

WINGARA AG LIMITED
ACN 009 087 469



ENTITLEMENT OFFER PROSPECTUS

For a non-renounceable accelerated institutional and retail entitlement issue of seven Shares for every ten Shares held by those Eligible Shareholders registered at the Record Date at an issue price of \$0.11 per Share to raise up to \$10,224,235 (before costs) (based on the number of Shares on issue as at the date of this Prospectus) For each new share issued there is 1 free attaching unlisted non-tradeable option with an expiry date of 31 December 2023 with a strike price of \$0.17. (**Entitlement Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

David Christie
Independent Non-Executive Chairperson

Jeral D'Souza
Independent Non-Executive Director

Steven Chaur
Independent Non-Executive Director

Registered Office

Suite 11, 13-25 Church Street
HAWTHORN VIC 3122

Telephone: + 61 3 9853 9631

Email: enquiries@wingaraag.com.au

Website: www.wingaraag.com.au

Chief Executive Officer

James Whiteside

Company Secretary

Vanessa Chidrawi

Share Registry*

Computershare Investor
Services Pty Limited
Level 11, 172 St Georges
Terrace
PERTH, WA 6000

Telephone:
1300 850 505

Solicitors

Align Law
Level 2, 306 Little Collins
Street
MELBOURNE VIC 3000

Auditor*

William Buck
Level 20
181 William Street
MELBOURNE VIC 3000

Corporate Advisor

Market Eye Pty Ltd
Level 3, Heritage Building, Olderfleet
477 Collins Street
MELBOURNE VIC 3000

Lead Manager

None appointed

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. IMPORTANT NOTES

This Prospectus is dated 30 August 2021 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No exposure period applies to this Prospectus by operation of ASIC Corporations (Exposure Period) Instrument 2016/74. No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The securities, the subject of this Prospectus, should be considered highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an Entitlement and Acceptance Form (which can be accessed at www.wingaraag.com.au/investors/).

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.1 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

Wingara AG Limited ACN 009 087 469 (**Wingara** or the **Company**) and its Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Wingara and its Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 8 of this Prospectus.

2.2 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If

you have not, please phone the Company on +61 3 9853 9631 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.wingaraag.com.au.

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

2.3 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

2.4 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

2.5 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that Wingara holds about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

3. CHAIRPERSON'S LETTER

Dear Investor,

On behalf of the directors of Wingara AG Limited (**Company**), I am delighted to provide all Eligible Shareholders with the opportunity to participate in the Entitlement Offer.

The Company is seeking to raise up to approximately \$10,224,235 (before costs) by way of an accelerated non-renounceable entitlement issue of seven Shares for every ten Shares held by Shareholders registered at the Record Date at an issue price of \$0.11 per Share. For each new share issued there is 1 free attaching unlisted non-tradeable option with an expiry date of 31 December 2023 with a strike price of \$0.17.

Eligible Shareholders may also apply for Shares above their Entitlement and are invited to apply for Shortfall Shares under the Shortfall Offer by completing the Entitlement and Acceptance Form. Please see Section 5.6 for further details

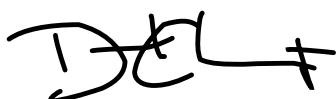
Wingara is currently experiencing significant growth in demand from export markets for JC Tanloden's hay products, and production capacity is being substantially increased to fulfil this growing demand. Our plans for growth in hay procurement are supported by increased machinery uptime.

Funds raised under the Entitlement Offer will be used to support production growth and to equip the business with the capability to pursue opportunities to grow its fodder export business. The funds raised under the Entitlement Offer will be used to invest in current infrastructure, purchase additional hay inventory, invest in the operations of an additional hay press, and for working capital and offer costs.

Before making your decision to invest, I ask that you carefully read this Prospectus and seek professional advice if required. In particular, I ask you to consider the risk factors referred to in Section 8 of this Prospectus in making your investment decision.

On behalf of the Board, I encourage all Eligible Shareholders to consider taking up their Entitlements and thank you for your continued support.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D Christie', with a stylized flourish at the end.

David Christie
Independent Non-Executive Chairperson

4. KEY OFFER INFORMATION

4.1 Timetable

| Event | Date |
|---|-----------------------------------|
| Request for trading halt | Pre-market open on 30 August 2021 |
| Announcement of Entitlement Offer Lodgement of Appendix 3B with ASX and Lodgement of Prospectus with ASIC | 30 August 2021 |
| Company conducts accelerated Institutional Offer | 30 August 2021 – 1 September 2021 |
| Announcement of results of Institutional Offer | 1 September 2021 |
| Trading halt lifted Trading resumes on an ex-entitlement basis | 1 September 2021 |
| Record Date for the Entitlement Offer | 5:00pm AEST on 1 September 2021 |
| Settlement of Institutional Offer | 2 September 2021 |
| Quotation of Shares issued under the Institutional Offer | 6 September 2021 |
| Prospectus despatched to Shareholders Opening date for Retail Offer | 7 September 2021 |
| Last day to extend Retail Offer closing date | 13 September 2021 |
| Closing date of Retail Offer* | 15 September 2021 |
| Announcement of results of Retail Offer | 20 September 2021 |
| Settlement of the Retail Offer | 22 September 2021 |
| Quotation of Shares issued under the Retail Offer | 23 September 2021 |
| Expected despatch of holding statements for retail holders | 28 September 2021 |

*The Directors may extend the closing date of the Retail Offer by giving at least 3 Business Days' notice to ASX prior to the closing date of the Retail Offer. As such the date the Shares are expected to commence trading on ASX may vary.

4.2 Summary of the Entitlement Offer

As announced on ASX, the Company is intending to conduct an accelerated non-renounceable entitlement issue in order to raise a maximum of up to approximately \$10,224,235 (before costs).

Entitlement Offer

The Entitlement Offer is being made as an accelerated non-renounceable entitlement issue of seven Shares for every ten Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.11 per Share to raise up to \$10,224,235 (before costs). For each new share issued, there is 1 free unlisted non-tradeable option with an expiry date of 31 December 2023 with an exercise price of \$0.17.

The Entitlement Offer has two components:

- (a) an accelerated offer to Eligible Institutional Shareholders, expected to comprise the issue of up to approximately 58,094,116 Shares to raise up to approximately \$6,390,353 (before costs) and which is due to settle on 2 September 2021; and
- (b) an offer to Eligible Retail Shareholders, expected to comprise the issue of up to approximately 34,853,475 Shares to raise up to approximately \$3,833,882 (before costs).

Further details in respect of the Entitlement Offer are set out in Section 5.

4.3 Update on the Company's Operations

The Company has 100% ownership of JC Tanloden Victoria Pty Ltd ACN 166 785 084 (**JC Tanloden**), a company that processes hay and exports premium fodder from its processing facilities to Asian customers engaged in meat and dairy production. The Company also has 100% ownership of Austco Polar Cold Storage Pty Ltd ACN 623 917 519 (**Austco Polar**) that provides blast freezing and logistic services for Australian red meat exports based in Laverton, Victoria.

In the last seven months, Wingara has undertaken a major transformation within its leadership and senior management team, establishing a new, experienced and independent Board, a new Chief Executive Officer and a new Chief Financial Officer. There is a new focus throughout the business on corporate governance and compliance, enhancing visibility to shareholders and defining the most appropriate pathway to profitability and significant business growth.

JC Tanloden holds approximately 8%¹ market share of the Australian cereal hay export market, and its expansion in international market share is growing significantly. New markets beyond the traditional hay export market destinations of Japan, Taiwan, Korea and China are also emerging, elsewhere in Asia and in the Middle East.

JC Tanloden is responding to this strong demand by focusing on lifting productivity. In addition to the 56% increase in production volumes in FY21, JC Tanloden is forecasting another substantial lift in FY22. This will be achieved by continuing with a 24-hour, 7 day a week operation at the Raywood site and improved plant uptime and reliability as a result of a modest capital investment and a structured and focused engineering and maintenance team. The business has also accessed and installed another hay press at Raywood which will increase capacity by 30,000 MT per annum.

As announced on 24 August 2021, after completing a strategic review of Austco Polar, the Company announced a structured sale process of Austco Polar to free up capital and resources to focus on JC Tanloden's multiple attractive growth opportunities. Until this process is complete, the business will continue to be managed with an emphasis on

¹ Source: Jumbuk, UN Comtrade, internal company analysis

safety and operational improvement.

As is detailed in Section 6, much of the funds raised in this Entitlement Offer will be used to support this growth.

4.4 Directors' interest in securities

The relevant interest of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

| Director | Shares | Entitlement | Entitlement in Dollar Terms |
|-----------------------------|---------|-------------|-----------------------------|
| David Christie ¹ | 213,105 | 149,174 | \$16,409 |

Notes:

1. Independent Non-Executive Chairperson David Christie holds the shares in escrow until 13 September 2021 through New French Partridge Pty Ltd.
2. David Christie is entitled to remuneration in the form of share-based payment worth \$40,000 per annum, which is due to vest in September 2021. The shares issued to David Christie in line with his remuneration will not be part of this rights issue and will not attract rights to be issued Shares under this Entitlement Offer.

David Christie intends to take up his full Entitlement under the Entitlement Offer. Independent Non-Executive Directors Jeral D'Souza and Steven Chaur are not current shareholders and cannot participate in the Entitlement Offer, however if the Entitlement offer is not fully subscribed, both directors may take up Entitlements under the Shortfall Offer.

4.5 Details of substantial holders

Based on publicly available information as at 19 August 2021, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

| Shareholder | Number of Shares Held | Percentage of Total Shares on Issue | Entitlement Under the Offer | Holdings if full entitlement under offer is taken up | % Post Entitlement Offer if all Entitlements taken up ¹ | % post Entitlement Offer if no Entitlements taken up ² |
|---|-----------------------|-------------------------------------|-----------------------------|--|--|---|
| National Nominees Limited | 40,765,599 | 30.70% | 28,535,919 | 69,301,518 | 30.70% | 42.96% |
| HSBC Custody Nominees (Australia) Limited | 18,648,542 | 14.04% | 13,053,979 | 31,702,521 | 14.04% | 21.74% |
| Melbourne Securities Corporation Limited <AGFood Opportunities> | 12,778,231 | 9.62% | 8,944,762 | 21,722,993 | 9.62% | 15.33% |
| JP Morgan Nominees Australia Pty Ltd | 9,703,597 | 7.31% | 6,792,518 | 16,496,115 | 7.31% | 11.82% |

Notes:

1. In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Entitlement offer

2. The dilutionary effect shown in the table is the maximum percentage on the assumption that the Entitlement Offer is fully subscribed by the substantial holder only and that any Entitlements not accepted are not subsequently placed. In the event that not all Entitlements are accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.
3. Total Shares currently on issue is 132,782,273. Please see Section 6.4 for more information about capital structure

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Entitlement Offer.

4.6 Lead manager

The Company has not appointed a lead manager and the board retains discretion with regard to the placement of any Shortfall in respect of the Offers. Refer to Section 5.9 for information on the Shortfall.

4.7 Underwriting

The Offers are not underwritten.

4.8 Effect on Control

The maximum total number of Shares proposed to be issued under the Entitlement Offer is 92,947,591 which will constitute seven tenths of the Shares on issue following completion of the Offers (assuming no other Shares are issued prior to the Record Date).

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

- a) From 20% or below to above 20%; or
- b) From a starting point of above 20% and below 90%.

One of the exceptions to section 606(1) is where that increase occurs as a result of an acquisition that results from an issue of securities that satisfies all of the following conditions:

- a) A company offers to issue securities in a particular class;
- b) Offers are made to every person who holds securities in that class to issue them with the percentage of the securities to be issued that is the same as the percentage of the securities in that class that they hold before the issue;
- c) All of those persons have a reasonable opportunity to accept the offers made to them;
- d) Agreements to issue are not entered into until a specified time for acceptances of offers has closed;
- e) The terms of all the offers are the same.

The Company has obtained relief from ASIC that no nominee has been appointed for Ineligible Foreign Shareholders under section 615 of the Corporations Act. The Company therefore has the benefit of the exception outlined in Item 10 s611 of the Corporations Act in relation to the Retail Offer and *ASIC Corporations (Takeovers – Accelerated Rights Issues) Instrument 2015/1069* for persons who exceed the threshold in s606 Corporations Act.

4.9 Potential Dilution

Shareholders should note that if they do not participate in the Entitlement Offer (assuming that the Entitlement Offer is fully subscribed), their holdings are likely to be diluted by approximately 15.4% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

Examples of how the dilution may impact Shareholders is set out in the table below:

| Holder | Holding as at Record date ¹ | % at Record Date ¹ | Entitlements under the Entitlement Offer | Holdings if Entitlement Offer not taken Up | % post Entitlement Offer ² |
|---------------|--|-------------------------------|--|--|---------------------------------------|
| Shareholder 1 | 10,000,000 | 7.53% | 7,000,000 | 10,000,000 | 4.43% |
| Shareholder 2 | 5,000,000 | 3.77% | 3,500,000 | 5,000,000 | 2.22% |
| Shareholder 3 | 1,500,000 | 1.13% | 1,050,000 | 1,500,000 | 0.66% |
| Shareholder 4 | 400,000 | 0.30% | 280,000 | 400,000 | 0.18% |
| Shareholder 5 | 50,000 | 0.04% | 35,000 | 50,000 | 0.02% |

Notes:

1. This is based on a share capital of 132,782,273 Shares as at the date of the Prospectus.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that the Entitlement Offer is fully subscribed and that any Entitlements not accepted are placed under the Shortfall Offer. In the event that not all Entitlements are accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

4.10 No rights trading

The rights to Shares under the Offers are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your Entitlement to any other party. If you do not take up your Entitlement by the closing date of the Retail Offer, the offer to you will lapse.

For each new share issued there is 1 free unlisted non-tradeable option with an expiry date of 31 December 2023 with an exercise price of \$0.17. The free option cannot be traded.

5. DETAILS OF THE OFFERS

5.1 The Entitlement Offer

The Entitlement Offer is being made as an accelerated non-renounceable entitlement issue of seven new Shares for every ten Shares held by Shareholders registered at the Record Date at an issue price of \$0.11 per Share. For each new Share issued, there is 1 free unlisted non-tradeable option with an expiry date of 31 December 2023 with an exercise price of \$0.17. Fractional entitlements will be rounded up to the nearest whole number.

The Entitlement Offer has two components:

- (a) an accelerated offer to Eligible Institutional Shareholders, expected to comprise the issue of up to approximately 58,094,116 Shares to raise up to approximately \$6,390,353 and which is due to settle on 2 September 2021 (**Institutional Offer**); and
- (b) an offer to Eligible Retail Shareholders, expected to comprise the issue of up to approximately 34,853,475 Shares to raise up to approximately \$3,833,882 (**Retail Offer**).

As mentioned above, for each new Share issued, there is 1 free unlisted non-tradeable option with an expiry date of 31 December 2023 with an exercise price of \$0.17. The option applies to new Shares issued in the Institutional Offer as well as the Retail Offer. The Shares issued on exercise of the Options will rank equally with Shares currently on issue.

Both the Institutional Offer and the Retail Offer are non-renounceable. Accordingly, Entitlements cannot be traded on the ASX, nor can they be sold, transferred or otherwise disposed of.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 92,947,591 Shares will be issued pursuant to this Entitlement Offer to raise up to \$10,224,235 (before the costs of the Entitlement Offer).

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 7 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 6 of this Prospectus.

5.2 Institutional Offer

The Institutional Offer will be conducted over a two trading-day period. During the Institutional Offer period, Eligible Institutional Shareholders, will be invited to participate in the Institutional Offer and will be afforded the opportunity to subscribe for up to their full Entitlement under the Institutional Offer, at the price of \$0.11 per Share (**Offer Price**).

Any Eligible Institutional Shareholder that does not confirm their acceptance of the Institutional Offer by the close of the Institutional Offer will be deemed to have renounced all of their Entitlement and will not receive any value in respect of their Entitlement.

5.3 Institutional Shortfall

Shares equal in number to those Entitlements not taken up by Eligible Institutional Shareholders, together with any Shares attributable to Entitlements which would otherwise have been offered to Ineligible Institutional Shareholders if they had been eligible to participate in the Institutional Offer, will form part of the Shortfall Offer. The

Directors reserve the right to allocate the Shortfall Offer at their absolute discretion.

Any Entitlement not taken up pursuant to the Institutional Offer will form part of the Shortfall Offer. Further details in respect of the Shortfall Offer are set out in Section 5.9.

5.4 Retail Offer

Eligible Retail Shareholders are invited to participate in the Retail Offer under the Prospectus, on the same terms as the Institutional Offer.

Eligible Retail Shareholders who wish to acquire Shares under the Retail Offer will need to follow the instructions set out at Section 5.6 of this Prospectus.

5.5 Minimum subscription

There is no minimum subscription for the Entitlement Offer.

5.6 Acceptance of the Retail Offer

If you are an Eligible Retail Shareholder and you wish to take up all of your Entitlement, please either:

- Complete and return the personalised Entitlement and Acceptance Form with the requisite application monies for all of the new Shares in your Entitlement; or
- Pay your application monies for all of the new Shares in your Entitlement via BPAY® by following the instructions set out in the personalised Entitlement and Acceptance Form,

so that they are received by the Company's Share Registry by no later than 5:00pm AEST on 15 September 2021.

Your acceptance must not exceed your Entitlement as shown on that form, unless you intend to apply for additional Shares under the Shortfall Offer (refer to Section 5.9 for further information), in which case the additional Shares applied for will be deemed to be an application for Shares under the Shortfall Offer.

The number of Shares to which Eligible Shareholders are entitled (your Entitlement) is shown on your personalised Entitlement and Acceptance Form.

If you only wish to accept part of your Entitlement, please either:

- Complete and return the personalised Entitlement and Acceptance Form with the requisite application monies for all of the new Shares in your Entitlement; or
- Pay your application monies for all of the new Shares in your Entitlement via BPAY® by following the instructions set out in the personalised Entitlement and Acceptance Form,

so that they are received by the Company's Share Registry by no later than 5:00pm AEST on 15 September 2021.

If you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

The Entitlement Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

5.7 Implications of an acceptance

The payment of any application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is completed, or a BPAY® payment instruction is given in relation to any application monies, the application may not be varied or withdrawn except as required by law.

5.8 Payment by BPAY®

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00 pm (AEST) on the closing date of the Retail Offer. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

5.9 Shortfall Offer

Any Entitlement not taken up pursuant to the Retail Offer or the Institutional Offer will form the Shortfall Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Entitlement Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the closing date of the Institutional Offer or the Retail Offer (as applicable). The issue price for each Share to be issued under the Shortfall Offer shall be \$0.11 being the price at which Shares have been offered under the Institutional Offer and the Retail Offer.

Eligible Shareholders who wish to subscribe for Shares above their Entitlement are invited to apply for Shortfall Shares under the Shortfall Offer by completing the Entitlement and Acceptance Form and by making payment for such Shortfall Shares in accordance with Sections 5.7(b) of this Prospectus. However, the Directors reserve the right to issue Shortfall Shares at their absolute discretion. The Board presently intends to allocate Shortfall Shares as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall Shares to that Eligible Shareholder would not take their voting power to in excess of 19.99%; and then
- (b) to other parties identified by the Directors, which may include parties not currently Shareholders of the Company.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Shares than applied for or no Shortfall Shares at all. However, the Directors do not intend to refuse an application for Shortfall Shares from Eligible Shareholders other than in circumstances of oversubscription or where acceptance may result in a breach of the Corporations Act. If the number of Shortfall Shares applied for by Eligible Shareholders exceeds the total Shortfall, the Shortfall Shares will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

All decisions regarding the allocation of Shortfall Shares will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Shares applied for will be issued to Eligible Shareholders.

The Company will have no liability to any applicant who receives less than the number of Shortfall Shares they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Shares under the Shortfall Offer any application monies will be returned (without interest) as soon as practicable.

5.10 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

5.11 Issue of Shares

Issue of Shares pursuant to the Entitlement Offer and the Shortfall Offer

Shares issued pursuant to the Entitlement Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

Holding statements for Shares issued under the Entitlement Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

5.12 Overseas shareholders

This Entitlement Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand unless the Company is satisfied that it is permitted to issue Shares to a Shareholder resident in another jurisdiction by the laws of that Shareholder's country of residence, either unconditionally or after compliance with conditions which the Company regards as acceptable and not unduly onerous or impracticable.

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

5.13 Enquiries

Any questions concerning the Entitlement Offer should be directed to Vanessa Chidrawi, Company Secretary, on investorrelations@wingaraag.com.au.

6. PURPOSE AND EFFECT OF THE ENTITLEMENT OFFER

6.1 Purpose of the Entitlement Offer

The purpose of the Entitlement Offer is to raise a maximum of up to \$10,224,235 (before costs).

The funds raised from the Entitlement Offer are planned to be used in accordance with the table set out below:

| Use of Funds | Offer Funds (\$m) |
|--|-------------------|
| Investment in current infrastructure | 1.6 |
| Purchase of additional hay inventory to match increased machinery uptime | 6.9 |
| Investment in the operations of an additional hay press | 1.0 |
| Growth capital for inorganic growth | 0.5 |
| Costs of the Offer | 0.2 |
| Total | 10.2 |

Note:

1. The Use of Funds table is based on the maximum raise being achieved. The funds raised under this Prospectus may be less than \$10,224,235.

6.2 Effect of the Entitlement Offer

The principal effect of the Entitlement Offer, assuming all Entitlements are accepted and fully subscribed, will be to:

- (a) increase the cash reserves by \$10,019,750 (after deducting the estimated expenses of the Entitlement Offer) immediately after completion of the Entitlement Offer; and
- (b) increase the number of Shares on issue from 132,782,273 as at the date of this Prospectus to 225,729,864 Shares.

If the Entitlement Offer is fully subscribed, the number of unlisted Options would be 94,197,591. Please see Section 6.4 for further details about the Options

6.3 Pro-forma balance sheet

The audited balance sheet as at 31 March 2021 and the unaudited pro-forma balance sheet as at 30 August 2021 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted and are fully subscribed, as well as including expenses of the Entitlement Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

| | AUDITED 31 March 2021 ³ | PRO FORMA ADJUSTMENT | PROFORMA 30 August 2021 |
|--|---------------------------------------|-------------------------|-------------------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents ¹ | 1,920,453 | 10,019,750 | 11,940,203 |
| Trade and other receivables | 3,458,294 | - | 3,458,294 |
| Inventories | 2,069,511 | - | 2,069,511 |
| Other current assets | 639,959 | - | 639,959 |
| TOTAL CURRENT ASSETS | 8,088,217 | 10,019,750 | 18,107,967 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment ² | 20,748,188 | - | 20,748,188 |
| Right-of-use assets | 23,241,791 | - | 23,241,791 |
| Intangibles | 1,816,075 | - | 1,816,075 |
| Deferred tax | - | - | - |
| Other non-current assets | 137,686 | - | 137,686 |
| TOTAL NON-CURRENT ASSETS | 45,943,740 | - | 45,943,740 |
| TOTAL ASSETS | 54,031,957 | 10,019,750 | 64,051,707 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 6,618,405 | - | 6,618,405 |
| Borrowings | 5,606,000 | - | 5,606,000 |
| Lease liabilities | 1,538,065 | - | 1,538,065 |
| Income tax payable | - | - | - |
| Employee benefits | 677,460 | - | 677,460 |
| TOTAL CURRENT LIABILITIES | 14,439,930 | - | 14,439,930 |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | 2,266,000 | - | 2,266,000 |
| Lease liabilities | 22,369,455 | - | 22,369,455 |
| Employee benefits | 99,745 | - | 99,745 |
| TOTAL NON-CURRENT LIABILITIES | 24,735,200 | - | 24,735,200 |
| TOTAL LIABILITIES | 39,175,130 | - | 39,175,130 |
| NET ASSETS | 14,856,827 | 10,019,750 | 24,876,577 |
| EQUITY | | | |
| Share capital ¹ | 25,029,198 | 10,224,235 | 35,253,433 |
| Reserves | 212,377 | - | 212,377 |
| Accumulated losses | (10,384,748) | (204,485) | (10,589,233) |
| TOTAL EQUITY | 14,856,827 | 10,019,750 | 24,876,577 |

Notes:

The above pro-forma balance sheet includes the following pro forma adjustments for the effect of the Entitlement Offer and other material post-balance date events:

1. An increase to Cash and Share capital as a result of the Entitlement Offer of up to \$10,224,235 to be raised under the Entitlement Offer, less costs estimated costs of approximately \$204,485. Refer to Section 9.7 of this Prospectus for further details of the expenses of the Entitlement Offer.
2. An increase to Accumulated Losses account of \$204,485, comprises of the approximate cost of the Entitlement Offer if the Entitlement Offer was taken up in full and is for Pro Forma Adjustment Disclosures only.
3. The audited financial statements for the year ended 31 March 2021 contained an Emphasis of Matter by the Auditor, specifically that there is material uncertainty with regard to the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The Auditor's Opinion was not modified in respect of this matter. For further information, please see the audit financial statements for the year ended 31 March 2021 available on the Company's website.
4. Events that have had a material effect on the Company since the date of the most recent financial statements include:
 - Results of Meeting (ASX Announcement dated 26 August 2021) regarding resolutions passed by shareholders at Wingara's AGM
 - Wingara completes strategic review of Austco Polar (ASX Announcement dated 24 August 2021) regarding Wingara's decision to sell Austco Polar
 - Auditor Appointment Update (ASX Announcement dated 15 June 2021) a market correction regarding the appointment of William Buck Audit (VIC) Pty Ltd
 - Change in Leadership Update (ASX Announcement dated 26 July 2021) Zane Banson appointed Chief Commercial Officer, Jae Tan appointed Chief Financial Officer
 - Commencement of CEO (ASX Announcement dated 21 April 2021) James Whiteside as CEO
 - New Hay Press (ASX Announcement dated 6 August 2021) Additional hay press to be installed at JC Tanloden's Raywood hay processing facility to increase export volumes.
5. Please note that past performance is not a guide of future performance.

6.4 Effect on capital structure

The effect of the Entitlement Offer on the capital structure of the Company is set out below.

Shares

| | Number |
|---|--------------------|
| Shares currently on issue ¹ | 132,782,273 |
| Shares offered to Institutional Investors ² | 58,094,116 |
| Shares offered to Retail Investors ² | 34,853,475 |
| Total Shares on issue after completion of the Offers | 225,729,864 |

Notes:

1. Comprising 213,105 Shares which are classified by ASX as restricted securities and are to be held in escrow until 13 September 2021.
2. Assumes that all Entitlements are accepted, no Options are converted and no other Shares are issued prior to the Record Date.

Options

| | Number |
|---|-------------------|
| Options currently on issue as at the date of this Prospectus: | |
| - Unlisted Options exercisable at \$0.36 each and expiring on 23 December 2022 | 1,250,000 |
| Options to be issued as part of the Entitlement Offer if maximum is raised (before Shortfall Allocation): | |
| - Unlisted Options exercisable at \$0.17 each and expiring on 31 December 2023 | 92,947,591 |
| Total Options on issue after completion of the Offer | 94,197,591 |

Notes:

1. Assumes that all Entitlements are accepted, no Options are converted and no other Shares are issued prior to the Record Date.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 134,032,273 Shares and on completion of the Entitlement Offer (assuming all Entitlements are accepted and no other Shares are issued) would be 319,927,455 Shares.

7. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

KEY FEATURES OF SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

7.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

7.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

7.3 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit.

7.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

7.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

7.6 Transfer of shares

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

7.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

7.8 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

7.9 Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

KEY FEATURES OF OPTIONS

The following is a summary of the more significant rights and liabilities attaching to Options being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

7.10 Options details

| Item | Features |
|------------------------|---|
| Issuer | Wingara AG Limited, being a company listed on the ASX |
| Issue Date | 22 Sept 2021 |
| Issue Price | Nil. No monies are payable for the grant of the Options. |
| Exercise Price | \$0.17. Each Option will, upon exercise, entitle the Option holder to subscribe for and be issued with one Share. |
| Option Exercise Period | Options may be exercised at any time during the period commencing on the Business Day immediately following the Issue Date and ending on the Expiry Date. |
| Expiry Date | 31 December 2023. |
| Ranking | Shares issued on exercise of the Options will rank equally with all other issued Ordinary Shares. |
| Voting Entitlements | The Options confer no rights on an Option holder to receive notice of a general meeting of Shareholders (except as may be required by law), nor any right to attend, speak at or vote at general meetings of the Company. |
| Not Quoted | The Company does not intend to have the Options quoted on the ASX, nor for them to be otherwise tradeable. |

8. RISK FACTORS

8.1 Introduction

Whilst the Directors recommend that Shareholders take up their Entitlement, there are a number of risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which the new Shares and new Options will trade.

The following is a summary of the key matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the Securities.

8.2 Company specific

The following is a summary of the key matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the Securities.

8.2.1 Commodity Price Risk

Australian commodity prices are determined by supply and demand dynamics in the Australian market. For example oaten hay prices are determined by factors in the domestic and international markets, product quality, seasonal factors, available supply, demand from customers and import/export quotas and/or tariffs. Changes in both global and domestic commodity pricing will affect the cost of inputs and the revenue earned by the Company. As such, any increase in purchase price or decrease in sales prices may have an adverse effect on the Company's costs, revenue, ability to generate a profit and its ability to meet its obligations to stakeholders.

8.2.2 Foreign Exchange Risk

International prices of the commodities in which the Company deals are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian dollars, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

8.2.3 Adverse Weather Conditions Risk

Adverse weather conditions such as fires, frost, drought or flooding may, directly or indirectly, have a material and adverse effect on the operations of the Company and hence the Company's income available for distribution to Shareholders.

8.2.4 Disposal Risk

The Company has identified the subsidiary Austco Polar Cold Storage Pty Ltd as a non-core asset which has been put up for sale. Such disposal may not happen quickly or at all, which may have a negative impact on the cash reserves of the Company and its profitability.

8.2.5 Competition Risk

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business. The Company competes with other commodity companies. Some of these companies have greater financial and other resources than the Company and as a result may be in a better position to compete for future business opportunities. There is no assurance that the Company can compete effectively with these companies.

8.2.6 Disease and Pest Risk

There is no guarantee that serious contagious diseases that affect global crops can be prevented from being introduced into Australia. Any significant disease that affects crops may have an adverse effect on production and hence the Company's ability to generate revenue. Further, a significant pest outbreak (for example a mice or locust plague) could adversely affect production, revenue and profitability.

8.2.7 Operations Risk

Activities of the Company may be affected by unforeseen operational failures and technical difficulties and breakdowns and repairs may be required to plant and equipment, resulting in significant delays. Industrial and environmental accidents, industrial disputes and force majeure events (including CoVid-19 and similar epidemics) may also affect the Company's operations.

8.2.8 Lack of Diversification risk

The Company is intending to divest itself of Austco Polar Cold Storage Pty Ltd and, if successful, the Company's operations will be centred on the purchase, processing and sale of oaten hay and certain other cereal crops. To the extent that the Company does not diversify into other goods or industries it will be susceptible to fluctuations in value resulting from adverse business or economic conditions affecting that particular industry.

8.2.9 Sales Strategy Risk

The Company's revenue is significantly dependent on the commodity prices that the Company can receive from buyers/processors of oaten hay and certain other cereal crops. If the Company is unable to renew customer agreements on appropriate terms or adopts a strategy on the mix of contracts that proves unsuitable given market conditions, there is a risk that the Company may not be able to receive the income it currently does. If this was to occur, returns on investment may be adversely impacted.

8.2.10 Contractual Risk

If a counterparty defaults in the performance of its obligations or wishes to enforce its rights, it may be necessary for the Company to seek or defend legal remedies including through court action. Legal action can be costly and there can be no guarantee that a legal remedy would ultimately be granted to the Company on the appropriate terms (if at all).

8.2.11 Climate Change Risk

Climate change may strongly impact the operations of the Company. Climate is one of the biggest risk factors impacting on the agricultural sector's performance. Overall, climate change, including global warming and increased climate variability, could result in a variety of impacts on agriculture including productivity. Added heat stress, shifting monsoons and drier soils may reduce farm productivity and therefore affect both the Company's suppliers and customers. Consequently, the Company's income available for distribution to Shareholders and the value of its inventory may be adversely affected.

8.2.12 Health and Safety Risk

The Company's operations will expose its personnel and contractors to health and safety risks inherent in its activities. The Company will be subject to health and safety laws and regulations in connection with all its operations. The Company will also be relying on third party operators and contractors to have in place health and safety policy that complies in all material respects with applicable laws and regulations. Accordingly there are certain risks inherent in the Company's activities that could subject the Company to substantial liability.

8.2.13 Political and Economic Risks

The Company's investments may be affected by unquantifiable changes in economic conditions or in international political developments, changes to regulations affecting international trade in the agricultural commodities that the Company deals in, changes in government policies, the imposition of restrictions on the transfer of capital or changes in regulatory, tax and legal requirements. One or more of these may impact the Company's ability to generate income or profit.

8.2.14 Exposure to Foreign Markets and Regulation

The Company is currently the holder of a licence issued by the General Administration of Customs of the People's Republic of China (**GACC**) that allows the Company to export oaten hay to China. This licence expires in December 2023 and in the event it is not renewed the Company may be adversely impacted.

8.3 General risks

8.3.1 General economic and political risks

Changes in the general economic and political climate in Australia and on a global basis may impact on economic growth, interest rates, the rate of inflation, taxation and tariff laws, domestic security which may affect the value and viability of any activities that may be conducted by the Company.

8.3.2 Equity market conditions

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of Securities include economic conditions in both Australia and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

8.3.3 Litigation risks

The Company is exposed to possible litigation risks including contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

8.3.4 Potential acquisitions

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

8.3.5 Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

8.3.6 Insurance

Insurance against all risks associated with the Company's business is not always available or affordable. The Company maintains insurance where it is considered appropriate for its needs however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

8.3.7 Unforeseen expenditure risks

Expenditure may need to be incurred which has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently required or incurred, this may adversely impact budgeted expenditure proposals by the Company.

8.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the underlying Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

9. ADDITIONAL INFORMATION

9.1 Litigation

As at the date of this Prospectus, the Company has a single current litigation matter. It relates principally to General Protections claims made by a former employee against Elect Performance Group Pty Ltd (a wholly owned subsidiary of the Company) pursuant to the Fair Work Act 2009. The former employee was made redundant earlier this year and has commenced proceedings in the Federal Circuit Court of Australia. As the process was only commenced immediately prior to the date of this Prospectus there is little information available about the claim and the Company is not in a position to make an assessment of the likelihood of success of the former employee's case. It is also not possible to quantify the potential size of the claim at this stage as the former employee has not quantified the claim in full, and accordingly it is not possible to estimate any potential impact on the Company should the claim be successful. The litigation is expected to be resolved in the current financial year.

9.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and

- (c) it will provide a copy of each of the following documents, free of charge, to any person on request whilst the Offers under this Prospectus are open for application:
- (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours, subject to COVID-19 lockdown restrictions.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

| Date | Description of Announcement |
|------------|---|
| 24/08/2021 | Wingara Completes Strategic Review of AustCo Polar |
| 06/08/2021 | Wingara to Boost Export Hay Production at JC Tanloden |

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.wingaraaq.com.au.

9.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

| | | |
|---------|----------------|---------|
| Highest | 6 August 2021 | \$0.150 |
| Lowest | 16 August 2021 | \$0.115 |
| Last | 27 August 2021 | \$0.130 |

9.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set in Section 4.4 of this Prospectus.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

| Director | Proposed remuneration for financial year ending 31 March 2022 | Remuneration for financial year ended 31 March 2021 | Remuneration for financial year ended 31 March 2020 |
|-----------------------------|---|---|---|
| David Christie ¹ | 188,500 | 132,910 | 0 |
| Jeral D'Souza ² | 55,000 | 44,558 | 19,846 |
| Steven Chaur ³ | 55,000 | 19,443 | 0 |

Notes:

- David Christie was appointed director on 9 June 2020 and became Independent Non-Executive Chairperson on 14 September 2020. David is remunerated at \$135,000 plus superannuation in Director Fees. For the year ended 31 March 2021, David Christie was remunerated a total of \$132,910, comprising of \$84,849 in cash salary, \$8,061 in superannuation and \$40,000 in share-based payment. The remuneration for the financial year ending 31 March 2022 is predicted based on the ongoing remuneration agreement, comprising of \$135,000 in cash salary, \$13,500 in superannuation and \$40,000 in share-based payment.
- Jeral D'Souza was appointed as Independent Non-Executive Director on 26 September 2019 and is remunerated at \$55,000 (inclusive of superannuation) in Director Fees. For the year ended 31 March 2021, Jeral D'Souza was remunerated a total of \$44,558, comprising of \$40,692 in cash salary and \$3,866 in superannuation. For the year ended 31 March 2020, Jeral D'Souza was remunerated a total of \$19,846, comprising of \$18,124 in cash salary and \$1,722 in superannuation. The remuneration for the financial year ending 31 March 2022 is predicted based on the ongoing remuneration agreement.
- Steven Chaur was appointed as Independent Non-Executive Director on 18 November 2020 and is remunerated at \$55,000 (inclusive of superannuation) in Director Fees. For the year ended 31 March 2021, Steven Chaur was remunerated a total of \$19,443, comprising of \$17,756 in cash salary and \$1,687 in superannuation. The fees for the financial year ending 31 March 2022 are predicted based on the ongoing remuneration agreement.

9.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with:
 - its formation or promotion; or
 - the Offers; or
- the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Align Law has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Align Law \$50,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Align Law has been paid fees totalling \$40,000 (excluding GST and disbursements) for legal services provided to the Company.

Market Eye has acted as corporate adviser to the Company in relation to the Offer. The Company estimates it will pay Market Eye \$102,242 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Market Eye has been paid fees totalling \$112,850 (excluding GST and disbursements) for investor relations and corporate advisory services provided to the Company.

9.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, the persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Align Law has given its written consent to being named as the solicitors to the Company in this Prospectus. Align Law has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Market Eye has given its consent to being named as corporate advisor to the Company in this Prospectus. Market Eye has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

9.7 Expenses of the Offers

In the event that all Entitlements are accepted and fully subscribed, the total expenses of the Offers and are estimated to be approximately \$204,485 (excluding GST) and are expected to be applied towards the items set out in the table below:

| | \$ |
|------------------------|----------------|
| ASIC fees | 6,693 |
| ASX fees | 22,825 |
| Legal fees | 50,000 |
| Corporate Advisor Fees | 102,242 |
| Registry Fees | 22,725 |
| Total | 204,485 |

10. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

A handwritten signature in black ink, appearing to read 'D Christie', with a stylized flourish at the end.

**David Christie
Independent Non-
Executive Chairperson
For and on behalf of
Wingara AG Limited**

11. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

AEST means Australian Eastern Standard Time as observed in Melbourne, Victoria.

Application Form means an Entitlement and Acceptance Form.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Company means Wingara AG Limited (ACN 009 087 469).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Institutional Shareholder means a Shareholder who:

- (a) is an Institutional Investor on the commencement of the Institutional Offer, with a registered address in either Australia or New Zealand (unless the Company is satisfied that it is permitted to issue Shares to an Institutional Investor Shareholder resident in another jurisdiction by the laws of that Shareholder's country of residence, either unconditionally or after compliance with conditions which the Company regards as acceptable and not unduly onerous or impracticable); and
- (b) has received an offer under the Institutional Offer (either directly or through a nominee).

Eligible Retail Shareholder means a Retail Shareholder of the Company on the Record Date whose registered address is in Australia or New Zealand (unless the Company is satisfied that it is permitted to issue Shares to a Retail Shareholder resident in another jurisdiction by the laws of that Shareholder's country of residence, either unconditionally or after compliance with conditions which the Company regards as acceptable and not unduly onerous or impracticable) and is eligible under all applicable securities laws to receive an offer under the Retail Offer.

Eligible Shareholder means a person who is an Eligible Institutional Shareholder or an Eligible Retail Shareholder.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Entitlement Offer means Institutional Offer and the Retail Offer made in this prospectus by issue of seven new Shares for every ten Shares held by those Eligible Shareholders registered at the Record Date at an issue price of \$0.11 per Share to raise up to \$10,224,235 (before costs) (based on the number of Shares on issue as at the date of this Prospectus) For each new share issued there is 1 free unlisted non-tradeable option with an expiry date of 31 December 2023 with an exercise price of \$0.17.

Ineligible Institutional Shareholder means a Shareholder who is an Institutional Investor but is not an Eligible Institutional Shareholder.

Institutional Investor means investors selected by the Company who are investors who fall within the exemptions provided by section 708(8) or (11) of the Corporations Act.

Institutional Offer means the offer of Shares to Eligible Institutional Shareholders under the Entitlement Offer.

Offers means the Institutional Offer and the Retail Offer.

Official Quotation means official quotation on ASX.

Option means the free attaching unlisted non-tradeable option with an expiry date of 31 December 2023 with an exercise price of \$0.17 issued under the Entitlement Offer.

Prospectus means this prospectus dated 30 August 2021.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Retail Offer means the offer of Shares to Eligible Retail Shareholders under the Entitlement Offer.

Retail Shareholder means a Shareholder of the Company on the Record Date who is not an Eligible Institutional Shareholder.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Entitlement Offer (if any).

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 5.9 of this Prospectus.

Shortfall Shares means those Shares issued pursuant to the Shortfall Offer.