of the fresh premium produce began in April 2017 through online, retail and wholesale avenues. Retail sales include branded and packaged Grape, Roma and Medley tomato boxes, supplying directly to restaurants and supermarkets located in Perth.

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Land for Reasons

The strategy for the regenerative farmland management business is for the Group to manage West Australian Wheatbelt farmland that will be farmed by experienced farmers applying regenerative farming practices and based on the '4 returns' framework. The Group has established the East Kulinbah Project on land of 310 hectares, it has entered into a land purchase and lease agreement.

Subsequent to this, the Group has signed a land management agreement on a separate property (refer to Events Subsequent to the End of the Reporting Period - page 4).

OTHER SIGNIFICANT CHANGES

On 12 April 2018 the Group submitted their Initial Prospectus Offer (IPO) to ASIC.

The Group entered into various agreements with a substantial shareholder, Commonland Foundation and its subsidiary 4 Returns Projects B.V. This includes an interest free loan for \$305,000 on 8 January 2018 and an IPO contingency loan of \$100,000 on 22 February 2018. Post reporting period the Group repaid the \$100,000 IPO contingency loan. An agreement for additional funding of \$325,000 was provided by Commonland Foundation on 20 April 2018 however there is no requirement to repayment this amount. The amount is included in the income in the current financial year (note 2).

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were the establishment and undertaking of diversified, regenerative farming practices in the Wheatbelt of Western Australia; in particular, horticultural activities.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

The following matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years:

Successful Listing of Wide Open Agriculture on ASX

On 6 July 2018, the Group was pleased to announce that following its oversubscribed IPO raising of \$5 million, it commenced trading on the Australian Stock Exchange under ASX code "WOA".

Following listing, the Group is now in a position to develop and expand operations to include a network of farms and protected cropping systems across Western Australia's Wheatbelt.

Funds raised will be used to assist WOA to reach its goal of vertical integration from production through to distribution of premium produce and food products throughout Australia and ultimately, into Asia through our food brand, Food for Reasons™.

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DIRECTOR'S REPORT

Wide Open Agriculture signs Farmland Management Agreement on \$4.35M property

On 20 August 2018, the Group announced that it has entered into a 10-year Farmland Management Agreement (Agreement) with Netherlands-based investors Handover B.V. and Wheatbelt-based regenerative farmers.

Under the Agreement, WOA through 100%-owned subsidiary Land for Reasons Pty Ltd (LFR), will provide the 1,787 hectare property in Western Australia's Shire of Kojonup with financial reporting, monitoring and administration of the 4 Returns* in return for a 20% profit share and 20% capital appreciation over the 10-year life of the Agreement.

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.

OPTIONS

On 16 February 2018 at a General Meeting of Shareholder it was approved to issue 3,750,000 unlisted options, exercisable at \$0.30, expiring on 30 June 2021.

On 22 February 2018 the directors approved to issue brokers and promoters with options in relation to the IPO. 5,000,000 unlisted options were issued with an exercise price of \$0.30.

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DIRECTOR'S REPORT

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

Director	Grant Date	Number Granted	Exercise Price	Fair Value	Expiry Date	Vesting Hurdle
Anthony Maslin	16/02/2018	1,500,000	30 cents	\$87,330	30/06/2021	Nil
Ben Cole	16/02/2018	750,000	30 cents	\$43,665	30/06/2021	Nil
Stuart McAlpine	16/02/2018	750,000	30 cents	\$43,665	30/06/2021	Nil
Johannes Schut	16/02/2018	750,000	30 cents	\$43,665	30/06/2021	Nil
		3,750,000		\$218,325		

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

Director	Grant Date	Number Granted	Exercise Price	Fair Value	Expiry Date	Vesting Hurdle
Sam Wright	22/02/2018	500,000	30 cents	\$29,000	30/06/2021	Nil
Lydia Fee	22/02/2018	500,000	30 cents	\$29,000	30/06/2021	Nil
Mac Equity Partners	22/02/2018	2,000,000	30 cents	\$164,000	31/12/2021	Nil
Euroz Limited	22/02/2018	1,000,000	30 cents	\$82,000	31/12/2021	Nil
Oracle Capital	22/02/2018	1,000,000	30 cents	\$82,000	31/12/2021	Nil
		5,000,000		\$386,000		

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

Share price at date granted	12 cents
Risk free rate	2.12%
Volatility factor	100%
Dividend Yield	Nil

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS DURING THE YEAR

Name	Board of Directors' Meetings	
	No. attended	No. eligible to attend
Ben Cole	10	10
Anthony Maslin	9	10
James Mackintosh	9	10
Stuart McAlpine	10	10
Johannes Schut	7	10

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DIRECTOR'S REPORT

INDEMNIFICATION OF OFFICERS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Group.

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.

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DIRECTOR'S REPORT

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 his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 14 February 2017, where the shareholders approved a maximum annual aggregate remuneration of \$300,000.

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 2018, no remuneration consultants were engaged.

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.

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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
- Johannes Schut - Non-Executive Director
- James Mackintosh – Non-Executive Director
- Stuart McAlpine – Non-Executive

There have been no changes in the composition of the key management personnel since the end of the reporting period.

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DIRECTOR'S REPORT

	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	
2018	\$	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>								
Anthony Maslin ¹	-	-	-	3,648	-	-	87,330	90,978
Johannes Schut	-	-	-	-	-	-	43,665	43,665
James Mackintosh	-	-	-	-	-	-	-	-
Stuart McAlpine	-	-	-	-	-	-	43,665	43,665
<i>Executive Directors:</i>								
Ben Cole ²	87,611	-	-	10,070	-	-	43,665	141,346
	87,611	-	-	13,718	-	-	218,325	319,654

¹During the period Anthony Maslin forfeited amounts owing to him under his contract of \$38,400

²During the period Ben Cole forfeited amounts owing to him under his contract of \$21,200

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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	
2017	\$	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>								
Anthony Maslin	-	-	38,400	-	-	41,600	-	80,000
Johannes Schut	-	-	-	-	-	-	-	-
James Mackintosh	-	-	-	-	-	-	-	-
Stuart McAlpine	-	-	-	-	-	-	-	-
<i>Executive Directors:</i>								
Ben Cole	79,466	-	22,367	9,339	-	20,000	-	131,172
	<u>79,466</u>	<u>-</u>	<u>60,767</u>	<u>9,339</u>	<u>-</u>	<u>61,600</u>	<u>-</u>	<u>211,172</u>

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DIRECTOR'S REPORT

	Proportion of remuneration performance based		Value of share-based payments as a proportion of remuneration	
	2018	2017	2018	2017
<i>Non-Executive Directors:</i>				
Anthony Maslin	-	-	96	52
Johannes Schut	-	-	100	-
James Mackintosh	-	-	-	-
Stuart McAlpine	-	-	100	-
 Executive Directors:				
Ben Cole	-	-	31	15

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
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.

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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 2018.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Expiry date	Exercise price	Fair value
Anthony Maslin	1,500,000	16/02/2018	30/06/2021	30 cents	\$87,330
Ben Cole	750,000	16/02/2018	30/06/2021	30 cents	\$43,665
Stuart McAlpine	750,000	16/02/2018	30/06/2021	30 cents	\$43,665
Johannes Schut	750,000	16/02/2018	30/06/2021	30 cents	\$43,665
	<u>3,750,000</u>				<u>\$218,325</u>

Options granted carry no dividend or voting rights.

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

Share price at date granted	12 cents
Risk free rate	2.12%
Volatility factor	100%
Dividend Yield	Nil

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Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2018 are set out below:

Name	Value of options granted during the year \$	Value of options exercised during the year \$	Value of options lapsed during the year \$	Remuneration consisting of options for the year %
Anthony Maslin	87,330	-	-	96%
Ben Cole	43,665	-	-	31%
Stuart McAlpine	43,665	-	-	100%
Johannes Schut	43,665	-	-	100%

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	7,766,668	-	50,000	-	7,816,668
Johannes Schut	500,000	-	15,000	-	515,000
James Mackintosh	500,000	-	-	(500,000)	-
Stuart McAlpine	2,000,000	-	-	-	2,000,000
	<u>18,333,336</u>	<u>-</u>	<u>65,000</u>	<u>(500,000)</u>	<u>17,898,336</u>

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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>					
<i>Ben Cole</i>	-	750,000	-	-	750,000
Anthony Maslin	-	1,500,000	-	-	1,500,000
Johannes Schut	-	750,000	-	-	750,000
James Mackintosh	-	-	-	-	-
Stuart McAlpine	-	750,000	-	-	750,000
	-	3,750,000	-	-	3,750,000

Other transactions with key management personnel and their related parties

During the financial year, the Group recognised rental income of \$13,500 during the period for the lease of farm land to McAlpine Farms and interest expense of \$18,259 relating to the purchase of Kulinbah East Block (refer to note 18). 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 entered into various agreements with a substantial shareholder, Commonland Foundation and its subsidiary 4 Returns Projects B.V. James Mackintosh is the Managing Director of 4 Returns Projects B.V as well as a Director of the Group. Johannes Schut is an alternate Director for James Mackintosh. The Group received \$353,250 (EUR 225,000) from Commonland Foundation as a shareholder loan during the period. Additionally, the Group entered into a loan agreement with 4 Returns Projects B.V., during the period. The total loan funding made available by 4 Returns Projects B.V. to, and received by, the Group per the agreement was \$305,000. No interest is payable on these loans and are payable in single lump sum amounts 5 years after the respective dates of the execution of the loans. In addition, the Group entered into an IPO contingency loan arrangement with Commonland Foundation of \$100,000 on 22 February 2018. Post reporting period the Group repaid the \$100,000 IPO contingency loan. The total loan balance as at 30 June 2018 is \$917,295 (2017: \$246,806). Commonland Foundation also reimbursed the Group for \$137,474 of expenditure incurred directly related to Commonland Foundation's activities. A further \$325,000 non-refundable amount was received and included in income.

This concludes the remuneration report, which has been audited.

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DIRECTOR'S REPORT

PROCEEDINGS ON BEHALF OF THE GROUP

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 party 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.

CORPORATE GOVERNANCE

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

NON-AUDIT SERVICES

Stantons International Audit & Consulting Pty Ltd, was appointed to prepare an investigating accountants report for the prospectus. Refer to note 15 for auditor's remuneration. Stantons International Audit & Consulting Pty Ltd were paid \$10,139 excluding GST for these services.

The board has established, subsequent to year-end, certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

- Non-audit services are subject to the corporate governance procedures adopted by the Group and will be reviewed by the audit committee to ensure they do not impact the integrity and objectivity of the auditor; and
- Ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the consolidated Group, acting as an advocate for the Consolidated Group or jointly sharing risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 47.

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

Director:



Dr Ben Cole

Dated this 28th September 2018

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Revenue and other Income	2	552,577	66,256
Cost of goods sold		(63,249)	(52,481)
Auditor's remuneration	15	(26,524)	(8,000)
Consultancy Fees		(209,786)	(125,207)
Depreciation Expense		(173,707)	(74,873)
Employee Benefits Cost		(540,959)	(510,321)
Share Based Payments		(218,325)	-
Other administration expenses		<u>(616,346)</u>	<u>(197,066)</u>
Loss for the year before income tax expense		(1,296,319)	(901,692)
Income tax expense	14	<u>-</u>	<u>-</u>
Loss after tax from continuing operations		<u>(1,296,319)</u>	<u>(901,692)</u>
Other comprehensive income:			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		<u>-</u>	<u>-</u>
Total other comprehensive income for the year		-	-
Total comprehensive loss for the year		<u>(1,296,319)</u>	<u>(901,692)</u>
Total comprehensive loss attributable to members of the entity		<u>(1,296,319)</u>	<u>(901,692)</u>
Basic loss per share (cents)	20	(2.86)	(2.2)
Diluted loss per share (cents)		(2.67)	(2.2)

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

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	5,125,512	335,878
Trade and other receivables	4	<u>22,016</u>	<u>161,461</u>
TOTAL CURRENT ASSETS		<u>5,147,528</u>	<u>497,339</u>
NON-CURRENT ASSETS			
Property Plant and Equipment	5	680,802	800,799
Other non-current assets	4	<u>175,000</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>855,802</u>	<u>800,799</u>
TOTAL ASSETS		<u>6,003,330</u>	<u>1,298,138</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	361,806	152,575
Provisions	7	41,242	21,384
Borrowings and other financial liabilities	8	<u>941,295</u>	<u>301,405</u>
TOTAL CURRENT LIABILITIES		<u>1,344,343</u>	<u>475,364</u>
NET ASSETS		<u>4,658,987</u>	<u>822,774</u>
EQUITY			
Issued capital	9	6,666,094	2,137,887
Options reserve	10	604,325	-
Accumulated losses	11	<u>(2,611,432)</u>	<u>(1,315,113)</u>
TOTAL EQUITY		<u>4,658,987</u>	<u>822,774</u>

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

WIDE OPEN AGRICULTURE LIMITED
ABN 866 049 138 22

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

2018	Attributable to equity holders of the Group			
	Issued Capital	Options Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
As at the beginning of the year	2,137,887	-	(1,315,113)	822,774
Loss for the year	-	-	(1,296,319)	(1,296,319)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(1,296,319)	(1,296,319)
Shares issued	5,036,000	-	-	5,036,000
Capital raising costs	(507,793)	-	-	(507,793)
Options reserve	-	604,325	-	604,325
At 30 June 2018	6,666,094	604,325	(2,611,432)	4,658,987

2017	Attributable to equity holders of the Group			
	Issued Capital	Options Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
As at the beginning of the year	647,128	-	(413,421)	233,707
Loss for the year	-	-	(901,692)	(901,692)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(901,692)	(901,692)
Contributions of equity	1,490,759	-	-	1,490,759
At 30 June 2017	2,137,887	-	(1,315,113)	822,774

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 2018

	Note	2018	2017
		\$	\$
Cash Flows from Operating Activities			
Payments to suppliers		(1,086,379)	(810,090)
Receipts from customers		261,851	24,759
Funds received from Commonland		325,000	-
Interest received		102	327
Net cash flows used in operating activities	13	<u>(499,426)</u>	<u>(785,005)</u>
Cash Flows from Investing Activities			
Payments for acquisition of PPE		(104,378)	(760,470)
Net cash used in investing activities		<u>(104,378)</u>	<u>(760,470)</u>
Cash Flows from Financing Activities			
Proceeds from issue of securities (net of issue costs)		4,823,480	1,335,409
Proceeds from borrowings		485,889	174,625
Grant received		84,070	42,000
Net cash flows generated from financing activities		<u>5,393,439</u>	<u>1,552,034</u>
Net increase in cash and cash equivalents		4,789,634	6,559
Cash and cash equivalents at the beginning of the financial year		<u>335,878</u>	<u>329,319</u>
Cash and cash equivalents at the end of the financial year	3	<u>5,125,512</u>	<u>335,878</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 2018

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 28th September 2018 by the directors of the Group.

Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 January 2017 but determined that their application to the financial statements is either not relevant or material.

b. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2018 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.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

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 2018, the Group had net assets of \$4,658,987, cash and cash equivalents of \$5,125,512 and net working capital of \$3,803,185. The Group had incurred a loss for the year ended 30 June 2018 of \$1,296,319.

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 greenhouse. In the event that the Group is not successful in raising further equity or operating its greenhouse, 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.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

d. 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.

e. Financial Instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: loans and receivables, and cash and cash equivalents.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise trade and other payables and borrowings and other financial liabilities.

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

f. 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

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.

g. 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

h. 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.

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.

i. 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.

j. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

I. Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

II. Interest revenue is recognised when received.

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

III. Grant revenue is recognised when received.

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

k. 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

l. 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.

m. 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.

n. 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 annual leave and 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.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

o. 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.

p. 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.

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.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

q. Comparative Figures

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

r. 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 horticulture 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 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.

s. 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.

t. 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.

(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.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

(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.

u. 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 s. 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.

v. New accounting standards for application in future periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

AASB 9: *Financial Instruments* and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018)

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The directors anticipate that the adoption of AASB 9 will not have a material impact on the Group's financial instruments.

AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2018).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Apart from a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

The directors anticipate that the adoption of AASB 15 will not have a material impact on the Group's revenue recognition and disclosures).

AASB 16: *Leases* (applicable to annual reporting periods commencing on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as either operating leases or finance leases. Lessor accounting remains similar to current practice.

The main changes introduced by the new Standard are as follows:

- recognition of the right-to-use asset and liability for all leases (excluding short term leases with less than 12 months of tenure and leases relating to low value assets);
- depreciating the right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lease to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity at the date of initial application.

Although the directors anticipate that the adoption of AASB 16 may have an impact on the Group's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

w. 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.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

Accounting Policies continued

x. 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.

y. 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 crops (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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

2 Revenue and Other Income	2018	2017
	\$	\$
Horticulture revenues	34,590	29,629
Rent received ¹	13,500	15,300
Grants received	105,070	21,000
Interest received	102	327
Other Revenue ²	399,315	-
Total Revenue	<u>552,577</u>	<u>66,256</u>

¹ Rent received is from McAlpine Farms which is co-owned by Stuart McAlpine (note 18).

² Other revenue comprises funds received from Commonland Foundation with no obligation to repay, treated as income.

3 Cash and Cash Equivalents

Cash at bank	4,470,623	335,878
Cash on deposit	654,889	-
	<u>5,125,512</u>	<u>335,878</u>

4 Trade and Other Receivables

Current

Accounts receivable	8,166	64,286
GST receivable	3,273	21,230
Prepayments	10,475	942
Loans to Employees & Associates	99	-
Initial Equity issue	3	3
Deposit for purchase of Kulinbah East Block, Buntine WA	-	50,000
First Right of Refusal to purchase Kulinbah West, and Coinda Properties, Buntine WA	-	25,000
	<u>22,016</u>	<u>161,461</u>

Non-Current

Deposit	175,000	-
	<u>175,000</u>	<u>-</u>

At the reporting date none of the receivables were past due and impaired. The unpaid share capital does not have specific repayments terms and is interest free.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

5 Property, Plant and Equipment

2018

Net book value	Plant and equipment \$	Capital works in progress \$	Land and Buildings \$	Total \$
At beginning of the year	147,965	-	652,834	800,799
Additions	23,919	9,479	20,843	54,241
Disposal	(531)	-	-	(531)
Reclassification	-	(9,479)	9,479	-
Depreciation for the year	(40,392)	-	(133,315)	(173,707)
At 30 June 2018	<u>130,961</u>	<u>-</u>	<u>549,841</u>	<u>680,802</u>

2017

Net book value	Plant and equipment \$	Capital works in progress \$	Land and Buildings \$	Total \$
At beginning of the year	6,482	58,054	-	64,536
Additions	163,742	532,379	120,515	816,636
Disposal	(5,500)	-	-	(5,500)
Reclassification	-	(590,433)	590,433	-
Depreciation for the year	(16,759)	-	(58,114)	(74,873)
At 30 June 2017	<u>147,965</u>	<u>-</u>	<u>652,834</u>	<u>800,799</u>

6 Trade and Other Payables

	2018 \$	2017 \$
Current		
Trade creditors	138,770	68,752
Accruals	190,253	39,045
Employee liabilities	12,823	44,776
Share applications refundable	19,960	-
	<u>361,806</u>	<u>152,573</u>

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

WIDE OPEN AGRICULTURE LIMITED
ABN 866 049 138 22

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

7	Provisions	2018	2017
		\$	\$
	Current		
	Annual Leave	41,242	21,384
		<u>41,242</u>	<u>21,384</u>

8 Borrowings and other financial liabilities

Shareholder loan	917,295	246,806
Insurance Premium Funding	-	3,899
Unexpended Grant	-	21,000
Amounts received for share subscriptions	24,000	29,700
	<u>941,295</u>	<u>301,405</u>

The shareholder loan comprises various loans of which one is interest free and repayable upon successfully listing. Refer note 18 for further details.

9 Issued Capital

Fully Paid Ordinary Shares: 70,579,249 (2017: 45,279,249)	7,173,887	2,137,887
Capital Raising Costs	(507,793)	-
	<u>6,666,094</u>	<u>2,137,887</u>

There are no externally imposed capital requirements.

(a) Issued and Paid up capital

	2018	2018
Issued Capital	Number	\$
Ordinary shares (opening)	45,279,249	2,137,887
Fully paid issued shares	25,300,000	5,036,000
Less transaction costs	-	(507,793)
Total issued capital	<u>70,579,249</u>	<u>6,666,094</u>

WIDE OPEN AGRICULTURE LIMITED
ABN 866 049 138 22

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

9 Issued Capital (cont.)

(b) Movement in Ordinary shares on issue

	No. Of shares	Issue Price \$	Total \$
Opening Balance as at 1 July 2017	45,279,249		2,137,887
IPO Shares Issued	25,000,000	0.20	5,000,000
Share Issue (in lieu of services)	300,000	0.12	36,000
Less: Transaction Costs	-		(507,793)
Balance as at 30 June 2018	<u>70,579,249</u>		<u>6,666,094</u>
Opening Balance as at 1 July 2016	31,902,505		647,128
Share Issue	1,635,000	0.05	81,750
Share Issue	11,741,744	0.12	1,409,009
Balance as at 30 June 2017	<u>45,279,249</u>		<u>2,137,887</u>

10 Option Reserve

	2018 \$	2017 \$
Balance at beginning of year	-	-
Options issued	604,325	-
Balance at end of year	<u>604,325</u>	<u>-</u>

The Share option reserve represents the fair value of share options granted. The estimate of fair value of the services received is based on the Black-Scholes model. The calculated fair value is based on parameters as set out in the Directors report.

11 Accumulated Losses

	2018 \$	2017 \$
Accumulated losses at the beginning of the financial year	(1,315,113)	(413,421)
Net loss attributable to members of the Group	(1,296,319)	(901,692)
Accumulated losses at the end of the financial year	<u>(2,611,432)</u>	<u>(1,315,113)</u>

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

12 Financial Risk Management

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

The totals for each category of financial instruments, measured in accordance with AASB 139 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 \$
2018				
Financial Assets				
Cash and cash equivalents	5,125,512	-	-	5,125,512
Trade and other receivables	-	-	11,541	11,541
Total financial assets	5,125,512	-	11,541	5,137,053
Weighted average interest rate for the year				
Financial Liabilities				
Trade and other payables	-	-	361,806	361,806
Borrowings & other financial liabilities	-	-	941,295	941,295
Total financial liabilities	-	-	1,303,101	1,303,101

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

12 Financial Risk Management (cont.)

Financial Instruments	Floating	Fixed Interest	Non-interest	Total
2017	Interest Rate	Rate	bearing	\$
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	335,878	-	-	335,878
Trade and other receivables	-	-	160,519	160,519
Total financial assets	335,878	-	160,519	496,397
Weighted average interest rate for the year				
Financial liabilities				
Borrowings & other financial liabilities	-	-	301,405	301,405
Trade and other payables	-	-	152,575	152,575
Total financial liabilities	-	-	453,980	453,980

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 2018.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

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

	2018	2017
	\$	\$
Loss after income tax	(1,296,319)	(901,692)
Grants received	(105,070)	(21,000)
Share Based Payments	218,325	72,650
Share Based Payments – Secretarial Fees	90,727	-
Depreciation	173,707	74,873
Changes in assets and liabilities		
Decrease / (Increase) in operating receivables	139,445	(76,166)
Increase in operating payables	259,901	50,901
Increase in provisions	19,858	15,429
Net cash inflows / (outflows) from operating activities	<u>(499,426)</u>	<u>(785,005)</u>

14 Income Tax Expense

Reconciliation between tax expense and pre-tax loss:

Accounting Profit/(Loss) before income tax	(1,296,319)	(901,692)
Tax at the domestic income tax rate of 27.5% (2017: 27.5%)	(356,488)	(247,965)
Temporary differences	19,576	-
Permanent differences	122,460	4,275
Income tax benefit not recognised	214,452	243,690
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	1,594,789	956,519
Temporary difference	71,184	(70,373)
Total	<u>1,665,973</u>	<u>886,146</u>
Potential benefit at 27.5%	<u>458,142</u>	<u>243,690</u>

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

15	Remuneration of Auditors	2018	2017
		\$	\$
	Audit Services		
	Stantons International – Audit of financial report	16,385	8,000
	Non-Audit Services		
	Stantons International – Investigating accountants report	10,139	-
		26,524	8,000

16 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 of \$273,879 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

	2018	2017
	\$	\$
Not longer than one year	141,668	17,635
Longer than one year, but not longer than five years	477,703	-
Longer than five years	148,879	273,879
	768,250	291,514

Operating Lease Commitment - -

Commitments for expenditure in 2018 within one year represent remaining funds due for the greenhouse purchased on 24 June 2016, being 10% of purchase price of \$121,680 USD. Exchange rate used \$0.73AUD:\$1USD. (Exchange rate June 2017 \$0.69AUD:\$1USD)

Commitments for expenditure in 2018 over five years represent deferred consideration of purchase of Kulinbah East Block from Buntine Holdings Pty Ltd.

Other than the interests disclosed above there were no further contingencies as at 30 June 2018.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

**17 Key Management Personnel
Remuneration**

	Cash	Equity	Total
	\$	\$	\$
2018			
Anthony Maslin ¹	-	87,330	87,330
Ben Cole	87,611	43,665	131,276
James Mackintosh	-	-	-
Stuart McAlpine	-	43,665	43,665
Johannes Schut	-	43,665	43,665
	87,611	218,325	305,936
	87,611	218,325	305,936

¹During the period Anthony Maslin forfeited amounts owing to him under his contract of \$38,400

	Cash	Equity	Total
	\$	\$	\$
2017			
Anthony Maslin	-	41,600	41,600
Ben Cole	79,466	20,000	99,466
Stuart McAlpine	-	-	-
Johannes Schut	-	-	-
James Mackintosh	-	-	-
	79,466	61,600	141,066
	79,466	61,600	141,066

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

18 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.

The Group recognised rental income of \$13,500 (2017: \$15,300) during the period for the lease of farm land to McAlpine Farms and interest expense of \$18,259 relating to the purchase of Kulinbah East Block. McAlpine Farms is owned by Stuart McAlpine, a current Director of the Group.

The Group received \$353,250 (EUR 225,000) from Commonland Foundation as a shareholder loan during the period. Additionally, the Group entered into a loan agreement with 4 Returns Projects B.V., a subsidiary of Commonland Foundation, during the period. The total loan funding made available by 4 Returns Projects B.V. to, and received by, the Group per the agreement was \$305,000. No interest is payable on these loans and are payable in single lump sum amounts 5 years after the respective dates of the execution of the loans. In addition, the Group entered into an IPO contingency loan arrangement with Commonland Foundation of \$100,000 on 22 February 2018. Post reporting period the Group repaid the \$100,000 IPO contingency loan. The total loan balance as at 30 June 2018 is \$917,295 (2017: \$246,806). Commonland Foundation also reimbursed the Group for \$137,474 of expenditure incurred directly related to Commonland Foundation's activities. A further \$325,000 non-refundable amount was received and included in income. Commonland Foundation are a substantial shareholder of the Group and have appointed James Mackintosh as their representative Director and Johannes Schut as an alternate Director for James Mackintosh.

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

19 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 2018, including their personally related parties, is set out below:

2018					
Name	Balance at 1 July 2017	Granted as compensation	Issued as repayment of loan	Bought & (Sold)	Balance at 30 June 2018
Ben Cole	7,566,668	-	-	-	7,566,668
Anthony Maslin	7,766,668	-	-	50,000	7,816,668
James Mackintosh	500,000	-	-	(500,000)	-
Johannes Schut	500,000	-	-	15,000	515,000
Stuart McAlpine	2,000,000	-	-	-	2,000,000
Total	18,333,336	-	-	(435,000)	17,898,336

The Number of shares held by Directors and Key Management Personnel of the Group during the year ended 30 June 2017, including their personally related parties, is set out below:

2017					
Name	Balance at 1 July 2016	Granted as compensation	Issued as land consideration	Bought & (Sold)	Balance at 30 June 2017
Ben Cole	7,400,001	166,667	-	-	7,566,668
Anthony Maslin	7,320,001	346,667	-	100,000	7,766,668
James Mackintosh	500,000	-	-	-	500,000
Johannes Schut	500,000	-	-	-	500,000
Stuart McAlpine	2,000,000	-	-	-	2,000,000
Total	17,720,002	513,334	-	100,000	18,333,336

WIDE OPEN AGRICULTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

20	Basic and Diluted Earning/(Loss) per Share	2018	2017
		\$	\$
	Basic loss per share (cents)	(2.86)	(2.23)
	Diluted loss per share (cents)	(2.67)	(2.23)
	Loss attributable to members of Wide Open Agriculture Ltd	(1,296,319)	(901,692)
	Weighted average number of shares outstanding	45,348,564	40,468,483
	Weighted average number of shares & options outstanding	48,478,701	40,468,483

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 2018 is the same as basic earning/(loss) per share.

21 Significant Events After the Reporting Date

There have been various events which have arisen since 30 June 2018 which will significantly affect the operations of the Group and the state of affairs of the Group in subsequent financial years.

Successful Listing of Wide Open Agriculture on ASX

On 6 July 2018, the Group was pleased to announce that following its oversubscribed IPO raising \$5 million, it commenced trading on the Australian Stock Exchange under ASX code "WOA".

Wide Open Agriculture signs Farmland Management Agreement on \$4.35M property

On 20 August 2018, the Group announced that that it has entered into a 10-year Farmland Management Agreement (Agreement) with Netherlands-based investors Handover B.V. and Wheatbelt-based regenerative farmers.

Under the Agreement, WOA through 100%-owned subsidiary Land for Reasons Pty Ltd (LFR) - will provide the 1,787 hectare property in Western Australia's Shire of Kojonup with financial reporting, monitoring and administration of the 4 Returns* in return for a 20% profit share and 20% capital appreciation over the 10-year life of the Agreement.


WIDE OPEN AGRICULTURE LIMITED
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DIRECTORS' DECLARATION

The directors of the Group declare that:

1. The consolidated financial statements and notes, as set out on pages 17 to 45, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the Group's financial position as at 30 June 2018 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.

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

Director: 

Dr Ben Cole

Dated this 28th day of September 2018

28 September 2018

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

Dear Directors

RE: WIDE OPEN AGRICULTURE LIMITED

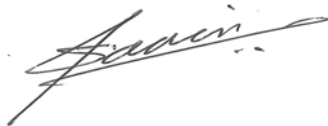
In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Wide Open Agriculture Limited.

As Audit Director for the audit of the financial statements of Wide Open Agriculture Limited for the year ended 30 June 2018, 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), which comprises the statement of financial position as at 30 June 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and the 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 Company's financial position as at 30 June 2018 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 Company 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 period. 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.

We have determined that there were no key audit matters in relation to this audit

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 2018, 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

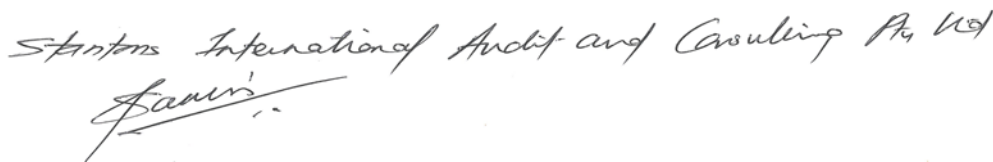
We have audited the Remuneration Report included in pages 7 to 15 of the directors' report for the year ended 30 June 2018. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*.

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 2018 complies with section 300A of the *Corporations Act 2001*.

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

A handwritten signature in cursive script, reading "Stantons International Audit and Consulting Pty Ltd" followed by a signature that appears to be "Samir".

Samir Tirodkar
Director
West Perth, Western Australia
28 September 2018

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 September 2018**:

a) Distribution of Securities

Range	Securities	%	No. of holders	%
100,001 and Over	61,173,020	86.67	48	11.11
10,001 to 100,000	7,576,655	10.73	192	44.44
5,001 to 10,000	1,798,817	2.55	181	41.90
1,001 to 5,000	29,755	0.04	9	2.08
1 to 1,000	1,002	0.00	2	0.46
Total	70,579,249	100.00	432	100.00
Unmarketable Parcels	0	0.00	0	0.00

b) 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 RAVE	12,419,037	17.60
COMMONLAND FOUNDATION	12,000,000	17.00
ANTHONY MASLIN	7,666,668	10.86
BEN COLE	7,566,668	10.72

c) Twenty largest shareholders (ASX:WOA)

The name of the twenty largest holders of securities are:

Rank	Name	31 Aug 2018	%IC
1	FANJA PON & HANS RAVE	12,419,037	17.60
2	COMMONLAND FOUNDATION	12,000,000	17.00
3	MR ANTHONY ROBERT FREDERICK MASLIN & MS MARITE NORRIS	7,666,668	10.86
4	BEN COLE	7,566,668	10.72
5	MS ANNE-MARCHIEN CAMPEN, VAN & MR VINCENTIUS GERARDUS JOSEPHUS MARIA CAMPEN, VAN	2,000,000	2.83
5	STUART MCALPINE	2,000,000	2.83
6	HELMSHOEVE HOLDING B.V.	1,925,000	2.73
7	DUKETON CONSOLIDATED PTY LTD	1,416,667	2.01
8	MS CAROLYN MAREE POWLEY	1,300,000	1.84
9	ARADIA VENTURES PTY LTD	1,100,000	1.56
10	ICE COLD INVESTMENTS PTY LTD	1,000,000	1.42
11	MR BRYANT JAMES MCLARTY	983,333	1.39
12	FLOURISH SUPER PTY LTD	650,000	0.92
13	STRAIGHT LINES HOLDINGS PTY LTD	509,940	0.72
14	NORMAN PATER	500,000	0.71
14	MR BENJAMIN JAMES GOLDSMITH	500,000	0.71
14	MERIWA STREET PTY LTD	500,000	0.71
14	SATORI INTERNATIONAL PTY LTD	500,000	0.71
14	BDFC HOLDING BV	500,000	0.71
15	OCCASIO HOLDINGS PTY LTD	375,000	0.53
15	MR PHILIP ANDREW THICK	375,000	0.53
16	KINETIC TRADE PTY LTD	350,000	0.50
17	TAO YUAN RESOURCES LIMITED	300,000	0.43
18	DUKETON CONSOLIDATED PTY LTD	252,000	0.36
19	L'ORMEAU BV	250,000	0.35
19	XEEN PTY LTD	250,000	0.35
19	MR STEPHEN JOHN TANGNEY	250,000	0.35
19	SKFC PTY LTD	250,000	0.35
19	MRS MICHELLE ANN MARIE STANLEY	250,000	0.35
20	MATTHEW JOYNER	241,667	0.34
		Total	58,180,980
		Balance of register	12,398,269
		Grand total	70,579,249
			100.00