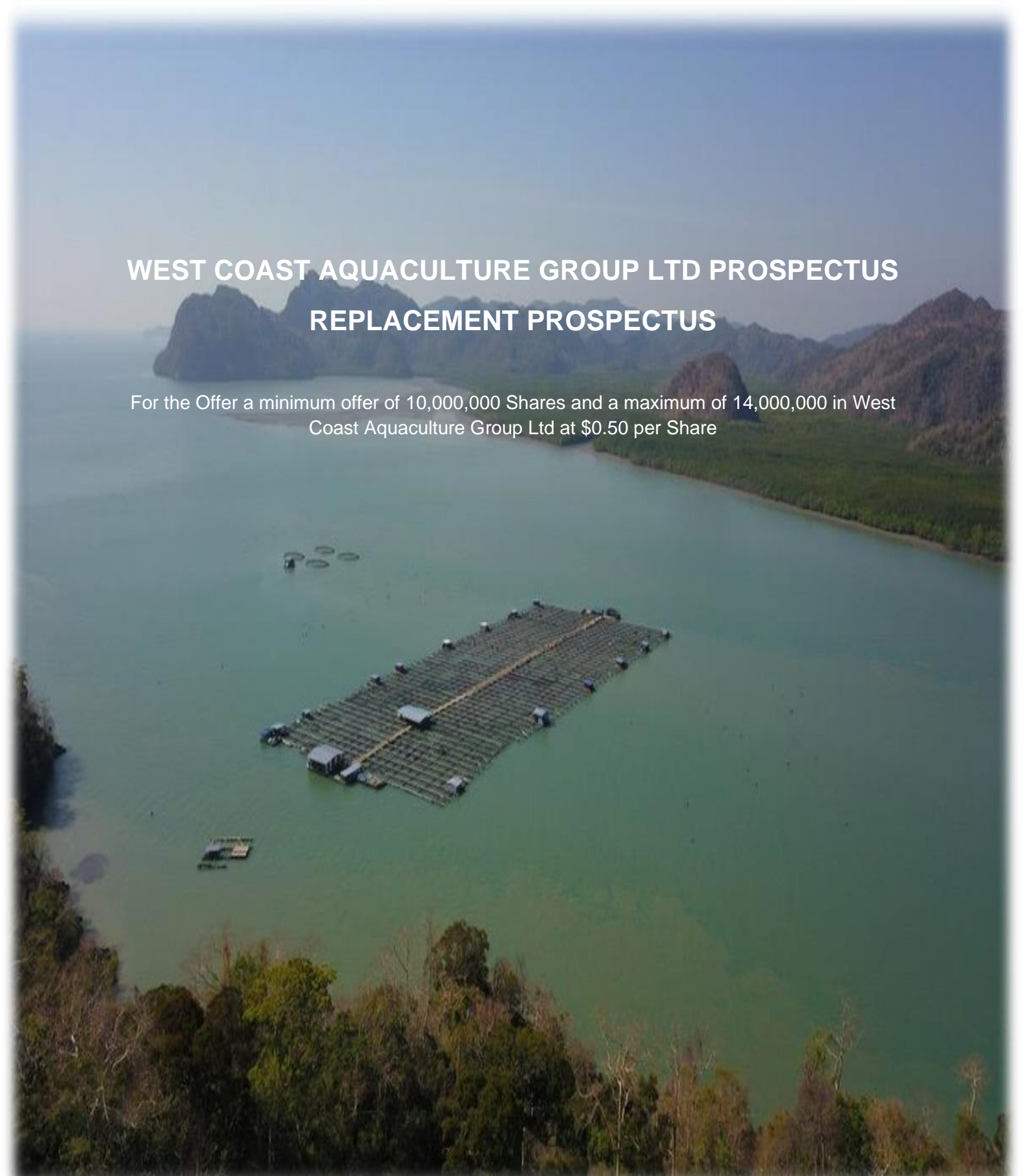




**WEST COAST
AQUACULTURE**

**WEST COAST AQUACULTURE GROUP LTD PROSPECTUS
REPLACEMENT PROSPECTUS**

For the Offer a minimum offer of 10,000,000 Shares and a maximum of 14,000,000 in West Coast Aquaculture Group Ltd at \$0.50 per Share





Initial Public Offering of Fully Paid Ordinary Shares

IMPORTANT NOTICES

Replacement Prospectus

This Replacement Prospectus replaces the original Prospectus dated 29 April 2020 and the Replacement Prospectus dated 30 August 2020. Any reference to the Prospectus in this document refers to this Replacement Prospectus.

Entities or individuals who had subscribed to the offer detailed in the Prospectus dated 30 August 2020 are entitled to a full refund within a period of 30 days post lodgement of this Replacement Prospectus.

Applicants may obtain a refund by requesting a full refund of funds deposited by emailing info@stax.exchange with the following details:

- 1. Applicants Full Name**
- 2. Company Name and ACN (if applicable)**
- 3. Amount of Funds subscribed for; and**
- 4. Reference Number (if Applicable).**

Refund's will generally be processed withing 5 – 7 Working days.

This replacement Prospectus has been issued to provide additional disclosure relating to:

- a. Other jurisdictional operational plans;
- b. Minimisation of the Group's operational expenses;
- c. How the Group will be increasing production and quality of fish;
- d. The Group's operational location;
- e. Digital Currency and USDT;
- f. Loan Agreement between Key Shareholders and the Group;
- g. Repayment of NIFN and TIFF loans;
- h. Related Party Transactions;
- i. Foreign work recruitment agency contract; and
- j. Referencing of the Industry overview;
- k. Update of the financial information.

Offer

The Offer contained in this Replacement Prospectus is an invitation for you to apply for fully paid ordinary shares ("**Shares**") in West Coast Aquaculture Group Limited ("**West Coast**" or "**Company**") and its controlled entity ("**the Group**"). This Prospectus is issued by West Coast for the purposes of Chapter 6D of the *Corporations Act 2001 (Cth)* ("**Corporations Act**").

Lodgement and Listing

This Replacement Prospectus is dated 15 October 2020 and was lodged with Australian Securities and Investments Commission ("**ASIC**") on that date. Neither ASIC nor Sydney Stock Exchange Limited ("**SSX**") or their respective officers take any responsibility for the contents of this Prospectus, or the merits of the investment to which this Prospectus relates. The Company has been admitted to the SSX's Official list as of 2 September 2020 ("**Admission**").

Expiry Date

This Prospectus expires on the date 13 months after the Prospectus Date ("**Expiry Date**") and no Shares will be issued or transferred on the basis of this Prospectus after the Expiry Date.

Electronic Prospectus

You may download a copy of this Prospectus at www.wcoastfish.com which will be redirected to <https://projects.stax.exchange/site/project/westcoast>. You may only access the electronic version of this Prospectus if the document is accessed within Australia.

The offer of these shares is directly made to persons who reside in Australia. Distribution of this Prospectus outside of Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions.

Due Diligence

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor.

Prior to investing in this offer, it is encouraged that you seek professional advice from relevant professionals, including your accountant, financial advisor, stockbroker, lawyer and such like before deciding whether to invest in the Company.

Risk

You must read the entire Prospectus before investing in this offer. By subscribing to this offer you agree to have read this Prospectus in its entirety. You should consider the inherent risks described in Section 5 prior to participating in this offer. Please refer to Section 5 for further information regarding risk of the Group.

Performance

No person is authorised to make representations concerning the performance or future performance of the business other than what is contained in this Prospectus. Any information that is not contained in this Prospectus may not be relied upon as a representation made by the Company, its representatives, agents, or affiliated parties.

Except as required by law and only to the extent required, no person named in this Prospectus nor any other person, guarantees the performance of West Coast.

Overseas Individuals

Distribution of this Prospectus outside of Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions.

This Prospectus does not constitute an offer in any jurisdiction, or to any persons, whom it would be unlawful to do so.

Photographs and Diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration purposes only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by West Coast. Diagrams and maps used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables are based on the information available at the Prospectus Date.

Disclaimer



This Prospectus contains information relating to the past performance of the Group. Past performance is not indicative of future performance.

This Prospectus contains forward-looking statements, which can be identified by the use of forward-looking terminology, including, without limitation, the terms “will”, “may”, “believes”, “indicates”, “seeks”, “estimates”, “anticipates”, “expects”, “predicts”, “intends”, “plans”, “goals”, “targets”, “aims”, “outlook”, “guidance”, “forecasts”, “probability”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. Investors should note that these statements may be affected by varying factors which could cause actual results to deviate from anticipated results.

This Prospectus uses market data and third-party estimates and projections. There is no guarantee that any of the third-party estimates or projections contained in this Prospectus will be achieved. The Company has not independently verified this information.

The 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. The Company has no intention of updating or revising forward-looking statements, or publishing 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.

This Prospectus, including the industry overview in Section 2, uses market data and third-party forecasts and projections. West Coast has obtained significant portions of this information from market research prepared by third parties. There is no assurance that any of the forecasts contained in the reports, surveys and research of such third parties that are referred to in this Prospectus will be achieved. West Coast has not independently verified this information. Estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risk factors set out in Section 4.

West Coast Aquaculture Group Ltd has been admitted to the SSX on 2 September 2020. West Coast will be listed on the SSX conditional upon settlement of the offer. Listing of the securities on the Sydney Stock Exchange is in no way an indication of the merits of the Group or the securities. Sydney Stock Exchange takes no responsibility for the contents of this document and makes no representations as to its accuracy or completeness and expressly disclaims any liability for any loss however arising from or in reliance upon any part of the contents of this document.

Statements of Past Performance

This Prospectus includes information regarding the past performance of the Group. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Obtaining a Copy of this Prospectus

Investors may obtain a copy of this Prospectus in electronic form at www.wcoastfish.com which will redirect to <https://projects.stax.exchange/site/project/westcoast>. This Prospectus is not available to persons in any other jurisdictions to whom it may be unlawful to disseminate to. Application for Shares may only be made during the Offer Period on the Application Form attached to or accompanied by this



Prospectus, or via the Stax Platform website (<https://projects.stax.exchange/site/project/westcoast>)
Persons who access this Prospectus must ensure that they download and read the entire Prospectus.

Financial Year Periods

All references to FYE2018, FYE2019 and FYE2020 appearing in this Prospectus are to be the financial years ended or ending 30 April 2018, 30 April 2019 and 30 April 2020.

All financial amounts contained in this Prospectus are expressed in Australian currency, unless otherwise stated. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

Currency

Unless otherwise noted in this Prospectus, all references to "\$", "\$AUD, or dollars are to Australian Dollars.

Exchange Rate

Unless otherwise stated, the exchange rate was used in the relevant periods:

AUD 1.00 = MYR X.XXXX	Year Ended	Year Ended	Year Ended
	30 April 2020	30 April 2019	30 April 2018
Average rate for the period (used for conversion of the statement of profit or loss and other comprehensive income and statement of cash flows)	2.8246	2.9681	3.2014
Spot rate at period end (used for conversion of the statement of financial position)	2.8352	2.9106	2.9671

Timetable

Notwithstanding any provisions of this Prospectus, the Company may, from time to time and without giving any notice, abridge, or further abridge, extend or further extend any period or vary or further vary any date referred to in this Prospectus for such a period to be extended unless the date has expired or the date to be varied has passed.

No Offering where Offering would be Illegal

This Prospectus does not constitute an offer or invitation to apply for Shares in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of Shares, in any jurisdiction outside Australia. The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law, and persons who come into possession of this Prospectus outside Australia should seek advice on, and observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus may not be distributed to or relied upon by any persons in the United States of America unless accompanied by the Institutional Offering Memorandum as part of the Institutional Offer.

Securities that are Able to be Traded on a Financial Market

If the Shares are able to be traded on a securities market and you wish to trade the Shares through that market, you will have to make arrangements for a participant in that market to sell the Shares on your behalf.

Privacy

By completing and submitting the Application Form to apply for Shares, you are providing personal information to the Company's service provider, Automic Group ("**Share Registry**"), which has been contracted by the Company to manage Applications. The Company and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

Once you have become a Shareholder, the Corporations Act requires information about you (including your name, address and details of the Shares you hold) to be included in the Company's Shareholder register. This information must continue to be included in the Company's Shareholder register even if you cease to be a Shareholder.

If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process or accept your Application.

Your personal information may be disclosed to the Company's members, agents and service providers. Some members, agents and service providers of the Company may be located outside Australia, and as a result your personal information may be disclosed overseas.

The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- The Share Registry for an ongoing administration of the Shareholder register;
- Legal and accounting firms, auditors, contractors, consultants and other advisors for the purpose of administering and advising on the Offer and for associated actions.

You may request access to your personal information held by or on behalf of the Company.

If you have any concerns or queries about the way your personal information is managed by the Company, please contact the Company by email to info@wcoastfish.com or info@stax.exchange.

No Cooling-Off Rights

Cooling-off rights do not apply to an investment in Shares issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Questions

If you have any questions about how to apply for Shares, please call your broker or STAX at info@stax.exchange. For any other questions about the Offer, please contact the ir@wcoastfish.com.



TABLE OF CONTENTS

IMPORTANT NOTICES	3
TABLE OF CONTENTS	9
IMPORTANT DATES	12
KEY OFFER STATISTICS.....	13
FINANCIAL INFORMATION SUMMARY	13
Corporate Directory	14
Chairman’s Letter	15
1. Investment Overview	16
2. Industry Overview	25
2.1 Global Market Overview.....	25
2.2 Malaysia Market Overview	26
2.3 Aquaculture of Grouper.....	28
2.4 Global Grouper Market Demand.....	30
3. Company Overview	33
3.1 Overview	33
3.2 History of West Coast Aquaculture	34
3.3 Business Model	34
3.4 Objectives.....	34
3.5 Products	35
3.6 Operations.....	39
3.7 Pricing	43
3.8 Customers	43
3.9 Supply Chain Overview.....	43
3.10 Expansion Plan	46
3.11 Achievements.....	51
4. Financial Information	52
4.1 Introduction.....	52
4.2 Financial information	52
4.3 Basis of preparation of the Historical and Pro forma Historical Financial Information.....	53
4.4 General factors affecting the operating results of the Group	53
4.5 Reviewed Consolidated Historical Financial Information – the Group.....	53
4.6 Historical Financial Information – the Component	57
4.7 Pro forma historical financial information	62
4.8 Summary of Significant Accounting Policies.....	67

5. Risks	73
6. Key People, Interests and Benefits	79
6.1 Board of Directors	79
6.2 Key Shareholders.....	82
6.3 Interests and Benefits	82
6.4 Interests of Key Shareholders.....	84
6.5 Corporate governance	85
7. Details of the Offer	99
7.1 Description of the Offer	99
7.2 Public Offer.....	99
7.3 Purpose of the Offer	99
7.4 Sources and Uses of Funds.....	99
7.5 Shareholding Structure	102
7.6 Control Implications of the Offer.....	103
7.7 Terms of the Offer	103
7.8 Escrow Arrangements.....	106
7.9 Free Float	107
7.10 Application Consideration to be Held in Trust.....	107
7.11 Taxation.....	107
7.12 SSX listing, registers and holding statements, deferred settlement trading	108
8. Investigating Accountant’s Report	109
9. Additional Information	114
9.1 Company Tax Status.....	114
9.2 Material Contracts	114
9.4 Ranking of Shares.....	117
9.5 Voting Rights	117
9.6 Dividend Rights	117
9.7 Variation of Rights	117
9.8 Shareholder Liability.....	117
9.9 Transfer of Shares	118
9.10 Meetings and Notice	118
9.11 Listing Rules.....	118
9.12 Continuous Disclosure	118
9.13 Consent.....	118
9.14 Expenses of the Offer	119
9.15 Taxation Considerations	119



9.16	Dividends on a Share.....	119
9.17	Effects of Ownership.....	119
9.18	Governing Law.....	119
10.	Glossary.....	121
	Offer Application Form.....	126
	Instructions for the Completion of the Application Form.....	128

IMPORTANT DATES

Replacement Prospectus Date	15 October 2020
Retail Offer opens	15 October 2020
Retail Offer closes and Applications due by 11.59 pm	17 November 2020
Expected commencement of trading on the SSX (on a conditional and deferred settlement basis)	19 November 2020
Expected dispatch of shareholder holding statements	19 November 2020
Shares expected to commence trading on a normal settlement basis	20 November 2020

Note:

The above dates are indicative only. All times are references to AEST, except where stated otherwise. The Company reserves the right to vary the dates and times of the Offer, which includes closing the Offer early, extending the closing of the Offer, or accepting late Applications, either generally or in particular cases, without notifying any recipients of this Prospectus or any Applicants. Investors are encouraged to submit their Applications as soon as possible after the Offer opens. See Section 7 for more information.

KEY OFFER STATISTICS

	Minimum Subscription	Maximum Subscription
Shares to be issued under this Offer	10,000,000	14,000,000
Indicative Price Range	\$0.50	\$0.50
Total shares held by existing shareholders	103,950,000	103,950,000
Total number of shares post completion of the Offer	113,950,000	117,950,000
Total number of Shares issued under the Offer as a percentage of total Shares on issue at Completion of the Offer	8.78%	11.87%
Amount to be raised under the Offer	\$5,000,000	\$7,000,000

FINANCIAL INFORMATION SUMMARY

	FYE18	FYE19	FYE20
EBIT	\$1,244,481	\$1,942,559	\$1,195,592
Net Profit Before Tax	\$1,221,113	\$1,894,759	\$1,191,777
Net Profit After Tax	\$1,205,494	\$1,861,944	\$1,157,416

*The above numbers are approximate and are calculated based on the exchange rates listed in the table.

*MYR to AUD exchange rate has been described in the important notices section.

CORPORATE DIRECTORY

Board of Directors			
Name	Designation	Residency	Profession
Ching Hoe Neo	Chief Executive Officer	Malaysian	Business Owner
Teik Hon Chin	Chief Operations Officer	Malaysian	Business Owner
Yaw Foi Chan	Chief Financial Officer	Malaysian	Business Owner
Stuart Laurence Niven	Non-Executive Director	Australian	Lawyer
Lee Ping Chong	Non-Executive Director	Australian	Lawyer

Company Secretary
Elizabeth Bee Hiang Lee 136B/109 George Street Parramatta NSW 2150
Legal Representation (Australia)
Agile Legal Consulting Level 7, 257 Collins Street, Melbourne VIC 3000
Accountants (Australia)
Hammond Consulting greg@hamcon.com.au
Auditor (Australia)
HLB Mann Judd (Vic Partnership) Level 9, 575 Bourke Street, Melbourne VIC 3000
Auditor (Malaysia)
HLB Ler Lum PLT (LLP0021174-LCA & AF 0276) B-7-7, 7th Floor, Megan Avenue II 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur
Registered Office (Australia)
Level 7, 257 Collins Street, Melbourne, VIC 3000
Share Registry
Automic Group Deutsche Bank, Tower Level 5/126 Phillip Street, Sydney NSW 2000

CHAIRMAN'S LETTER

Dear Investors,

On behalf of the Board of Directors, I am pleased to invite you to become a Shareholder of West Coast Aquaculture Australia Group Ltd ("**West Coast**"). The Company is an Australian holdings Company, currently 100% owner of West Coast Aquaculture (M) Sdn Bhd ("**West Coast Aquaculture**"), an aquaculture and fish breeding Company based in Malaysia. The Australian holdings Company was incorporated with the goal of establishing an international presence, particularly supply chain in Australia, Hong Kong and China.

West Coast Aquaculture's marine farming operations are located just off Langgun Island in Langkawi, Malaysia and the Group's operations are focused on fish farming of a variety of species of grouper (i.e. Pearl Grouper, Tiger Grouper, Beauty Grouper, Giant Grouper, Green Grouper), Red Snapper and Barramundi.

Since the West Coast Aquaculture's inception in 2011, it has grown under the guidance of founder Teik Hon Chin, who has conducted extensive research on marine farming of grouper in Langkawi, Malaysia, attributing to the improved productivity and quality of the fish farmed.

A key strength of West Coast's business model is that its marine fish cages are located in the waters of Langkawi, which is located near the equator attributing to constant water temperatures that allow for the breeding of West Coast fish species all year-round.

This is the beginning of an exciting chapter in West Coast's growth story with the business undergoing a significant change in terms of scale and quality of operations. The Offer seeks to raise approximately \$5 to \$7 million before costs and the proceeds raised in connection with the Offer will be used to fund a number of key growth projects West Coast is undertaking to materially expand production and improve farming efficiency, including:

- Purchase of broodstock to improve quality, allowing for the internal production of fish eggs;
- Purchase of nursery/hatchery facilities to allow further control of the supply chain; and
- Expansion and improvement of the marine farms, which include commissioning and installing HDPE cages to farm Grouper.

West Coast is subject to a range of risks which include biological risks inherent in aquaculture businesses and the risk of a reduction in demand and falling in prices. Please read Section 4 of this Prospectus for a more detailed discussion of the risk factors associated with an investment in West Coast.

This Prospectus contains detailed information on West Coast, and I encourage you to read it carefully and in its entirety before making your investment decision.

With your support as shareholders, we believe that West Coast will achieve greater success in the near future, and I invite you to consider favourably in this opportunity to participate in West Coast's expansion journey.

I look forward to welcoming you as a Shareholder of West Coast Aquaculture Group Ltd.

Yours sincerely,

Ching Hoe Neo
Chairman

1. INVESTMENT OVERVIEW

Subject	Details	Further Information
1.1 General		
What is West Coast?	<ul style="list-style-type: none"> West Coast Aquaculture (M) Sdn Bhd was established in 2011. It is an aquaculture and marine fish breeding Company and since its inception, has grown into one of the largest marine farming operations in Langkawi, Malaysia. In December 2019, West Coast Aquaculture Group Ltd acquired full ownership of West Coast Aquaculture (M) Sdn Bhd (945573-V) with the intention to establish supply chains in Hong Kong, China and Australia. 	Section(s) 3.1
Where does West Coast operate?	<ul style="list-style-type: none"> West Coast's marine farming operations are conducted by the Malaysian subsidiary, West Coast Aquaculture (M) Sdn Bhd and the marine farms are located just off Langgun Island in Langkawi, Malaysia which provides for an ideal fish farming environment. West Coast's primary products are live and fresh Grouper species, which is sold to wholesale and retail customers. The Company's products are currently distributed throughout Malaysia and exported to Hong Kong and Singapore. West Coast is planning to establish further supply chains in Hong Kong and new supply chains within Australia and China. West Coast's Head Office is based in Melbourne, Victoria. 	Section(s) 3.6, 3.5
1.2 Key Information		
What does West Coast do?	<ul style="list-style-type: none"> West Coast's operations consist of farming of a variety of fish species including Grouper, Red Snapper and Barramundi in wooden cages. West Coast's primary product is Grouper, which is sold fresh or live to retail and wholesale clients. 	Section(s) 3.6, 3.5, 4.6a
How does West Coast generate its revenue?	<ul style="list-style-type: none"> West Coast Aquaculture (M) Sdn Bhd generated MYR 13,976,831 in revenue in FYE2020. Revenue is generated from the sale of live and fresh fish to customers in Malaysia, Hong Kong and Singapore. 	Section(s) 3.5, 3.6, 4.6a
What are West Coast's significant costs?	<ul style="list-style-type: none"> West Coast's key expenses include: <ul style="list-style-type: none"> Labour – Labour is an expense that relates to the maintenance of West Coast's marine farming operations. Labour expenses include wages and salaries, benefits and housing for workers on the marine farm. Feed – Feed is a key expense to West Coast's business model as a marine farm. West Coast exercises a multi 	Section(s) 3.6, 3.7

sourcing strategy.

- Fingerlings/Juvenile Fish – Fingerlings and juvenile fish is one of West Coast’s significant expenses. The Company purchases fingerlings and juvenile fish from hatcheries /nurseries in the area.

<p>What is West Coast’s Expansion Plan?</p>	<ul style="list-style-type: none"> ● West Coast’s expansion plan centres around delivery of higher production volumes while increasing fish quality and improving efficiencies to drive higher margins. ● Expansion and higher levels of efficiency are essential elements to West Coast’s vision and the Company is undertaking an expansion plan, which is guided by the following principles: <ul style="list-style-type: none"> ○ Increasing production to meet growing customer demands; ○ Increasing efficiency of farming practices; ○ Accuracy and transparency for our shareholders; and ○ Producing high quality fish. ● West Coast intends to increase its production capacity and harvest volume over the next several years, and its initiatives to improve efficiencies are driven by the goal of delivering higher margins and lowering costs. ● Currently, West Coast focuses only on fish ‘grow up’ and it is looking to expand its business activities to include broodstock management, artificial spawning, egg management and fish fry production. ● West Coast will expand their operations by acquiring broodstock and a hatchery/nursery as well as installing and commissioning up to 28 units of High Density Polyethylene (HDPE) floating circle cages for expansion, with the intention to increase production and sales. ● The newly installed floating cages will allow the Company to increase production of Grouper. 	<p>Section(s) 3.10</p>
<p>How does West Coast make key decisions?</p>	<ul style="list-style-type: none"> ● West Coast’s key decisions are made by the Company’s Board of Directors under the advice and consideration of the West Coast Aquaculture (M) Sdn Bhd’s senior management. ● All key decisions will follow the corporate governance procedures and policies set out by the company. 	<p>Section(s) 6.1</p>
<p>What sectors does West Coast operate in?</p>	<ul style="list-style-type: none"> ● West Coast focuses on the farming and sale of Grouper species (etc. Pearl Grouper, Tiger Grouper, Beauty Grouper, Giant Grouper, Green Grouper), Red Snapper and Barramundi to retail and wholesale customers throughout Malaysia, Singapore, and Hong Kong. ● West Coast intends to expand its distribution channels into Australia and China. 	<p>Section(s) 3.6</p>

1.3 Key Strengths

Government Tax Incentive	<ul style="list-style-type: none"> West Coast Aquaculture (M) Sdn Bhd (“WCA”) has been granted a tax incentive under Section 127 of the Income Tax Act, 1967 Malaysia for exemption of tax on statutory income from fish rearing activities for a period of ten (10) years commencing February 2013. 	Section(s) 4
Focus on consistent high-quality products	<ul style="list-style-type: none"> West Coast places the welfare of fish at the centre of operations and ensures the fish are exposed to minimal stress and are well nourished, in an environment which is clean and healthy. West Coast ensures that the fishes grow quickly and are of the highest quality and exhibit excellent characteristics in terms of taste and texture. 	Section(s) 3.5
Highly Skilled Operations Team	<ul style="list-style-type: none"> West Coast has established a highly skilled operations team with over 20 years of combined experience in the Aquaculture industry. 	Section(s) 6.1
Minimal Labour Costs	<ul style="list-style-type: none"> Due to a surplus of foreign labour, many foreign workers were employed by West Coast as they are readily available with a starting wage of RM1,200 per month (approximately \$400 AUD). 	Section(s) 3.6
Strategic Location	<ul style="list-style-type: none"> West Coast’s current marine farming operations are located just off Langgun Island in Langkawi, Malaysia. Malaysia is located near the equator and thus the water temperature in Langkawi is often more consistent than other marine farming operations around the world, which allows for year-round aquaculture operations. The Straits is the world’s second busiest commercial shipping route, with an average of 200 ships passing through daily. The Company’s marine farm is located at the Straits of Malacca – a strategic location where Live Fish Transport Vessels (LFTVs) are able to travel from Asia to collect the fishes from the Company’s fish farm. 	Section(s) 3.6
Grouper Demand	<ul style="list-style-type: none"> Please refer to Section 2.4 	Section(s) 2.4
Established supply channels into domestic and international markets	<ul style="list-style-type: none"> West Coast has a well-established presence in the domestic and international markets. West Coast has increased its presence in the wholesale market over the last several years and continues to selectively seek profitable opportunities in this channel. The Company maintains consistent positioning as a quality producer of fish species. 	Section(s) 3.8
Operating in an attractive industry	<ul style="list-style-type: none"> West Coast operates in an industry that is experiencing strong domestic and international demand. The Ministry of Agriculture and Agro-Based Industry Malaysia is providing incentives for entities to operate 	Section(s) 2.1, 2.2, 2.4

aquaculture businesses within Malaysia.

1.4 Key Risks		
Infrastructure Risks	<ul style="list-style-type: none"> West Coast does not own the waters in which they conduct their aquaculture operations. The waters where the marine cages are located and where the Company conduct their aquaculture operations is licensed to West Coast by the Kedah State Government Fishery Department (Jabatan Perikanan Negeri Kedah) for a period of 1 year subject to yearly renewal. 	Section(s) 5.1
Lack of ongoing and long-term contracts	<ul style="list-style-type: none"> West Coast does not have ongoing contractual relations with their customers. This could adversely impact West Coast's financial performance. 	Section(s) 5.3
Reduction in Demand	<ul style="list-style-type: none"> Economic conditions may adversely impact consumer demand for Grouper, in which the Company mainly produces, opting for cheaper alternatives of fish. Consumers dietary preferences may change resulting in decreased consumer demand of West Coast fish species which may reduce the price West Coast is able to sell their inventory for. 	Section(s) 5.4
Disease	<ul style="list-style-type: none"> Velvet Disease Velvet disease is caused by the parasite Amyloodinium attaching to fish. Amyloodinium is a species of dinoflagellate parasites. Amyloodinium may be transmitted through direct contact with dinospores. Wildlife in the area and other fish with the disease are common transmission causes. Monogenea Monogenea are a group of flatworm like parasites that infect the skin and gills of fish. Monogenea can cause swelling of the fish gills, respiratory problems and the loss of scales disallowing the sale of the fish until fully treated and potentially permanently reducing the quality of the fish. 	Section(s) 5.5
Environmental conditions	<ul style="list-style-type: none"> Natural events such as floods may disrupt West Coast's operations and increase fish mortality rates decreasing sellable inventory. Langkawi occasionally experiences high levels of air pollution which may adversely affect labour output and West Coast's operations. 	Section(s) 5.6
Supply prices	<ul style="list-style-type: none"> Feed is vital to West Coat's operations and makes up a significant portion of operational expenses. Increases in the prices of feed may adversely affect West Coast's financial performance. Fish fry and fingerlings are vital to West Coast's operations. Price increases of fish fry and fingerlings may adversely affect the financial performance of West Coast. 	Section(s) 5.7

Fuel and energy prices	<ul style="list-style-type: none"> Fuel is a material operating expense for West Coast and there is a risk that if there is significant increase to fuel or energy prices, such increases may adversely affect West Coast's operating costs. 	Section(s) 5.7
Food safety and sanitation	<ul style="list-style-type: none"> West Coast is exposed to the risk of product contamination and product recalls. There is a risk of a serious food poisoning incident as a result of an operational lapse in food safety, sanitation procedures or malicious tampering. 	Section(s) 5.9
Brand and Reputation	<ul style="list-style-type: none"> There is a risk that an incident outside of West Coast's control could occur, such as a widespread loss of consumer confidence in Malaysian farming operations, or a serious food and safety incident relating to the species of fish West Coast has in inventory. Consequences of such an incident may adversely impact West Coast revenue and lasting brand image. 	Section(s) 5.10
Lowered barrier to entry	<ul style="list-style-type: none"> The Ministry of Agriculture and Agro-Based Industry Malaysia has provided tax incentives to enter into the industry reducing the barrier to entry. An increase in competitors may adversely affect West Coast's domestic revenue stream. 	Section(s) 5.15
Key Personnel	<ul style="list-style-type: none"> West Coast's success can be wholly contributed to its key personnel, particularly the operations team led by Teik Hon Chin. Loss of key personnel, sustained underperformance by key personnel or an inability to recruit or retain suitable new personnel may adversely affect West Coast's future operating and financial performance. 	Section(s) 5.16
Digital Currency (USDT)	<ul style="list-style-type: none"> West Coast will be required to liquidate the Digital currency received from this offer into Australian Dollars. Liquidation of USDT to AUD may take between 3 to 56 days weeks post completion of this offer. There is a risk the subscribers of the offer may send USDT to the incorrect wallet address. USDT is susceptible to theft if proper precautions are not adhered to such as safe wallet management practices. Neither the Company nor Trustee has insurance for the USDT held on trust pursuant to this Offer. 	Section(s) 5.1

1.5 Key Financial Information of WCA

	Year Ended	Year Ended	Year Ended	Section(s)
	30 April 2020	30 April 2019	30 April 2018	
Revenue	13,976,831 MYR	15,320,873 MYR	5,242,853 MYR	4

Assets	22,403,896 MYR	18,546,063 MYR	13,699,155 MYR
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Liabilities	17,265,802 MYR	10,177,206 MYR	7,856,710 MYR
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1.6 Key People

Directors	<ul style="list-style-type: none"> Ching Hoe Neo Teik Hon Chin Yaw Foi Chan Stuart Lawrence Niven Lee Ping Chong 	Section(s) 6.1
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Key Shareholders

Name	Shares
Ching Hoe Neo	15,000,000
Teik Hon Chin	10,000,000
Joe Yee Neo	20,000,000
Chin Dee Khor	15,000,000
Chin Koon Chia	40,000,000

Section(s)
6.2

1.7 The Offer

Who are the issuers of the Prospectus?	<ul style="list-style-type: none"> West Coast Aquaculture Group Limited (ACN 637 883 848), a Company incorporated in Victoria, Australia. 	Section(s) 7.1, 7.7
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What is the Offer?	<ul style="list-style-type: none"> The Offer is an initial public offering of a minimum of 10,000,000 and a maximum of 14,000,000 Shares in the Company. 	Section(s) 7.1
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Why is the Offer being conducted?	<ul style="list-style-type: none"> The purpose of the Offer is to: <ul style="list-style-type: none"> Purchase hatchery/nursery facilities (to allow the Company to have more control over the production process); Provide working capital to facilitate the Company's expansion plan; Purchase and Install up-to 28 units of HDPE floating circular cages to expand its operations and increase its 	Section(s) 7.3
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	production; and	
	<ul style="list-style-type: none"> ○ Pay expenses associated to this Offer. 	
Will the Shares be listed?	<ul style="list-style-type: none"> • West Coast has been admitted to the SSX's official list on 2 September 2020 and quotation of Shares on the SSX (which is expected to be under the code 833 within seven (7) days of the date of this Prospectus). • Listing on the SSX is conditional on the settlement of the Offer. 	Section(s) 7.12, 7.7
Is the offer underwritten?	<ul style="list-style-type: none"> • The Offer is not being underwritten. 	Section(s) 7.7
Is there any fees or stamp duty payable by the Applicants?	<ul style="list-style-type: none"> • No Brokerage, commission or duty is payable by Applicants on the acquisition of shares under the Offer. 	Section(s) 7.7
What are the tax implications of investing in the Shares?	<ul style="list-style-type: none"> • The tax consequences of any investment in the Shares will depend upon investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to invest. 	Section(s) 7.11
How can I apply?	<ul style="list-style-type: none"> • You may apply for Shares by completing a valid Application Form attached to or accompanying this Prospectus. • To the extent permitted by law, an Application by an Applicant is irrevocable. 	Section(s) 7.7
What Currency is accepted?	<ul style="list-style-type: none"> • \$AUD • USDT 	Section(s) 7.7
At what rate will Digital currency be accepted?	<ul style="list-style-type: none"> • USDT will be accepted at a 1 USDT to 1.30 AUD ratio. • Example - if an applicant deposits 5000 USDT they will receive \$6500 AUD worth of shares equivalent to 13,000 shares. 	Section(s) 7.7
When can I sell my Shares on the SSX?	<ul style="list-style-type: none"> • It is expected that trading of Shares on the SSX will commence on or about 19 November 2020. • It is expected that dispatch of holding statements will occur on or about 19 November 2020 and that Shares will commence trading on SSX on a normal settlement basis on 20 November 2020. • It is the responsibility of each Applicant to confirm their holding before trading. Applicants who sell shares before they receive an initial holding statement do so at their own risk. 	Section(s) 7.12, 7.7
Does West Coast currently have any debt facilities?	<ul style="list-style-type: none"> • The Group or WCA (the Borrower) has entered into a loan agreement with Agro Bank (the Lender) for a loan of RM8,500,000 with a balance of RM6,644,845 to be repaid. • The Company (the Borrower) has entered into a loan agreement with RHB Islamic Bank Bhd (the Lender) for a 	Section(s) 9.2, 9.2a, 9.2c, 9.2d, 9.2e, 9.2e, 9.2b

	<p>loan of RM1,950,000 with a balance of RM1,872,271 to be repaid.</p> <ul style="list-style-type: none"> • The Company (the Borrower) has entered into a loan agreement with the Key Shareholders (the Lender) of the Company for a loan of RM 5,880,000. • The Company (the Lender) has entered into a loan agreement with North Island Fish Nursery (“NIFN”) (the Borrower). The Company has provided a loan of RM4,616,116. • The Company (the Lender) has entered into a loan agreement with Tropika Island Fish Farm (“TIFF”) (the borrower). The Company has provided TIFF a loan of RM195,289. • Chia Chin Koon, Ching Hoe Neo and Joe Yee Neo had loaned WCA a sum of RM1,986,083.90, and RM3,079,989 and RM1,332,129 respectively on a no interest basis. The loans were to be repaid no later than 30 December 2019. These loans have been full repaid and settled. 	
Are there arrangements with brokers?	<ul style="list-style-type: none"> • No 	Section(s) 7.7
How much is each share?	<ul style="list-style-type: none"> • \$0.50 	Section(s) 7.1
What is the minimum investment?	<ul style="list-style-type: none"> • \$2,000 AUD (1539 USDT) 	Section(s) 7.2
What is the minimum subscription?	<ul style="list-style-type: none"> • 4,000 shares 	Section(s) 7.2
Will the Shares be Quoted?	<ul style="list-style-type: none"> • West Coast has been admitted to the SSX on 2 September 2020 under the code 833. • It is anticipated that quotation will initially be on a conditional and deferred settlement basis. • Quotation of shares on the SSX is conditional on the settlement of the Offer. 	Section(s) 7.12, 7.7
Will any shares be subject to escrow?	<ul style="list-style-type: none"> • Yes. • 70,000,000 shares will be held in escrow for a period of twenty-four (24) months from time of listing on the SSX. • 1,185,000 shares will be held in escrow for a period of twelve (12) months from time of listing on the SSX. 	Section(s) 7.8



What will the Company's free float be at the time of listing?

- Maximum Subscription: 46,765,000.
- Minimum Subscription: 42,765,000.

Section(s)
7.9

Can the Offer be withdrawn?

- West Coast reserves the right not to proceed with the Offer at any time before the issue of Shares to successful Applicants.
- If the Offer does not proceed, Application monies will be refunded in full and as early as possible.
- No interest will be paid on any Application monies refunded as a result of the withdrawal of the Offer.

Section(s)
7.7

Where can I find out more information about this Prospectus or the Offer?

- Call the West Coast Offer Information Line on 1300 888 988 from Australia or +613 9005 8181 if calling outside of Australia. The information line will be open between 9:30 am until 5:00 pm (Melbourne time) Monday to Friday.
- If you are unclear in relation to any matter or are uncertain as to whether West Coast is a suitable investment for you, you should seek professional guidance from your accountant, financial advisor, stockbroker, lawyer or other professional advisor before deciding whether to invest.

Section(s)
7.7

2. INDUSTRY OVERVIEW

2.1 Global Market Overview

Global Fish Industry

The demand of fish globally is estimated to increase in line with the growth of world population, income, and standard of living. The increase in demand is also due to greater awareness that fish is a good source of protein.

The importance of aquaculture grows each year because of increased demand for seafood, overall population growth and diminishing natural seafood supplies. Today, more than 3 billion people rely on fish as a source of protein.¹ In addition, total employment in fishing and aquaculture activities has correspondingly increased over the past few decades.² Based on the most recent reported statistics available, 59.6 million people around the world find a source of income and livelihood by engaging themselves in the primary sector of capture fisheries and aquaculture.³ Aquaculture industry certainly represents a significant opportunity to provide security for fisher and fish farmer's income, as well as provision of global food and nutrition security.

Since the mid-1980s, international trade in fishery products has increased substantially.⁴ According to Food and Agriculture Organisation of the United Nations ("FAO"), fish is one of the highly traded aquaculture commodities with nearly 40% of fish production traded around the world.⁵

The fishery net exports of developing countries in particular, have shown a general upward trend, whereby the exports value has increased from USD 18 million in 1997 to USD 25 billion in 2008 and USD 41 billion in 2017.⁶ The figures of which were remarkably well above the agricultural exports including rice, coffee and tea.⁷

Recent studies carried out by the Department of Economic and Social Affairs of the United Nations Secretariat indicated that by the year of 2030, the global population is projected to grow to around 8.5 billion and 9.7 billion in 2050.⁸ In considering that aquaculture is seen as one of the most important food supply sectors worldwide, substantially more fish would be required to sustain the demand from the expanding population.⁹

Furthermore, Asian countries as the major and growing market for fish, in particularly eastern and south-eastern Asia — is projected to account for 89 percent of global fish production by 2030.¹⁰ Undoubtedly, these regions would be increasing their investments in aquaculture to help meet growing demands, which in turn boosts intra-regional trade, both for high commercial value and low commercial value of fishery products. That said, many coastal fish stocks will need to be rehabilitated urgently through effective fisheries management schemes with special attention to substantial monitoring of or even reduction in fishing efforts. In order to satisfy this increasing demand, aquaculture may provide better opportunities for augmenting regional fish production.

¹ 'Fishery and Aquaculture Statistics 2017' [2019] *Food and Agriculture Organisation of the United Nations Yearbook*.

² Food and Agriculture Organisation of the United Nations ("FAO"), *The State of World Fisheries and Aquaculture 2018 – Meeting the sustainable development goals* (2018) *State of the World*.

³ Ibid.

⁴ Ibid.

⁵ 'Fishery and Aquaculture Statistics 2017', above n 1.

⁶ Ibid.

⁷ Ibid.

⁸ *World Population Aspects 2019: Highlights*, UN DESA, UN Doc ST/ESA/SER.A/423 (2019).

⁹ Rodrigo Roubach, 'World Aquaculture – The Next 20 Years' (2018) 59 *FAO Aquaculture Newsletter*.

¹⁰ FAO, above n 2.

Aquaculture in the World

Aquaculture's contribution to the world's food basket is essential as global demand for fish grows. Today, fish provides over 3 billion people with most of their daily animal protein.¹¹ According to FAO, total fishery production that was used for direct human consumption exceeded 153 million tonnes, amounted to 89% of the fishery production in overall.¹² Fish provides micronutrients that are essential to cognitive and physical development, especially in children, and are an important part of a healthy diet. In some of the most resource-poor countries, fish is the primary source of nutrition, creating growing demand for this staple.

The average annual global fish consumption rates have risen from 20.2 kilograms (kg) per capita in 2015 to 20.5kg per capita in 2017, and are predicted to increase further with upward trends in wealth and urbanization at an average percentage rate of 1.5 each year.¹³ Despite stable growth in the aquaculture industry over the years, global aquaculture production must be increased in order to fill the gap between supply and rapidly expanding fish demand from the growing global population. To put in simply, world fisheries production must over double the current tonnes level by increasing to 109 million tonnes by 2030 and 140 million metric tons by 2050 to meet the global projected demand for fish.¹⁴

Aquaculture's contribution to the human food basket is essential, as the world's fish stocks have long since peaked. In 2015 alone, 59.9 percent of marine fish stocks were classified as maximally sustainably fished stocks and 33.1 percent as overfished.¹⁵ According to FAO, farmed harvests in the aquaculture sector have risen by 3.9 percent in 2018 alone.¹⁶ Today, nearly half of all fish for consumption comes from aquaculture, it would not be a surprising fact that the aquaculture is seen as one of the rapidly growing industry in light of its apparent steady growth over the past decades.

2.2 Malaysia Market Overview

Fish Industry in Malaysia

The fishery sector has for decades been playing an important role as a major supplier of animal protein to the Malaysian population.¹⁷ In 2017, total fishery production of the country amounted to 1.7 million tonnes, including close to 1.5 million tonnes from capture and 0.2 million tonnes from aquaculture (excluding seaweeds).¹⁸

Majority of fish from aquaculture are marketed in live form, directly to restaurants, with higher price compared to other markets.¹⁹ With more wealth and understanding of the health benefits of fish, demand for fish is increasing. Per capita consumption of fish is quite elevated at about 59 kilograms in 2016, which is one of the highest in the world.²⁰

¹¹ 'Fishery and Aquaculture Statistics 2017', above n 1.

¹² Ibid.

¹³ FAO, above n 2.

¹⁴ Nesar Ahmed, Shirley Thompson and Marion Glaser, *Global Aquaculture Productivity, Environmental Sustainability, and Climate Change Adaptability* (Environmental Management, 2019); FAO, above n 2; Richard Waite, Malcolm Beveridge, and Randall Brummett et al, *Improving Productivity and Environmental Performance of Aquaculture* (World Resources Institute, 2014).

¹⁵ FAO, above n 2.

¹⁶ FAO, '2019 gives way to a more uncertain outlook for 2020' (2020) *Globefish Highlights*.

¹⁷ FAO, *Fishery and Aquaculture Country Profiles: Malaysia* (FAO Fisheries and Aquaculture Department, 2009).

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

Fishery also plays a significant role with regards to the provision of employment, particularly in the rural areas and the support it provides to the country's economic growth.²¹ In 2004, the contribution of the fishery sector to GDP amounted to 1.73 per cent.²²

The government of Malaysia places high priority on aquaculture as indicated in the National Agrofood Policy 2011-2020.²³ It is the first country which established a Biosecurity Division recognizing aquatic health management, biosecurity, and related issues as a priority theme.²⁴

In 2015, FAO provided assistance to Malaysia to help strengthen the aquaculture biosecurity of the Department of Fisheries under a Technical Cooperation Programme ("TCP").²⁵ A major component of this project was capacity building, covering risk analysis and epidemiology/farm level biosecurity. Necessary knowledge and skills on aquatic biosecurity, especially risk analysis, are required to ensure that sufficient knowledge and skills can be acquired and transferred to relevant stakeholders.²⁶ The activities implemented under this TCP are complementary to FAO's other efforts to establish long-term policy mechanisms so that addressing aquatic animal health issues and biosecurity is dealt with not merely on a piecemeal or ad hoc basis.²⁷

Aquaculture in Malaysia

Malaysia has always been a net importer of fish in terms of volume and an exporter in monetary terms.²⁸ Although Malaysia is a net importer of fish, the self-sufficiency level is always on the high side (over 90 percent).²⁹ The trend of exporting high value fish and shrimp species is likely to continue in the coming years, as production of high-value fish and shrimp species in the aquaculture sector is a major thrust of the National Agriculture Policy.³⁰ The policy is to continue production and export of quality commodity for export earnings and import relatively cheap fishery products to cater for the protein requirement of the general public.³¹

As such, the Malaysian Government has identified aquaculture as a major source for increasing fish production to meet domestic demand and expand export potential.³² In 2017, aquaculture accounted for production of 224,549 tonnes of total fish.³³ Increasing at a rate of roughly 8% per annum, the aquaculture production target under the National Agro-Food Policy was set at 794,000 tonnes by the end of 2020.³⁴ With conventional fishing at almost 1.5 tonnes a year places immense pressure on world stock, the sustainable thing to do is to move away from captured fisheries toward aquaculture, which the state government is encouraging.³⁵

²¹ Ibid.

²² Ibid.

²³ FAO, [Malaysia and FAO: Partnering for sustainable food and nutrition security](#) (FAO, 2015).

²⁴ Ibid.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

²⁸ FAO, above n 17.

²⁹ Ibid.

³⁰ Ibid.

³¹ Ibid.

³² Ivan Kar Mun Chiew, Andrew Michael Salter and Yin Sze Lim, 'The Significance of Major Viral and Bacterial Diseases in Malaysian Aquaculture Industry' (2019) 42(3) *Pertanika Journals* 1023.

³³ FAO, above n 17.

³⁴ Ivan Kar Mun Chiew et al, above n 32.

³⁵ FAO, above n 17.

Malaysian Government Framework

Aquaculture is one of the most important branches in agriculture. The Department of Fisheries Malaysia (“DOF”) has expected that aquaculture industry to generate almost USD 400 million (RM1.39 billion) of income per year.³⁶

In order to further strengthen the aquaculture industry in Malaysia, the Ministry of Agriculture and Agro-based Industry (“MOA”) through DOF has developed Aquaculture Industry Zone (“ZIA”) Programs throughout Malaysia. ZIA is a programme for zoning land and coastal areas that have been identified as suitable for development of commercial scale aquaculture projects.³⁷ This is one of the strategies to develop and enhance the aquaculture industry as stated in the National Agriculture Policy.³⁸ ZIA consists of areas that have been approved by the State Government through the State Executive Council (MMK) with Pulau Langgun, Langkawi, Kedah as one of the areas for Aquaculture Industrial Zone for High Impact Project.³⁹

The Program aims: (1) to create permanent areas for ZIA; (2) to increase the production of fish in line with the goal of Balance of Trade plan; (3) increase the net income of aquaculturists; (4) ensure the production of fish and fish products that are of high quality and safe for consumption; (5) increase private sector participation through the provision of ZIA areas, infrastructure and Department Delivery System (“DDS”) and (6) create a chain of efficient aquaculture fish production areas.⁴⁰

2.3 Aquaculture of Grouper

Aquaculture of Grouper is carried out in tropical and subtropical areas throughout the world, but most production is from Asia.⁴¹

Based on the national production data provided to FAO, almost 183,987 tonnes of Grouper were produced in 2017 with a total value of USD 717 million.⁴² The three countries responsible for an estimated 92 percent of global production are China (65 percent), Taiwan (17 percent) and Indonesia (11 percent).⁴³

According to FAO, the global production of Grouper has increased over the years and the graph below shows the annual global production of Grouper and total production value for the period of 2000-2017.

³⁶ Uli Jegak and Idris Khairuddin and Ahmad Faiz et al, ‘Aquaculture Industry Potential and Issues: A Case from Cage Culture System Entrepreneurs: Suggestions for Intensification of Aquaculture Industry’ (2010) 6(2) *Journal of Social Sciences* 206.

³⁷ Ibid.

³⁸ Rozhan Abu Dardak, ‘Malaysia’s Agrofood Policy (NAP 2011-2020) – Performance and New Direction’ FFTC Agricultural Policy Platform (FFTC-AP) (online), 11 April 2019.

³⁹ Department of Fisheries Malaysia, Ministry of Agriculture & Food Industry, <https://www.dof.gov.my/index.php/pages/view/78>

⁴⁰ Department of Fisheries Malaysia, Ministry of Agriculture & Food Industry, ‘Closing Industry Zone for High Impact Project (HIP)’ Aquaculture Industry Zone (online), 15 December 2014.

⁴¹ Michael A. Rimmer and Branko Glamuzina, ‘A review of Grouper (Family Serranidae: Subfamily Epinephelinae) aquaculture from a sustainability science perspective’ (2017) 11(1) *Reviews in Aquaculture*.

⁴² FAO, Global Statistical Collections: Statistics, Fisheries and Aquaculture Department.

⁴³ Michael A. Rimmer, above n 41.

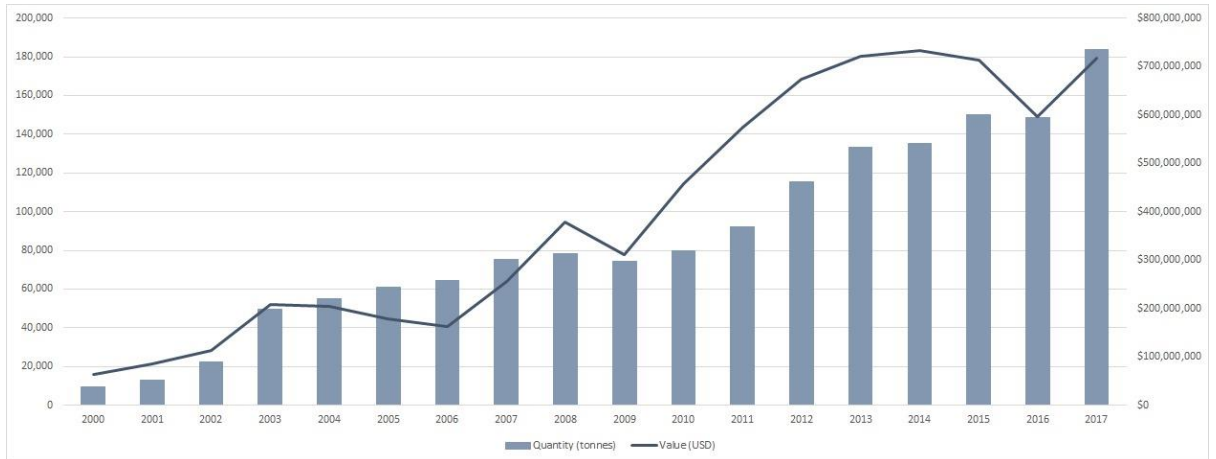


Figure 2: Annual Global Production of Grouper and total production value for the period of 2000 – 2017. Data source – FAO

Grouper Aquaculture in Malaysia

Aquaculture in Malaysia began in the 1930s and Grouper culture in floating cages was first introduced into Malaysia in 1973.⁴⁴ Grouper culture is normally carried out alongside other marine/brackishwater finfish such as seabass/barramundi and snapper in floating net cages.⁴⁵

With the Malaysian Government committed towards developing aquaculture into a major industry, Grouper is identified as one of the many commercially important species for coastal aquaculture. In order to encourage aquaculture of commercially important species such as Grouper, the government has introduced various incentives, such as income tax incentives.

Worldwide, most Grouper aquaculture production is from Southeast Asia. According to FAO, the production of Grouper in Malaysia has increased over the years and the graph below shows the annual production of Grouper in Malaysia and total production value for the period of 2010-2017.

⁴⁴ FAO, *Regional Seafarming Resources Atlas: Volume II* (FAO, 1991).

⁴⁵ Ibid.

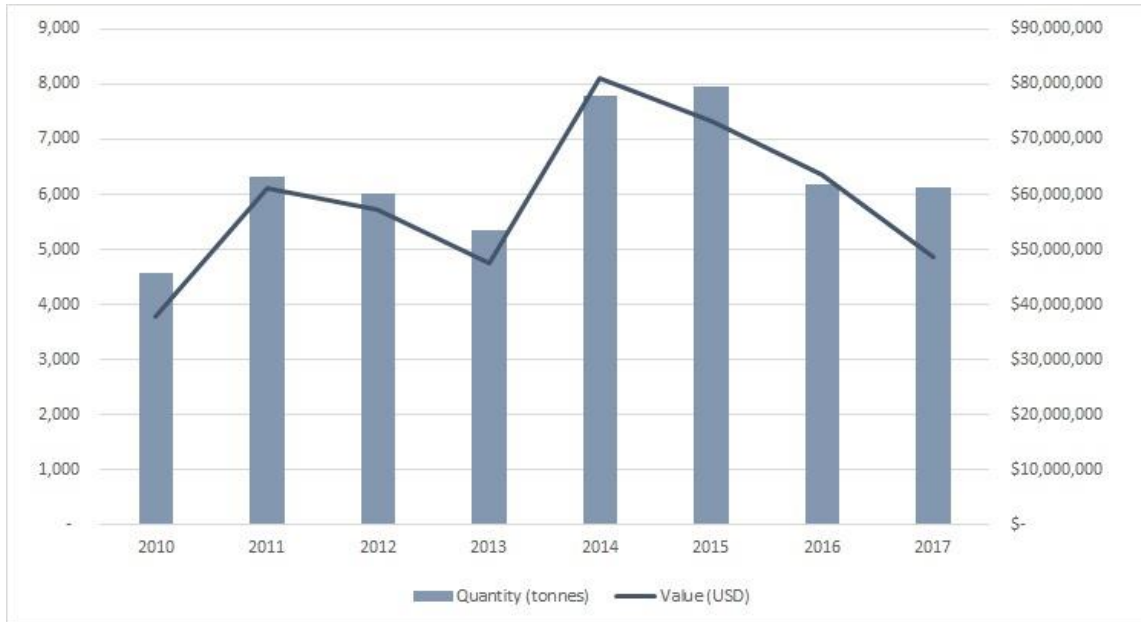


Figure 1: Annual Production of Grouper in Malaysia and Total Production Value for the Period of 2010-2017. Data source: Fishery Statistical Collections (FAO Global Aquaculture Production 1950-2017)

Grouper Aquaculture in Langkawi

Langkawi is located in the far north-western corner of peninsular Malaysia. Located in the northern State of Kedah, it is unique in the sense that it was formed on 99 islands that together made up the legendary Langkawi Archipelago.⁴⁶ Langkawi has a unique ecology typical of islands separated from mainland by substantial bodies of water. In 2007, it earned a UNESCO geopark listing, the first in Southeast Asia and a title highlighting the island's important geology.⁴⁷

Langkawi, also known as the Jewel of Kedah, is known for its pristine beaches, forests and its status as an island with a marine ecosystem that is rich in biodiversity. With suitable weather conditions, water salinity and less polluted surroundings, Langkawi is great for marine fish farming.

As Grouper is a type of high-value fish well-liked by Asians and has a stable market, Grouper aquaculture is a profitable and lucrative industry with huge potential and exciting opportunities.⁴⁸ With demands from local and international markets, gradual increasing prices will be viable for the business.

Langkawi has the advantage of ideal conditions for the best quality Groupers to be produced and attract business ventures with Live-Fish export traders from China, Hong Kong, Singapore, and other South East Asian countries.⁴⁹

2.4 Global Grouper Market Demand

⁴⁶ United Nations Educational, Scientific and Cultural Organisation (UNESCO), 'Langkawi UNESCO Global Geopark (Malaysia)' *Earth Sciences* (online).

⁴⁷ Ibid.

⁴⁸ Huey-Lang Yang, Han-You Lin and Chi-Chu Lin, 'The Search for sustainable Grouper farming' Global Aquaculture Alliance (online), 3 January 2014.

⁴⁹ Ibid.

Grouper is highly prized and sought after in Hong Kong, mainland China, Taiwan, Singapore, Japan, Malaysia, and other parts of South-East Asia for its delicate white flesh and clean taste. According to the FAO, in the year 2000, market demand for Groupers was about 20,000 – 25,000 tonnes and it is estimated that the market demand may reach 100,000 tonnes per year in 2020.⁵⁰

Groupers are harvested at 400g or above, depending on specific market demand and fish are marketed either live for the restaurant business and international markets or freshly caught for local markets.⁵¹

As Groupers are demersal fish that live in coral reefs and are difficult to catch by conventional net fishing, illegal methods of Grouper fishing are used.⁵² Fishermen often use cyanide to stun Grouper, destroying coral reefs in the process.⁵³

The destructive fishing practices for Grouper has caused an alarming decline in the health of coral reef ecosystems. As such, farming of Grouper is necessary to supply the market demand and reduce fishing pressure.⁵⁴

According to FAO estimates, in 2020, the Grouper demand will reach 500,000 metric tonnes – met in equal shares by fishing and aquaculture.⁵⁵ Grouper farming will have expanded threefold from 2008 levels, with accompanying needs for additional Grouper fry and culturing technology.⁵⁶ Most Grouper are currently farmed in Asia. Among the top producing countries are China (61 percent), Taiwan (14 percent) and Indonesia (13 percent), followed by Malaysia (9 percent).⁵⁷

Grouper Aquaculture in China

Since 1991, China has proven itself to be one of the major aquaculture producers.⁵⁸ According to FAO, China has been labelled as the top aquaculture producers, accounting for a total of 46.8 million tonnes of production and contributing to over 50% of the collective production rate amongst the other countries within the top ten list in 2017 alone.⁵⁹

The success of China's aquaculture is partially attributable to China's rich history in fish trading and cultivation practices dating back to 11th century B.C.⁶⁰ Upon founding of new China, the adoption of the Reform and Opening-up Policy in 1978 played a vital role in the fisheries policies whereby aquaculture-oriented approach was preferred, which resulted in the exponential growth in China's aquatic production by an increase of 10 million tonnes every 6 to 7 years.⁶¹ Moreover, the China's Government played an extremely important role in the development of fisheries and aquaculture industry where technological and scientific advancement were heavily sponsored by the government in the late 1970s, which paved the way for the industry's large-scale production widely known today.⁶²

⁵⁰ Shams AJ, *Cultured Aquatic Species Information Programme: Epinephelus coioides* (FAO, 2010).

⁵¹ Ibid.

⁵² Ibid.

⁵³ Ibid.

⁵⁴ Ibid.

⁵⁵ Ibid.

⁵⁶ Ibid.

⁵⁷ Ibid.

⁵⁸ FAO, above n 2.

⁵⁹ FAO, above n 1.

⁶⁰ Zhao Wenwu and Huihui Shen, 'A statistical analysis of China's fisheries in the 12th five-year period' (2016) 1 *Aquaculture and Fisheries*.

⁶¹ Ibid.

⁶² Samantha D Farquhar, Sebastian M Sims and Shu-Jiao Wang et al, 'A Brief Answer: Why is China's Aquaculture Industry so Successful?' (2017) 6(1) *Environmental Management and Sustainable Development*.

Further, China has entered into the Economic Cooperation Framework Agreement 2010 (EFCA) with Taiwan Province of China – a country known to be a major regional producer of Grouper fingerlings and market-sized Groupers.⁶³ The Agreement was key to the exponential growth of Grouper exports to China due to the inclusion of Grouper on the 'Early Harvest List',⁶⁴ thus making China a country with attractive investment and business opportunities, especially in the Grouper aquaculture sector.

On the other hand, it is expected that the growth rate of China's aquaculture and capture fisheries production will be abated due to its Thirteenth Five-Year Plan for Economic and Social Development.⁶⁵ The Plan of which includes policies for transforming the fisheries and aquaculture sector to facilitate a more sustainable intensification of and energy-efficient production.⁶⁶ The potential slowdown in Chinese fisheries and aquaculture production is also expected to drive up world prices of fisheries such as Grouper, in order to meet high demand for fish foods as well as population growth.⁶⁷

Despite the potential reduction in production, it is projected that by 2030, Asian countries will continue to dominate worldwide aquaculture production in which China will remain as the global leading producer in the fisheries and aquaculture sector.⁶⁸ This is largely due to the fact that high-value live Grouper has a dramatically huge demand from the largest consumer of marine fish in the world – China, coupling with the long-standing Chinese culture where Grouper is considered a delicacy in Chinese cuisines.⁶⁹ As China recuperates from the COVID-19 pandemic, FAO noted that the fisheries market has seen implicated caused indirectly by the pandemic due to various factors including market access, shift in consumer demands, and border restrictions.⁷⁰ Nevertheless, FAO stated that reduced competition within the fisheries industry may in turn benefit small-scale aquaculture around the world.⁷¹

⁶³ Michael A Rimmer et al, above n 41.

⁶⁴ Ibid; Byeong-il Ahn, Pei An Liao and Hanho Kim, 'Impact of the cross-Straits Economic Cooperation Framework Agreement on the Grouper fish markets in Taiwan and mainland China: A stochastic simulation analysis' (2014) 6(4) *China Agricultural Economic Review*.

⁶⁵ FAO, above n 2; Organisation for Economic Co-operation and Development, [OECD review of fisheries: policies and summary statistics](#) (2017).

⁶⁶ Ibid.

⁶⁷ FAO, above n 2.

⁶⁸ Ibid.

⁶⁹ Byeong-il Ahn et al, above n 64.

⁷⁰ FAO, [How is COVID-19 affecting the fisheries and aquaculture food systems](#) (2020) *FAO Policy Briefs*.

⁷¹ Ibid.

3. COMPANY OVERVIEW

3.1 Overview

West Coast Aquaculture (M) Sdn Bhd was established in 2011 and has developed into one of the largest marine farming operations in Langkawi Malaysia. In 2019, West Coast Aquaculture Group Ltd acquired full ownership of West Coast Aquaculture (M) Sdn Bhd with intentions to establish supply chains in Australia, Hong Kong and China. West Coast's operations are located in the waters of Langkawi, Malaysia, where live or fresh inventory are sold and collected directly from site.

West Coast's operational activities include fish grow up stage (see Section 3.3) and sales. West Coast's primary products include fresh, live and frozen Grouper, Red Snapper and Barramundi.

West Coast has positioned itself as one of the largest marine farms in Malaysia, operating 1000 wooden cages. West Coast primarily sells produce to wholesale clients from Hong Kong, with remaining produce sold through Malaysian retail and wholesale channels.

West Coast seeks to expand its operations to span all aspects of the supply chain, from broodstock to hatcheries and marine farming to harvesting, as well as sales and marketing, and therefore its immediate goal is to acquire a hatchery/nursery and broodstock.

Subject	Details																		
What is West Coast Aquaculture Group Ltd.	<ul style="list-style-type: none"> • West Coast Aquaculture (M) Sdn Bhd was established in 2011 and has developed into one of the largest marine farming operations in Malaysia. • In 2019, West Coast Aquaculture Group Ltd acquired full ownership of West Coast Aquaculture (M) Sdn Bhd (945573-v). 																		
Key Products	<table border="0" style="width: 100%;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right;">Approximate Revenue Contribution (FYE2020)</th> </tr> </thead> <tbody> <tr> <td>• Pearl Grouper</td> <td style="text-align: right;">• 49.43%</td> </tr> <tr> <td>• Tiger Grouper</td> <td style="text-align: right;">• 8.81%</td> </tr> <tr> <td>• Beauty Grouper</td> <td style="text-align: right;">• 13.51%</td> </tr> <tr> <td>• Red Snapper</td> <td style="text-align: right;">• 8.95%</td> </tr> <tr> <td>• Giant Grouper</td> <td style="text-align: right;">• 5.60%</td> </tr> <tr> <td>• Green Grouper</td> <td style="text-align: right;">• 11.97%</td> </tr> <tr> <td>• Barramundi</td> <td style="text-align: right;">• 0.85%</td> </tr> <tr> <td>• Miscellaneous</td> <td style="text-align: right;">• 0.88%</td> </tr> </tbody> </table>		Approximate Revenue Contribution (FYE2020)	• Pearl Grouper	• 49.43%	• Tiger Grouper	• 8.81%	• Beauty Grouper	• 13.51%	• Red Snapper	• 8.95%	• Giant Grouper	• 5.60%	• Green Grouper	• 11.97%	• Barramundi	• 0.85%	• Miscellaneous	• 0.88%
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• Miscellaneous	• 0.88%																		

West Coast is constantly improving its operations through significant research and development activities, aiming to increase efficiency levels, enable faster growth output of produce and produce higher quality fish.

West Coast's prominent strategy is to increase production and improve efficiencies but also to increase the quality of the fishes produced. At the core of West Coast's business is the wellbeing and quality of the fish, which has benefited from research and development.

3.2 History of West Coast Aquaculture

West Coast Aquaculture (M) Sdn Bhd was established in 2011 by Huan Tai Chan and Teik Hon Chin in Langkawi Malaysia. West Coast commenced its inshore wooden cage fish farming operations in June 2012 with only 200 cages located in Langkawi, Malaysia.

West Coast initially focused on distribution and sales in Langkawi, but as the number of farm cages increased; the Company begun to expand sales into mainland Peninsula Malaysia.

In May 2018, West Coast managed to secure direct sales of live fish in wholesale quantities to Hong Kong. Since that time West Coast has managed to secure 5 major wholesale clients from Hong Kong on a regular basis.

3.3 Business Model

West Coast's underlying goal is to ethically produce high quality marine species and to establish strong supply chains throughout Asia and Australia controlling a significant market share in the marine farming market.

West Coast's Current Business Model

West Coast's current business model consists of the following activities:

Activity	Description	Importance
Grow up	<ul style="list-style-type: none"> West Coast purchase fingerlings or juvenile fish from hatcheries/nurseries, and they are farmed in the marine fish cages located off Langgun Island in Langkawi, Malaysia. Fish are farmed to marketable size with a general grow up time frame of 12 to 36 months, depending on the species. 	<ul style="list-style-type: none"> The grow up stage generates the majority of West Coast's revenue.
Sales and Distribution	<ul style="list-style-type: none"> Once fish reach commercial size, West Coast sells them to wholesale and retail clients directly from their operational site. 	<ul style="list-style-type: none"> West Coast does not operate their own sales and distribution channels. Purchasers of the fish generally dock and purchase fish directly from West Coast's farm. West Coast does not currently have a requirement for operating or outsourcing shipping vessels.
Research and Development	<ul style="list-style-type: none"> West Coast research and development activities are focused on ensuring that West Coast is able to consistently and efficiently produce high quality fish. 	<ul style="list-style-type: none"> Producing hybrid fish may allow for a faster grow up period or a lower fatality rate, increasing the Company's revenue.

3.4 Objectives

Activity	Description	Importance
Purchase of Broodstock	<ul style="list-style-type: none"> • Broodstock is a reference to mature fish that is used in aquaculture for breeding purposes. • Broodstock management is the beginning of the production chain. It affects the quality of West Coast's end product. • To produce higher quality eggs and fry, West Coast must ensure broodstock are strong and healthy. 	<ul style="list-style-type: none"> • Broodstock are used for fish spawning, the production of fish eggs or fry. • Fish fry and eggs are sold to hatcheries which contributes to West Coast's revenue. • Fish fry and eggs are often sold to hatcheries which will sell the fingerlings back to West Coast once ready for the grow up stage. Thus, broodstock management generally directly affects West Coast's end product.
Purchase of Hatchery /Nursery	<ul style="list-style-type: none"> • A hatchery/nursery to facilitate the production of fish fry and juvenile fish for the grow up stage. 	<ul style="list-style-type: none"> • Fish fry and juvenile fish are purchased by West Coast to grow into commercial sized fish. The purchase and acquisition of a hatchery /nursery allows West Coast to have greater control over its production.
Increasing Production of Grow up	<ul style="list-style-type: none"> • West Coast is looking to increase its production by installing and commissioning HDPE cages. 	<ul style="list-style-type: none"> • West Coast have identified the increasing customer demand for fish and increasing its production to meet customer demand will allow the Company to make more revenue.
Further Research and Development	<ul style="list-style-type: none"> • Experimenting with interspecies breeding, constant testing of different variables including feed, water temperatures, water depth etc. 	<ul style="list-style-type: none"> • Allows West Coast to grow fish more efficiently and at a higher quality.

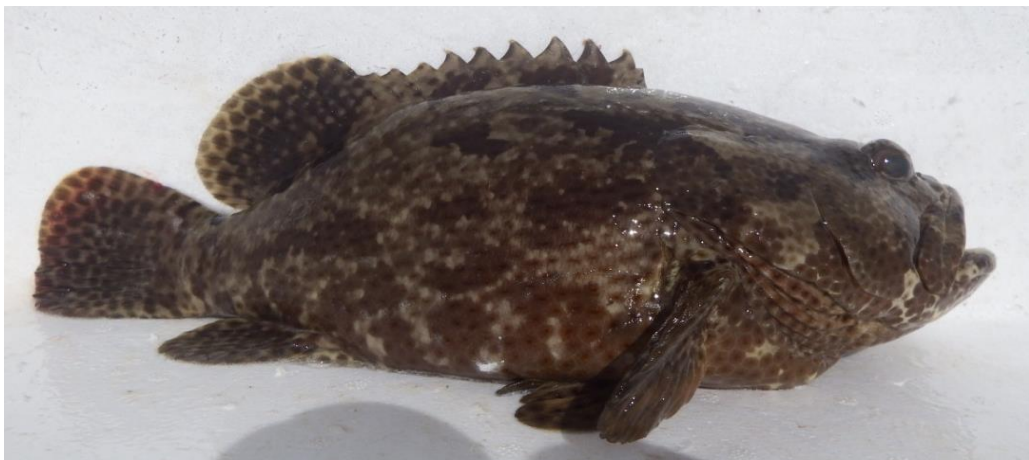
3.5 Products


West Coast produces a range of high-quality fish for both wholesale and retail markets. Wholesalers and retailers generally purchase West Coast's fish live or fresh. Wholesaler's will often purchase fish live to maximize shelf life and to cater to the demand of restaurants who request live fish.

Species	Approximate Revenue Generation (%) FYE 2019	Ideal Sale Size (Kilograms)	Months to grow to ideal sale size
Pearl Grouper Pearl Grouper is a hybrid species of Tiger Grouper and Giant Grouper.	49.43	4	18



Tiger Grouper	8.81	1	16
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Beauty Grouper			
	13.51	1	16
			


Red Snapper			
	8.95	1	14
			

Giant Grouper	5.60	15	36
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Green Grouper	11.97	4	20
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Barramundi	0.85	3	16
			

3.6 Operations

Overview

West Coast's operations currently focus on marine farming, maintenance and harvesting. A fish's lifecycle can range between 1 to 3 years long, which requires the Company to plan years in advance when assessing production forecast.

West Coast's farming method focuses on producing the best quality Grouper, Red Snapper and Barramundi.

Location

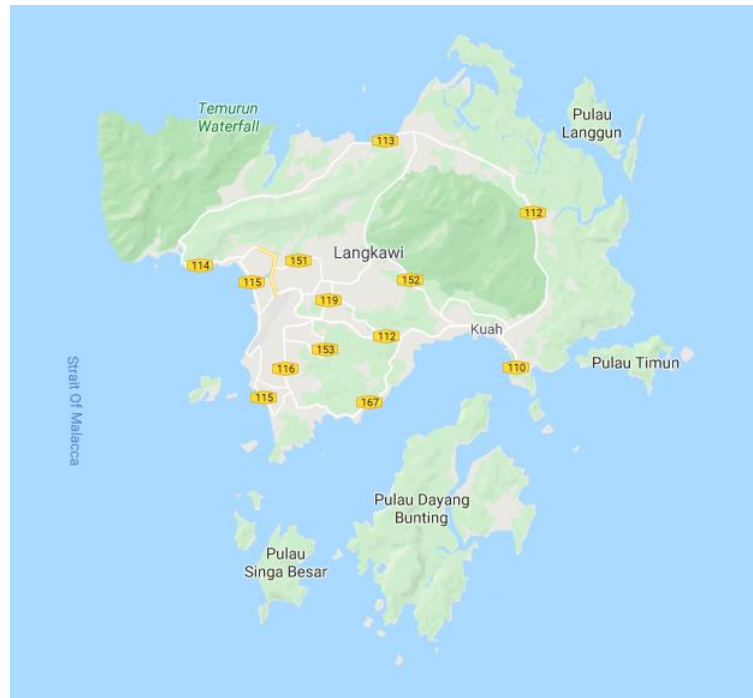
West Coast's marine farm is located in the waters of Langkawi, Malaysia.

Langkawi is a group of islands that lies near the entrance of the Malacca Straits. Langkawi, Malaysia, is comprised of 104 islands located approximately 30 Kilometres from Kuala Perlis.

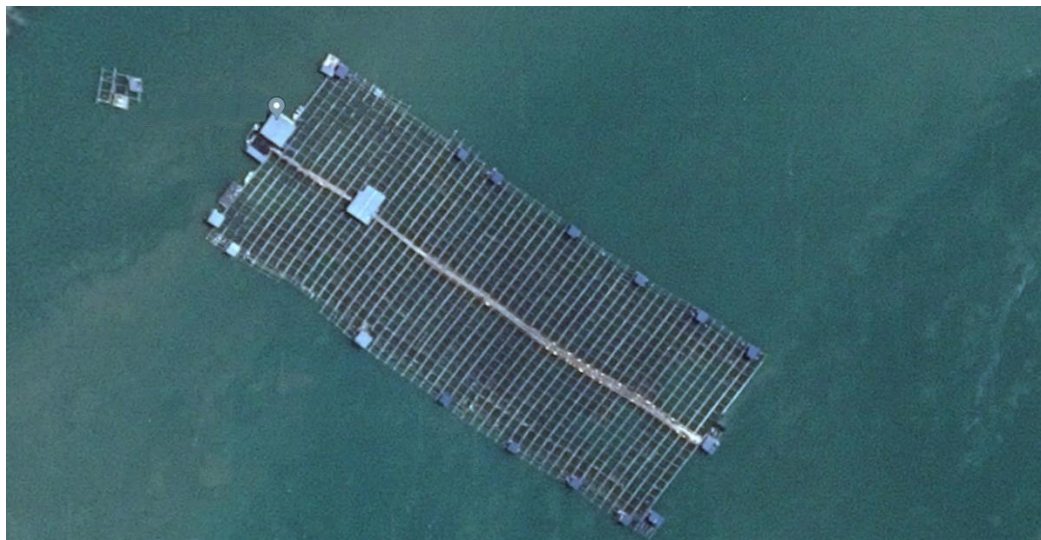
Malaysia Map



Langkawi



West Coast Aquaculture (M) Sdn Bhd has been granted a license by Kedah State Government Fishery Department (Jabatan Perikanan Negeri Kedah) to conduct marine farming operations off Langgun Island in Langkawi, Malaysia. West Coast's unique marine farming location allows for customer's marine vessels to dock at West Coast's marine fish farms to directly purchase and collect live and fresh fish.



Satellite View of West Coast Fish Farm



West Coast Fish Farm

Hatchery/nursery

Fingerlings are sourced from proven hatcheries and nurseries in Langkawi Malaysia. Sourcing high quality fingerlings are critical to West Coast’s business operations as it has a material effect on the grow up stage.

Hatchery/nursery acquisition plans

West Coast is planning to have greater control of its production and therefore plans to acquire a hatchery/nursery.

Grow up

The grow up stage covers the fish’s life from fingerlings through to harvest.

Due to the warm consistent weather at West Coast’s marine farm location, it enables West Coast to grow fish all year around.

West Coast’s current marine licence is valid until the end of 2020 and management believes that the risk of non-renewal is low.

Activity	Description	Importance
Allocation	Fingerlings and juvenile fish are an important component of the grow up stage. When wooden cages are available, West Coast will purchase fingerlings and juvenile fish from nearby hatcheries and allocate them to cages closest to shore. As fish grow in size they will be moved and relocated to cages further from shore. Generally, fish that are of commercial size will be located in cages furthest from the shore.	Sea vessels will dock near the wooden cages furthest away from the shore. This allows for greater efficiency when transporting live fish from wooden cages to the sea vessel.
Feeding	Feeding is critical to West Coast’s operations. Feeding drives the growth of West Coats’s fish. Fish must be fed optimal amounts of feed to avoid wastage and higher operating costs.	Optimal feed is a key factor to efficient growth of higher quality fish.

Net Management	Nets are routinely cleaned and changed.	Clean nets are required to allow for good water circulation and maximize oxygen levels which reduces mortality rates and ensures efficient fish growth
Predator Deterrents	West Coast has implemented additional nets on top of the wooden cages to prevent eagles from eating the fish. West Coast has implemented high durability netting to prevent barracuda from piercing West Coast's nets and eating fish.	Eagles are natural predators to fish and can cause significant loss by eating fish within the wooden cages. Barracudas are natural predators to the juvenile fish species that are grown. Barracudas could increase operational costs if they were able to pierce nets forcing repair or replacement. Barracudas can cause significant loss by eating fish within the wooden cages.
Bathing	Fish bathing is required to prevent ectoparasites attaching to the fish. Ectoparasites are parasites that are found on the surface of a fish's outer body or gills.	Ectoparasites negatively affect the quality of fish. Regular fish bathing is required to remove ectoparasites from the surface.

Harvesting

Activities	Description
Live Fish Harvesting	<ul style="list-style-type: none"> Wooden cage sizes are approximately 4.88 meters by 4.88 meters with a net depth of 3 meters. West Coast workers slowly lift nets 1.5 meters above their original depth. A solid piece of wood is placed underneath the net creating 2 partitions. Due to the partitioning of the cage the depth of the water is reduced to 1.5 meters where the fish will remain for 1 to 2 hours. This is done to avoid decompression sickness as the fish are exposed to changes in water pressure. Fish will be extracted from the cage and placed directly into the purchasers' vessels.
Fresh Fish Harvesting	<ul style="list-style-type: none"> West Coast workers slowly lift nets 1.5 meters. A solid piece of wood is placed underneath the net creating 2 partitions. Due to the partitioning of the cage the depth of the water is reduced to 1.5 meters where the fish will remain for 1 to 2 hours. Fish are then extracted from the nets and placed into cool boxes filled with ice slurry to preserve the quality of the fish.

Key Costs

Key Cost	Description
Feed	West Coast generally purchases their feed from a number of suppliers to ensure a consistent and secure supply of feed.

	<p>Feed consists of Trash Fish and Commercial Pellets.</p> <ul style="list-style-type: none"> • Trash Fish – Trash fish generally consist of fresh yellow tail, sardines, mackerel and pilchards. Preference is given to suppliers who consistently supply quality feed (i.e. consistent fish size and fish species). The consistency allows for controlled results thus higher efficiency. • Commercial Pellets – Commercial pellets are purchased from various suppliers. The supplier used is dependent on the quality and price of the pellets at that particular time.
Labour	A significant percentage of operational work requires physical labour, including the feeding of fish, changing of nets, washing of nets and farm maintenance. West Coast currently employs 42 employees not including directors.

Sales

Activities	Description
International	<ul style="list-style-type: none"> • International customers will generally berth their vessel alongside West Coast's fish farm where they will prepare for the purchase of fish. International wholesale clients will generally only purchase live fish.
Domestic	<ul style="list-style-type: none"> • Domestic wholesale clients purchase both live and fresh fish. West Coast will transport the live or fresh fish to a designated local Jetty where customers will pick up their purchase. • Domestic clients will organize their own inland transport for produce purchased.

3.7 Pricing

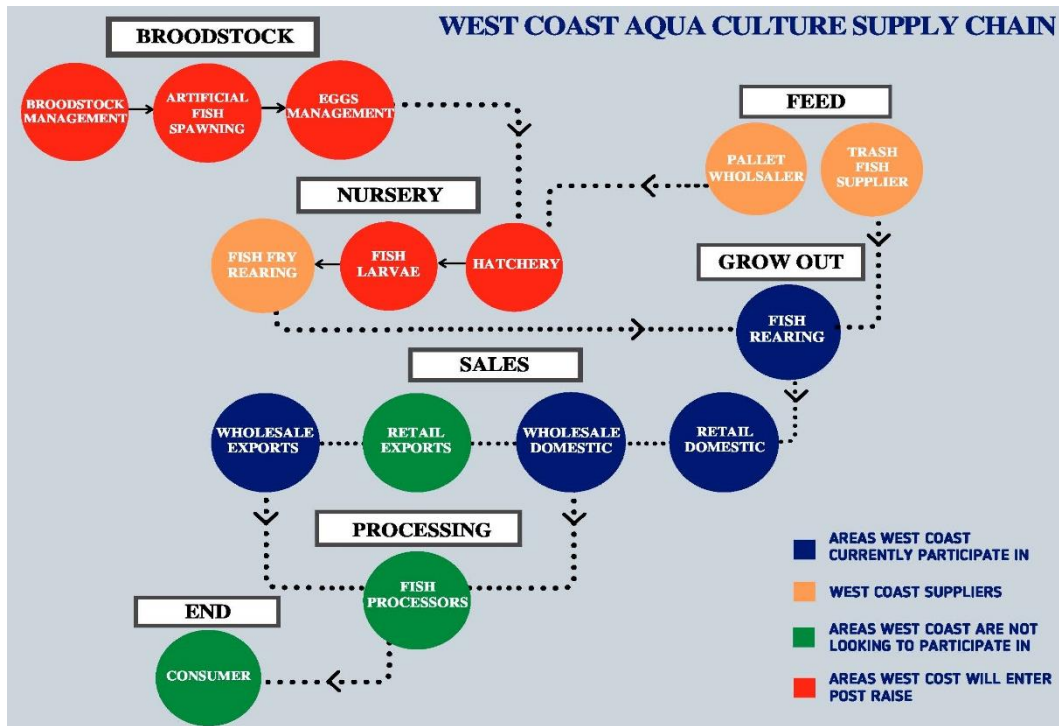
Prices offered to retailers to purchase West Coast's produce are at a slight premium compared to their wholesale counterparts. The majority of West Coast's revenue is generated from wholesale customers, and as a result prices of products are offered at a lower price than that of retail clients.

West Coast's prices are influenced by the international prices of each individual fish species. There are no long-term pricing contracts with customers, thus prices in which West Coast sells their produce may vary from time to time.

3.8 Customers

West Coast does not heavily rely on a single customer. Its largest customer represents 11.6 percent of West Coast's total yearly revenue.

3.9 Supply Chain Overview



Stage in Supply Chain	Description
Broodstock	<ul style="list-style-type: none"> • Broodstock is a group of mature fish that are used for breeding purposes. • Broodstock often undergo artificial spawning to ensure a constant supply of eggs and fish sperm. • Broodstock management often heavily contributes to the quality of produce in the grow up stage.
Hatchery & Nursery	<ul style="list-style-type: none"> • During the hatchery and nursery stage, fertilised eggs are taken to a hatchery/nursery where they are placed inside a sac in an incubation tank/pond that is filled with treated seawater. The temperature and salinity of the seawater are constantly monitored and controlled to ensure successful hatching. • Once hatched, the larvae are released into the incubation tank/pond that the sac had sat inside. • Generally, 35 days post-hatching, the larvae are now considered fish fry, which are then extracted and moved to the nursery. • Within the nursery fish fry are placed in tanks for a period of 30 to 60 days until they reach a length of 3 to 5 inches. At this point fish are sold to fish farms where they will undergo grow up. • Other activities of the nursery/hatchery stage include: <ul style="list-style-type: none"> ○ Establishing survival rate of various fish species and at various

	<p>growth sizes;</p> <ul style="list-style-type: none"> ○ Scheduling egg hatching and larvae rearing providing an extra buffer for unforeseen events; ○ Establishing parameters for seawater salinity, temperature, pH and dissolved oxygen requirement; ○ Ensuring sufficient storage of filtered and sterilized seawater; ○ Maintenance of facilities to ensure cleanliness and relevant disinfection; ○ Ensuring only fish eggs of the correct species are fertilized, healthy and right quantity are received; ○ Ensuring timely cultivation of live feed such as Rotifer and Copepod, in different sizes, large quantities and enriched with Omega 3 at the right time; and ○ Ensuring high hatchling and larvae survival rate.
<p>Grow up</p>	<ul style="list-style-type: none"> ● At this point fish are considered fingerlings or juvenile fish. ● Fingerlings are reared in wooden cages where water conditions will be monitored to ensure that the contraction of parasites, viruses or bacterial infection is minimized to improve survival rate of fish. ● Fish are fed to marketable size with a combination of trash fish and commercial pellets for 12 months to 3 years depending on the species. Once the fish are considered to be marketable size, they are sold to relevant retailers or wholesalers. ● Other activities of the grow up stage include: <ul style="list-style-type: none"> ○ Cage allocation and planning according to fish species, size, growth rate, grading requirement, parasite disinfection works, harvest size and mode of delivery; ○ Feeds planning according to fish species, size and protein requirement and availability of fresh trash fish in off season; ○ Constant monitoring of water condition to ensure that virus, bacterial or parasite infection in the water is minimized or addressed; ○ Constant monitoring water quality and its parameters requirements such as salinity, temperature, dissolved oxygen and PH; ○ Taking note of pollution, seasonable climatic and mixing events; ○ Grading and relocating fish as they grow; ○ Ensuring availability and continuous supply of fresh trash fish;

	<ul style="list-style-type: none"> ○ Maintaining cage structures, buildings and equipment; ○ Managing staff and resources; ○ Training and ensuring staff are well versed in fish nutrition, health and its treatments, feeding, handling, spawning, grading and harvesting; and ○ Compliance legislation requirements, environmental standards and good aquaculture practices.
Feed	<ul style="list-style-type: none"> ● Trash Fish Feed – Trash fish generally consist of fresh yellow tail, sardines, mackerel and pilchards. They are delivered fresh from returning fishing vessels. Quality and consistency of trash fish are essential to the growth of quality fish. Trash fish feed is sold to entities that operate in the grow up stage, broodstock stage and nursery stage. ● Commercial Pellets – Commercial pellets are often highly nutritious forms of fish feed that contributes to the quality of produce. Fish feed suppliers will often sell their products to entities that operate in the nursery stage and grow up stage.
Sales	<ul style="list-style-type: none"> ● Wholesale Exports – Wholesale exports constitutes the international sale of fish. International wholesalers will purchase produce from grow up stage entities. ● Retail Exports – Retail exports generally consists of selling fish to varying individuals locally.

3.10 Expansion Plan

Expansion into other Jurisdictions

Jurisdiction	Description
Hong Kong	<ul style="list-style-type: none"> ● The Company will continue to supply to Hong Kong and will seek to increase production of fish to meet the relevant demands. Currently, the Company are unable to satisfy their Hong Kong customer's fish demands.
China	<ul style="list-style-type: none"> ● As the Company's inventory increases, the Company will indicate to relevant Chinese shipping vessels that they have the relevant supply to meet the Chinese vessels demands. ● Exports to China will be a similar process to "sales and Distribution" described in section 3.3
Australia	<ul style="list-style-type: none"> ● The Company has been actively seeking an import partner within Australia that has the relevant licensing to import fish into Australia.

Ongoing Contracts

Presently entering into ongoing contracts with customers not industry practice nor is it viable due to the following risks and/or hinderances:

- The Company may not be able to secure the required number of fingerlings and juvenile fish or the relevant quality of Fingerlings and Juvenile fish.

- Increased fish mortality rate may mean that the company is unable to satisfy their minimum contractual relations;
- Fish growing up slower than expected may not enable the company to meet their contractual relations;
- other suppliers of fish may not have enough supply thus the company may impose higher rates; and
- During peak periods (such as Chinese New Year) demand for fish generally increases significantly, contractual relations will not enable the company to charge higher rates during these peak periods.

In the short term, the Company does not intend to enter into any ongoing contracts with customers.

However, the Company will endeavour to allocate a percentage of fish produced to ongoing contracts with customers once the Company can produce a significant volume of fish on a regular basis.

Minimisation of Costs

Purchasing of a Hatchery/Nursery will save the Company from paying margin on Fingerlings and Juvenile Fish as they will produce their own.

The circular design of the HDPE cages, that the Company is proposing to purchase, allows fish to swim unhindered. This significantly reduces injury to the fish's head and mouth, in turn reducing infection and mortality rates. The reduction of mortality rates reduces expenses by also reducing the number of fingerlings and juvenile fish the company is required to purchase.

The HDPE cage layout will be significantly different from the wooden cage layout. The wooden cages are created side by side in a 20 cage by 50 cage layout consisting of 1000 cages. The inner wooden cages receive significantly less oxygen than those on the outer edges of the cage. The newly installed HDPE cages will be lined in a linear line or installed in a maximum cluster of 4 allowing for maximum water flow and oxygen. The HDPE cage layout will reduce mortality rates due to the increased inflow of oxygen. The increased oxygen will also provide an improved feed conversion ratio as more feed gets converted into fish meat during the grow up stage. HDPE cages also allow for the installation of automation equipment such as Auto Feeders and usage of lifting cranes onboard marine vessels to harvest fish. This significantly reduces the requirement for many labour-intensive jobs reducing relevant labour costs.

Increase of Production

The installation of the HDPE cages will allow for a higher volume of fish to be grown.

The purchase of a pre-existing nursery/hatchery will allow the Company to produce a constant inflow of fingerlings and juvenile fish for the grow up stage.

At maximum subscription, the purchase of broodstock will also allow the company to produce eggs which will allow provide for increased production of Fingerlings and Juvenile Fish.

Increase in Fish Quality

Fish grown in HDPE cages tend to have firmer meat which produces better quality fish.

The acquisition of a hatchery/nursery will allow the Company to choose what the fish are fed and the conditions that they are grown in ensuring the grow up phase only uses the highest quality juvenile fish and fingerlings.

Purchase of the Broodstock ensures the company only produce eggs from high quality Broodstock, eventually leading to the production of higher quality fish.

COVID-19

The company will likely be subject to the indirect impacts of the COVID-19 pandemic via changing consumer demands, market access and logistical problems. The Food and Agriculture Organisation of the United Nations has quoted that misleading perceptions in some countries have led to a decrease in consumption of seafood, resulting a fall in price for fish products.

As of the date of this Replacement Prospectus, the aquaculture industry in Malaysia is not subject to the restraints placed regarding the COVID-19 pandemic, thus operations are running as per normal. Thus, the company has not put in place mitigation strategies. However, as previously mentioned the Company has and will be affected indirectly due to forces out of its control.

Expansion of Supply Chain

Expansion is an essential element to West Coast's development.

From the funds raised from the Offer, West Coast plans to expand their operations into other areas of the Aquaculture supply chain as well as significantly expanding production levels. West Coast will focus on the following:

- Acquisition of relevant broodstock species;
- Acquisition of hatchery/nursery; and
- Production expansion.

Minimum Subscription				
Sources	\$AUD	% of Offer	Uses	
Issue New Shares	5,000,000	100%	<ul style="list-style-type: none"> • Purchase of a hatchery and nursery (to allow the Company to have more control over the production process); • Installation of 24 units of HDPE floating circular cages to expand its operations and increase its production; and • Pay for costs associated of this Offer. 	
Expenditure	Description	Expected Benefits	Total Cost (AUD)	Time Frame
Hatchery/ Nursery	West Coast will be seeking to acquire a hatchery to facilitate the growth of fish larvae to fingerlings/ juvenile fish.	<ul style="list-style-type: none"> • Improved operational efficiencies between broodstock management and grow up. • Quality control of fingerlings and juvenile fish. • Reduction of operational costs for grow up. • Fingerling and juvenile fish sales will constitute 	~\$1,800,000	6 to 12 months from Offer End

		<p>another form of revenue.</p> <ul style="list-style-type: none"> Removal of uncertainty of product purchase in grow up stage. 		
Production Expansion	Purchase of 24, 10-meter radius HDPE cages.	Significantly increase capacity and production of Grouper.	~\$1,350,000	12 months from Offer End
Working Capital	Increasing number of employees to maintain the increased cages. Increasing the amount of feed to sustain the increased fish capacity and other related expenses of expansion.	Facilitates steady growth and expansion of the Company.	~\$1,161,274	
Expenses of the Offer	See Section 9.14.		~\$688,726	
Total				~\$5,000,000

Maximum Subscription				
Sources	\$AUD	% of Offer	Uses	
Issue New Shares	7,000,000	100%	<ul style="list-style-type: none"> Purchase of broodstock; Purchase of a hatchery/nursery (to allow the Company to have more control over the production process); Provide working capital to facilitate the Company's expansion plan; Installation of 28 units of 10-meter radius HDPE floating circular cages to expand its offshore operations and increase its production; and Pay for associated costs of this Offer. 	
Expenditure	Description	Expected Benefits	Total Cost (AUD)	Time Frame
Broodstock	West Coast will seek to acquire broodstock of the species that are currently produced by West Coast. broodstock will cater for the	Quality of supply of eggs. Improved operational efficiencies between broodstock stage and hatchery stage. Fish egg sales will constitute another form	~\$100,000	6 months from Offer End

	production of fish eggs.	of revenue for the Company. Once West Coast acquires a hatchery, they will no longer need to purchase eggs from other entities.		
Hatchery/ Nursery	West Coast will be seeking to acquire a hatchery to facilitate the growth of fish larvae to fingerlings/ juvenile fish.	Improved operational efficiencies between broodstock management and grow up. Quality control of fingerlings and juvenile fish. Reduction of operational costs for grow up. Fingerling and juvenile fish sales will constitute another form of revenue. Removal of uncertainty of product purchase in grow up stage.	~\$2,300,000	6 to 12 months from Offer End
Production Expansion	Purchase of 28 10-meter radius HDPE cages. Increasing number of employees to maintain the increased cages. Increasing the amount of feed to sustain the increased fish capacity.	Significantly increase capacity and production of Grouper.	~\$1,575,000	18 months from Offer End
Working Capital	Increasing number of employees to maintain the increased cages. Increase the amount of feed to sustain the increased fish capacity and other related expenses of expansion. Working capital to conduct necessary development and expansion of newly acquired hatchery/nursery.	Facilitates steady growth and expansion of the Company.	~\$1,936,274	
Research and Development	Conducting research activities on new fish species and breeding	Facilitates the future innovation of the Company.	~\$400,000	

	techniques including cross breeding, feed changes and environment changes.			
Expenses of the Offer	See Section 9.14.		~\$688,726	
Total				~\$7,000,000

3.11 Achievements

From West Coast's inception it has achieved:

- The development and maintenance of 1000 wooden cages.
- Success in breeding and rearing Pearl Grouper, Beauty Grouper, Green Grouper, Tiger Grouper, Giant Grouper, and Red Snapper.
- Success in breeding and rearing hybrid species including Pearl Grouper and Beauty Grouper.
- An annual profit margin of RM 3,269,237 for FYE20.

4. FINANCIAL INFORMATION

4.1 Introduction

The financial information of the Company and West Coast Aquaculture (M) Sdn. Bhd. (“WCA”) (collectively “the Group”) contained in this Section 4 includes the:

- a. Audited historical consolidated statement of profit or loss and other comprehensive income for the financial period from the date of incorporation to 30 April 2020. (“the Period”);
 - b. Audited historical consolidated statement of cash flows for the Period;
 - c. Audited historical consolidated statement of financial position as at 30 April 2020; and
- (items a - c are together referred to as the “**Historical Financial Information – the Group**”)
- d. Pro forma consolidated historical statement of financial position as at 30 April 2020 (referred to as the “**Pro Forma Historical Financial Information**”).

This Section 4 also includes historical financial information of WCA. The financial information of WCA contained in this Section includes:

- a. Audited historical statement of profit or loss and other comprehensive income for the financial years ended 30 April 2018, 30 April 2019 and 30 April 2020;
- b. Audited historical statement of cash flows for the financial years ended 30 April 2018, 30 April 2019 and 30 April 2020; and
- c. Audited historical statement of financial position as at 30 April 2019 and 2020.

(items a - c are together referred to as the “**Historical Financial Information – WCA**”).

For the purposes of this Section 4, the Group means the Company and WCA.

Foreign Currency Conversion

As the Historical Financial Information presented in Section 4.6, as extracted from WCA’s audited financial statements, is presented in Malaysian Ringgit (“RM”), it has been converted and presented in Australian dollars (“AUD”) using the following exchange rates:

AUD 1.00 = MYR X.XXXX	Year Ended	Year Ended	Year Ended
	30 April 2020	30 April 2019	30 April 2018
Average rate for the period (used for conversion of the statement of profit or loss and other comprehensive income and statement of cash flows)	2.8246	2.9681	3.2014
Spot rate at period end (used for conversion of the statement of financial position)	2.8352	2.9106	2.9671

The Group has a 30 April year-end for accounting purposes. In addition, investors should be aware that past performance is not an indication of future performance. There are no forecasts included in this financial information section.

4.2 Financial information

The financial information included in this Section 4 was prepared by management and was adopted by the Directors. The Directors are responsible for the inclusion of all financial information in this Prospectus. The basis of preparation is identified in the relevant sections.

4.3 Basis of preparation of the Historical and Pro forma Historical Financial Information

The Historical Pro forma and Historical Financial Information included in this Section 4 has been prepared in accordance with the measurement and recognition criteria (but not the disclosure requirements) of Australian Accounting Standards (“AAS”) and the summary of significant accounting policies outlined in Section 4.8. The financial information is presented in an abbreviated form in so far as it does not include all the disclosures and notes required in an annual financial report prepared in accordance with AAS and the Corporations Act.

The Historical Financial Information and Pro Forma Historical Financial Information has been prepared for the Offer.

The Historical Financial Information of the Group presented in Section 4.5 represents the historical financial information of the Group for the Period ended 30 April 2020 as extracted from the Group’s audited financial report for the period ended 30 April 2020. HLB Mann Judd (Vic Partnership) performed the audit and an unmodified audit opinion was issued on the Group’s 30 April 2020 financial report.

The Historical Financial Information of WCA presented in Section 4.6 has been extracted from the audited financial statements WCA for the financial years ended 30 April 2018, 30 April 2019 and 30 April 2020. HLB Ler Lum PLT performed the audits. Unmodified audit report on WCA’s financial statements were issued, for the years ended 30 April 2018, 2019 and 2020.

The Pro Forma Historical Financial Information has been reviewed by HLB Mann Judd Corporate Finance Pty Ltd as set out in the Investigating Accountant’s Report (“IAR”) in Section 8 of the Prospectus. Investors should note the scope and limitations of the IAR.

4.4 General factors affecting the operating results of the Group

Below is a discussion of the main factors which affected the Group’s operations and relative financial performance for the period ended 30 April 2020 which the Group may expect to affect it in the future. The discussion of these general factors is intended to provide a summary only and does not detail all factors that affected the Group’s historical operating and financial performance, nor everything which may affect the Group’s operations and financial performance in the future. The information in this Section 4 should also be read in conjunction with the risk factors set out in Section 5 (“Risks”) of the Prospectus, and the other information contained in this Prospectus.

4.5 Consolidated Historical Financial Information – the Group

a. Consolidated Historical Statement of Profit or Loss and Other Comprehensive Income

The table below presents the Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Group for the Period ended 30 April 2020.

	Period ended 30 April 2020
Revenue	2,219,406
Change in fair value of biological assets	388,676
Expenses	
Cost of sales	(2,168,192)
Regulatory affairs expenses	(30,420)

Consultation expenses	(84,936)
Administration expenses	(206,164)
Finance costs	(56,518)
Profit before income tax expense	61,852
Income tax expense	(8,132)
Profit after income tax expense for the period attributable to the owners of West Coast Aquaculture Group Ltd	53,720
Other comprehensive income	
Items that may be reclassified subsequently to profit or loss	
Foreign currency translation	43,087
Other comprehensive income for the period, net of tax	43,087
Total comprehensive income for the period attributable to the owners of West Coast Aquaculture Group Ltd	96,807

Management's Discussion and Analysis

Revenue

All revenue during the period was generated by WCA. The Company is likely to generate interest on cash balances after the capital raise.

Expenses

All cost of sales, administration expenses and finance costs are incurred by WCA. Regulatory affairs and Consultation expenses comprised of audit and review fees and other related expenses as incurred by the Company.

b. Consolidated Historical Statement of Cash Flows

The table below presents the Consolidated Historical Statement of Cash Flows of the Group for the financial period ended 30 April 2020.

	Period ended 30 April 2020
Cash flows from operating activities	
Receipts from customers (inclusive of GST)	2,451,958
Payments to suppliers and employees (inclusive of GST)	(2,625,756)
Interest and other finance costs paid	(56,518)
Net payments to related parties	87,779
Payments in relation to prepaid IPO costs	(196,530)
Net cash used in operating activities	(339,067)
Cash flows from investing activities	
Payments for property, plant and equipment	(23,435)
Net cash acquired from common control acquisition	(108,607)
Net cash used in investing activities	(132,042)
Cash flows from financing activities	
Proceeds from issue of shares	582,360
Repayment of borrowings	(57,515)
Net cash from financing activities	524,845
Net increase in cash and cash equivalents	53,736
Cash and cash equivalents at the beginning of the financial period	-
Effects of exchange rate changes on cash and cash equivalents	7,015
Cash and cash equivalents at the end of the financial period	60,751

Management's Discussion and Analysis

The acquisition of WCA on 13 December 2019 was a non-cash transaction.

The major inflow of funds during the period, beside receipts from customers, related to the \$582,360 proceeds from the allotment of 3,950,000 shares to private investors who subscribed for shares in the Company at \$0.15118 cents/share in February 2020, pursuant to an information memorandum issued by the Company in December 2019 (subsequently revised).

c. Consolidated Historical Statement of Financial Position

The table below presents the Consolidated Historical Statement of Financial Position of the Group as at 30 April 2020.

	As At 30 April 2020
ASSETS	
Current assets	
Cash and cash equivalents	386,416
Trade and other receivables	163,888
Inventories	222,936
Biological assets	4,530,205
Financial assets	805,966
Other	236,530
Total current assets	6,345,941
Non-current assets	
Property, plant and equipment	1,818,467
Total non-current assets	1,818,467
TOTAL ASSETS	8,164,408
LIABILITIES	
Current liabilities	
Trade and other payables	2,830,558
Borrowings	1,629,352
Income tax	1,648
Total current liabilities	4,461,558
Non-current liabilities	
Borrowings	1,374,710
Deferred tax	21,163
Total non-current liabilities	1,395,873
TOTAL LIABILITIES	5,857,431
NET ASSETS/ (LIABILITIES)	2,306,977
EQUITY	
Issued capital	15,582,360
Reserves	(13,329,103)
Retained profits	53,720
Total equity	2,306,977
TOTAL EQUITY	

Management's Discussion and Analysis

The following commentaries and notes aim to provide an understanding of the Group's historical statement of financial position as at 30 April 2020.



On 13 December 2019, the Company settled the acquisition of WCA. By this transaction, the Company obtained control of WCA (“**the Acquisition**”). The net assets of WCA acquired was \$1,627,810.

In determining the accounting treatment to be applied to this acquisition, the Directors gave consideration to the fact that the Company and WCA were controlled by the same group of shareholders before and after the Acquisition. Accordingly, it was determined that the Acquisition met the definition of a transaction between entities under common control as outlined in AASB 3, whereby the variance between the purchase consideration paid and the net assets acquired is recognised in equity on consolidation. The impact of this transaction is set out in the table below:

Purchase consideration payable:	
Shares issued	15,000,000
Less net assets acquired	(1,627,810)
Reserve	13,372,190

4.6 Historical Financial Information – the Component

a. Historical Statement of Profit or Loss and Other Comprehensive Income – WCA

The tables below present the Historical Statement of Profit or Loss and Other Comprehensive Income of WCA for the financial years ended 30 April 2018, 2019 and 2020.

	RM			AUD		
	Audited 30-Apr-20	Audited 30-Apr-19	Audited 30-Apr-18	Audited 30-Apr-20	Audited 30-Apr-19	Audited 30-Apr-18
Revenue	13,976,831	15,320,873	5,242,853	4,948,251	5,161,869	1,637,696
Change in fair value of biological assets	4,008,996	3,665,126	2,987,595	1,419,315	1,234,845	933,227
Cost of sales	(13,112,363)	(12,369,710)	(3,689,318)	(4,642,202)	(4,167,571)	(1,152,422)
Gross profit	4,873,464	6,616,289	4,541,130	1,725,364	2,229,143	1,418,501
Other operating income	37,203	26,488	14,611	13,171	8,924	4,564
Administrative expenses	(1,205,673)	(877,067)	(571,659)	(426,847)	(295,499)	(178,568)
Finance Costs	(338,702)	(141,900)	(74,812)	(119,911)	(47,809)	(23,369)
Profit before tax	3,366,292	5,623,810	3,909,270	1,191,777	1,894,759	1,221,128
Income tax expense	(97,055)	(97,398)	(50,000)	(34,361)	(32,815)	(15,618)
Profit for the year, representing total comprehensive income for the year	3,269,237	5,526,412	3,859,270	1,157,416	1,861,944	1,205,510

Management's Discussion and Analysis

General factors affecting the operating results of WCA

Below is a summary of the key factors which affected WCA's operational and financial performance in FYE2018, FYE2019 and FYE2020. These factors may continue to affect operating and financial performance of WCA in future periods.

COVID-19

During the year ended 30 April 2020, COVID-19 was declared a pandemic by the World Health Organisation (WHO). The pandemic adversely affected the global economy, including increasing unemployment rate, decreasing consumer demand, causing interruptions to supply chains, and tightening liquidity and credit conditions. Since its outbreak, governments worldwide have implemented measures to contain the pandemic. Many countries have required entities to limit or suspend business operations, and have also implemented travel restrictions and quarantine measures. Monetary and fiscal stimulus packages have also been introduced in some countries. Malaysia has been placed under movement control orders from 18 March 2020 to 24 April 2020 to contain the spread of the disease. As the COVID-19 outbreak continues to evolve, the estimated financial impact cannot be reasonably determined at this juncture.

WCA has taken steps to proactively manage the business and take the necessary actions to ensure that its long-term business prospects remain stable.

While the COVID-19 situation has created economic uncertainty, the directors consider that WCA remains a going concern as it has, at 30 April 2020 net assets of \$2,088,620 and cash & cash equivalents of \$386,401.

Market conditions

WCA's financial performance is impacted by the general market conditions and their subsequent impact on the food sector. Factors including consumer confidence, business confidence, interest rates and population growth also impact the financial performance of WCA.

Harvest volume

The harvest volume in a particular year is dependent on a number of factors including:

- Fish species and quantity of fish farmed
 - Fish are harvested approximately one to three years after they are released into cages. As a result, WCA is required to forecast and undertake assessments about the species of fish and its expected demand when deciding what species and how much fingerling/juvenile fish is needed for farming.
- Mortality loss
 - Mortality is caused by factors such as adverse environmental factors and diseases, which negatively impact production volume.
- Average production weight
 - The average weight of fish is directly influenced by feed consumption, feed conversion rate (a measure of the efficiency in converting feed mass into body weight), water quality and grow up period before they are harvested.

WCA's key operating costs are outlined below:

- Labour – Labour is an expense that relates to the maintenance of WCA's marine farming operations. Labour expenses include wages and salaries, benefits involved and housing for workers on the marine farm.
- Feed – Feed is a key expense to WCA's business model as a marine farm. WCA exercises a multi sourcing strategy.
- Fingerlings/Juvenile Fish – Fingerlings and juvenile fish is one of WCA's significant expenses. WCA purchases fingerlings and juvenile fish that are between the lengths of 3 to 7 inches to grow up in their marine fish cages.

Revenue

Revenue mainly represents the sale of fish.

For the financial year ended 30 April 2019, the substantial increase in revenue and positive increase in fair value was mainly due to the increase in biological assets as WCA increased the number of cages of fish farm from 500 cages to 1,000 cages by end of April 2019.

For the financial year ended 30 April 2020, the decrease in revenue was mainly due to the impact of COVID-19 pandemic as revenue recorded lower than budgeted sales for the months of March to April 2020 of approximately \$478,000 (RM1,320,000).

Gross profit

Gross profit margin dropped from 55.2 percent in FYE2018 to 34.8 percent in FYE2019 and 27.1% in FYE2020 due to the following key reasons:

- In May 2018, WCA managed to penetrate and secure direct sales of live fish in wholesale quantities to Hong Kong and by the end of FYE2020 managed to secure 6 major wholesale clients from Hong Kong contributing 57% of total sales. Wholesale sales are generally 10 percent to 15 percent cheaper than retail prices.
- Management's decision to undertake drastic change in fingerling/juvenile fish input from around length 10cm size to lengths around 15 to 18cm. This has not only improved mortality rate, but also slightly shortened fish grow up periods. However, it comes at an extra cost as 15 to 18cm fingerling are double the price compared to the 10cm fingerling counterpart.

Profit before tax

For FYE2019 despite drop in gross profit margin from 55.2 percent to 34.8 percent, profit before tax increased by 43.8 percent from RM3.9 million in FYE2018 to RM5.6 million in

FYE2019 as company managed to triple its sales revenue from RM5.2 million to RM15.3 million.

Whereas for FYE2020 Profit before tax dropped to RM3.3 million in tandem to the decrease in GP margin and also due to the increase in administration and finance cost.

The increase in Administration cost had mainly been attributed to more resources being employed by the group in preparation for the company's Australian listing.

The increase in Finance cost is due to the increase in total bank borrowing by RM2.6 million during FYE20.

Income tax expense

Income tax expense is related to interest income and deferred tax expense during the respective financial year. The statutory income derived from fish breeding activities was not liable for tax as WCA was granted a tax incentive under Section 127 of the *Income Tax Act 1967*.

b. Historical Statement of Cash Flows – WCA

The tables below present the Historical Statement of Cash Flows of WCA for the financial years ended 30 April 2018, 30 April 2019 and 30 April 2020.

	RM			AUD		
	Audited 30-Apr-20	Audited 30-Apr-19	Audited 30-Apr-18	Audited 30-Apr-20	Audited 30-Apr-19	Audited 30-Apr-18
Cash flows from operating activities						
Profit before tax	3,366,292	5,623,810	3,909,270	1,191,777	1,894,759	1,221,128
Adjustments for:						
- Depreciation	596,305	401,628	290,682	211,111	135,315	90,800
- Impairment loss on financial assets - net : trade receivables	36,154	-	-	12,800	-	-
- Interest income	(37,203)	(26,488)	(14,611)	(13,171)	(8,924)	(4,564)
- Interest expense	338,702	141,900	74,812	119,911	47,809	23,369
- Loss on disposal of property, plant & equipment	-	-	55	-	-	17
Operating profit before working capital changes	4,300,250	6,140,850	4,260,208	1,522,428	2,068,959	1,330,750
- (Increase) in biological assets	(4,008,996)	(3,665,126)	(2,987,595)	(1,419,315)	(1,234,845)	(933,227)
- (Increase)/decrease in inventories	(28,039)	(529,610)	(47,726)	(9,927)	(178,435)	(14,908)
- Decrease/(increase) in receivables	108,775	2,656,186	(1,716,800)	38,510	894,915	(536,272)
- Increase/(decrease) in payables	3,605,602	(1,221,462)	3,379,541	1,276,500	(411,529)	1,055,658
- Increase/(decrease) in related party	783,566			277,408		
Cash from operations	4,761,158	3,380,838	2,887,628	1,685,604	1,139,064	902,001
- Interest received	37,203	26,488	14,611	13,171	8,924	4,564
- Interest expenses	(338,702)	(141,900)	(74,812)	(119,911)	(47,809)	(23,369)
- Tax paid	(6,260)	(6,116)	-	(2,216)	(2,061)	-
Net cash from operating activities	4,453,399	3,259,310	2,827,427	1,576,648	1,098,119	883,196
Cash used in investing activities						
- Acquisition of property, plant & equipment	(690,597)	(1,103,169)	(2,734,550)	(244,494)	(371,677)	(854,184)
- Proceeds of property, plant & equipment	-	-	27,829	-	-	8,693

Net cash from investing activities	(690,597)	(1,103,169)	(2,706,721)	(244,494)	(371,677)	(845,491)
Cash generated from financing activity						
- Dividend paid	(6,500,000)	(3,000,000)	-	(2,301,211)	(1,010,752)	-
- Placement of fixed deposit under lien	(424,956)	(1,125,718)	(314,400)	(150,448)	(379,274)	(98,208)
- Proceeds from borrowings	6,449,760	4,731,621	978,000	2,283,424	1,594,165	305,495
- Repayments from borrowings	(4,737,048)	(1,190,945)	(808,737)	(1,677,069)	(401,250)	(252,623)
Net cash from financing activities	(5,212,244)	(585,042)	(145,137)	(1,845,304)	(197,111)	(45,336)
Net changes in cash and cash equivalents	(1,449,442)	1,571,099	(24,431)	(513,150)	529,331	(7,631)
Cash and cash equivalents brought forward	1,621,641	50,542	74,973	557,150	17,034	23,062
Foreign exchange	-	-	-	16,736	10,785	1,603
Cash and cash equivalents carried forward	172,199	1,621,641	50,542	60,736	557,150	17,034
Cash and cash equivalents comprise:						
Fixed deposit with a licensed bank	2,285,074	1,860,118	734,400	805,966	639,084	247,514
Cash and bank balances	1,095,525	1,621,641	50,542	386,401	557,150	17,034
Bank overdraft	(923,326)	-	-	(325,665)	-	-
	2,457,273	3,481,759	784,942	866,702	1,196,234	264,548
Less: Fixed deposits under lien	(2,285,074)	(1,860,118)	(734,400)	(805,966)	(639,084)	(247,514)
	172,199	1,621,641	50,542	60,736	557,150	17,034

Management's Discussion and Analysis

Operating profit before working capital changes

Operating profit before working capital changes generated a cash inflow of \$1.3 million for FYE18, \$2.1 million for FYE19 and \$1.5 million for FYE20 which is consistent and in line with the reported revenue and gross profit during the respective years.

Net cash from operating activities

Net cash from operating activities show a positive increasing trend from \$0.9 million for FYE18 to \$1.1 million for FYE19 and \$1.6 million in FYE20.

c. Historical Statement of Financial Position – WCA

The table below presents the Historical Statement of Financial Position of WCA as at 30 April 2019 and 30 April 2020.

	RM		AUD	
	30-April-20	30-Apr-19	30 April-20	30-Apr-19
ASSETS				
Non-current Assets				
- Property, plant and equipment	5,155,718	5,061,426	1,818,467	1,738,963
- Deferred tax assets	-	27,405	-	9,416
	5,155,718	5,088,831	1,818,467	1,748,379
Current Assets				
- Biological assets	12,844,038	8,835,042	4,530,205	3,035,471

- Inventories	632,069	604,030	222,936	207,528
- Trade and other receivables	391,472	536,401	138,076	184,292
- Fixed deposit with licensed bank	2,285,074	1,860,118	805,966	639,084
- Cash and bank balances	1,095,525	1,621,641	386,401	557,150
	17,248,178	13,457,232	6,083,584	4,623,525
Total assets	22,403,896	18,546,063	7,902,051	6,371,904
EQUITY AND LIABILITIES				
Equity attributed to owners				
- Share capital	1,000,000	1,000,000	334,102	334,102
- Retained Earnings	4,138,094	7,368,857	1,202,060	2,337,251
- Foreign exchange translation reserve	-	-	276,088	203,951
	5,138,094	8,368,857	1,812,250	2,875,304
Non-current Liabilities				
- Bank borrowings	3,897,578	3,212,145	1,374,710	1,103,602
- Deferred tax liabilities	60,000	-	21,163	-
	3,957,578	3,212,145	1,395,873	1,103,602
Current Liabilities				
- Trade and other payables	7,900,448	4,294,846	2,786,558	1,475,588
- Amount due to holding company	783,566	-	276,371	-
- Bank borrowings	4,619,538	2,668,933	1,629,351	916,970
- Current tax liabilities	4,672	1,282	1,648	440
	13,308,224	6,965,061	4,693,928	2,392,998
Total Liabilities	17,265,802	10,177,206	6,089,801	3,496,600
Total equity and liabilities	22,403,896	18,546,063	7,902,051	6,371,904

Management's Discussion and Analysis

Property, plant and equipment

Property, plant and equipment cost recorded an increase of RM690,597, offset by depreciation charges of RM596,305 during the FYE20. This was mainly due to the installation of four HDPE circle cages with its supporting equipment and nettings amounting to RM466,075.

Biological assets

Biological assets increased by approximately RM4.0 million during the FYE20.

Key reasons:

Fully utilise the 1,000 wooden cages

WCA had increased the number of wooden cages from 500 cages to 1,000 cages by end of FYE2019. This allowed more fish to be farm not only in FYE2019 but way into FYE2020.

4 HDPE circle cages

WCA started to farm fish in this new 4 HDPE circle cages and as at 30 April 2020 there were approximately 60,000 tails of fish value at fair value around RM1.2 million.

COVID-19

The lower than budgeted sales due to Covid-19 impact for the months of March to April 2020 of approximately RM1.3 million also contribute to the higher biological assets value as at 30 April 2020.

Bank borrowings

Total bank borrowing increased by RM2.6 million during the FYE20.

This increase was mainly used to finance the increase in Biological assets in conjunction with the increased in number of wooden cages from 500 cages to 1,000 cages and installation of the 4 new HDPE circle cages.

Trade and other payables

Trade and other payables as of 30 April 2020 amounting to RM7,900,448 include amount due to related party amounting to RM6,370,369 of which RM5,880,000 is the amount due to key shareholders as outlined in 9.2e of the prospectus.

4.7 Pro forma historical financial information

a. Summary of Pro Forma Transactions

The following Reviewed Pro forma Historical Statement of Financial Position of the Group as at 30 April 2020 and the accompanying notes set out below, have been prepared to illustrate the financial position of the Group, following completion of the offer and the following transactions outlined below:

- Acquisition of HDPE cages Nets and Frame by WCA totalling MYR 325,375 or AUD 114,763 during June and August 2020.
- Drawing down of term loan by WCA of MYR 1.0 million or AUD 352,709 during June 2020.
- Issuing 10 million shares up to a maximum of 14 million at \$0.50 per share to raise between \$5 – 7 million before costs. The expense associated with the offer is \$686,288 as outlined below and expensing the associated DTA balance of \$151,632, transferring prepaid listing costs of \$236,530 to issued capital and recording GST receivable of approximately \$39,777.

	Min \$	Max \$
Auditor and Investigating Accountant fees (Australia)	79,182	79,182
UH Community (SSX & STAX platform fees)	438,900	438,900
Legal fees	165,000	165,000
ASIC Prospectus lodgement fees	3,206	3,206
Total estimated gross expenses of offer (inc GST)	686,288	686,288
Amount already expensed and/or paid	(236,530)	(236,530)
Remaining amount payable (inc of GST)	449,758	449,758

The Pro Forma Historical Statement of Financial Position of the Group is intended to be illustrative only and does not reflect the actual position and balances as at the date of this Prospectus or at the conclusion of the Offer.

b. Reviewed Pro Forma Historical Statement of Financial Position as at 30 April 2020

The Reviewed Pro Forma Historical Statement of Financial Position of the Group as at 30 April 2020 set out below, has been prepared to illustrate the financial position of the Group, following completion of the Offer and the transactions outlined in Section 4.7a.

	The Group 30/04/2020	Sub-total of pro forma transactions	Impact of Offer		Total Pro forma	
			Min \$	Max \$	Min \$	Max \$
Current assets						
Cash and cash equivalents (1)	386,416	237,946	4,645,365	6,645,365	5,269,727	7,269,727
Trade and other receivables (2)	163,888	-	39,777	39,777	203,665	203,665
Inventory	222,936	-	-	-	222,936	222,936
Biological assets	4,530,205	-	-	-	4,530,205	4,530,205
Financial assets	805,966	-	-	-	805,966	805,966
Deferred listing expenses (3)	236,530	-	(236,530)	(236,530)	-	-
Total current assets	6,345,941	237,946	4,448,612	6,448,612	11,032,499	13,032,499
Non-current assets						
Property, plant and equipment (4)	1,818,467	114,763	-	-	1,933,230	1,933,230
Total non-current assets	1,818,467	114,763	-	-	1,933,230	1,933,230
Total assets	8,164,408	352,709	4,448,612	6,448,612	12,965,729	14,965,729
Current liabilities						
Trade and other payables	2,830,558	-	-	-	2,830,558	2,830,558
Bank borrowings (5)	1,629,352	22,499	-	-	1,651,851	1,651,851
Income tax	1,648	-	-	-	1,648	1,648
Total current liabilities	4,461,558	22,499	-	-	4,484,057	4,484,057
Non-current liabilities						
Borrowings (6)	1,374,710	330,210	-	-	1,704,920	1,704,920
Deferred tax	21,163	-	-	-	21,163	21,163
Total non-current liabilities	1,395,873	330,210	-	-	1,726,083	1,726,083
Total liabilities	5,857,431	352,709	-	-	6,210,140	6,210,140

Net assets	2,306,977		4,448,612	6,448,612	6,755,589	8,755,589
Equity						
Issued capital (7)	15,582,360	-	4,600,244	6,600,244	20,182,604	22,182,604
Reserves	(13,329,103)	-	-	-	(13,329,103)	(13,329,103)
Retained earnings / (Accumulated losses) (8)	53,720	-	(151,632)	(151,632)	(97,912)	(97,912)
Total equity	2,306,977	-	4,448,612	6,448,612	6,755,589	8,755,589

Note 1 - Cash and cash equivalents

	Min	Max
	\$	\$
Audited balance as at 30 April 2020	386,416	386,416
Cash from new borrowings net of PPE additions	237,946	237,946
Pro forma transaction subtotal	237,946	237,946
Proceeds from shares issued under the offer	5,000,000	7,000,000
Cash payments for offer costs	(354,635)	(354,635)
Impact of offer subtotal	4,645,365	6,645,365
Total pro forma balance	5,269,727	7,269,727

Note 2 – Trade and other receivables

	Min	Max
	\$	\$
Audited balance as at 30 April 2020	163,888	163,888
GST on listing costs	39,777	39,777
Impact of offer subtotal	39,777	39,777
Total pro forma balance	203,665	203,665

Note 3 – Deferred listing expenses

	Min	Max
	\$	\$

Audited balance as at 30 April 2020	236,530	236,530
Transfer prepaid listing costs to issued capital	(236,530)	(236,530)
Impact of offer subtotal	(236,530)	(236,530)
Total pro forma balance	-	-

Note 4 – Property, plant and equipment

	Min	Max
	\$	\$
Audited balance as at 30 April 2020	1,818,467	1,818,467
Additions of property, plant and equipment	114,763	114,763
Pro forma transaction subtotal	114,763	114,763
Impact of offer subtotal	-	-
Total pro forma balance	1,933,230	1,933,230

Note 5 – Borrowings – Current

	Min	Max
	\$	\$
Audited balance as at 30 April 2020	1,629,352	1,629,352
Additional borrowings	22,499	22,499
Pro forma transaction subtotal	22,499	22,499
Impact of offer subtotal	-	-
Total pro forma balance	1,651,851	1,651,851

Note 6 – Borrowings – Non-current

	Min	Max
	\$	\$
Audited balance as at 30 April 2020	1,374,710	1,374,710
Additional borrowings	330,210	330,210
Pro forma transaction subtotal	330,210	330,210
Impact of offer subtotal	-	-
Total pro forma balance	1,704,920	1,704,920

Note 7 – Issued capital

	Min	Max
	\$	\$
Audited balance as at 30 April 2020	15,582,360	15,582,360
Pro forma transaction subtotal	-	-
Transfer of prepaid listing costs	(236,530)	(236,530)
Issue of shares, net of costs and tax effect	4,836,774	6,836,774
Impact of offer subtotal	4,600,244	6,600,244
Total pro forma balance	20,182,604	22,182,604

Note 8 – Retained earnings / (Accumulated losses)

	Min	Max
	\$	\$
Audited balance as at 30 April 2020	53,720	53,720
Pro forma transaction subtotal	-	-
Expensing of DTA on listing costs	(151,632)	(151,632)
Impact of offer subtotal	(151,632)	(151,632)
Total pro forma balance	(97,912)	(97,912)

c. Subsequent events

On 30 July 2020, the Company Lodged a Replacement Prospectus. The Replacement Prospectus is for the Company's Initial Public Offering (IPO) of 10,000,000 to 14,000,000 shares valued at \$0.50 per share to raise a total amount between AU\$5,000,000 and AU\$7,000,000 respectively, before costs. This fundraising exercise aims to expand production capacity to meet growing consumer demand and improve on efficiency to farm high quality fish and also to acquire hatchery/nursery facilities.

Since the lodgement of the Company's replacement Prospectus, dated 31 July 2020, the Company has raised \$145,000 as of 13 October 2020. Please note, the money raised prior to the lodgement of this Replacement Prospectus is subject to refund and should not be taken as an indication of the merits of the Company.

WCA acquired HDPE cages Nets and Frame totalling MYR 325,375 or AUD 114,763 during June and August 2020.

The drawing down of term loan by WCA of MYR 1.0 million or AUD 352,709 during June 2020.

During the period ended 30 April 2020, the COVID-19 was declared a pandemic by the World Health Organisation (WHO). The pandemic has adversely affected the global economy, including an increase in unemployment, decrease in consumer demand, interruptions in supply chains, and tight liquidity and credit conditions. Since its outbreak, governments worldwide have set up measures to contain the pandemic. Many countries have required entities to limit or suspend business operations, and have also implemented travel restrictions and quarantine measures. Monetary and fiscal stimulus packages have also been introduced in some countries. As the COVID-19 outbreak continues to evolve, the estimated financial impact cannot be reasonably determined at this juncture.

The company is taking steps to proactively manage the business and take the necessary actions to ensure that the Company's long-term business prospects remain stable.

While the COVID-19 situation has created economic uncertainty, the directors consider that the Group will be able to continue as a going concern as it has, at 30 April 2020 net assets of \$2,306,977 and cash & cash equivalents of \$386,416.

The state of disaster in Victoria was declared on 16 August 2020 until 13 September 2020 and the state of disaster still in place. The Group's operations in Victoria are of a scale and nature that they have not been significantly impacted.

No other matter or circumstance has arisen since 30 April 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

4.8 Summary of Significant Accounting Policies

A summary of significant accounting policies which have been adopted in the preparation of the Historical Financial Information and Pro Forma Historical Financial Information, is set out as follows:

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment, biological assets and derivative financial instruments.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of West Coast Aquaculture Group Ltd ('company' or 'parent entity') as at 30 April 2020 and the results of its subsidiary for the period then ended. West Coast Aquaculture Group Ltd and its subsidiary together are referred to in these financial statements as the 'Group' or 'the consolidated entity'.

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

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting, unless it is an acquisition involving entities or businesses under common control. For common control acquisitions the excess of the purchase price over the identifiable fair value of net assets acquired, is recognised in equity as a reserve.

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.

Foreign currency translation

The financial statements are presented in Australian dollars, which is West Coast Aquaculture Group Ltd'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 period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

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

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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 recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

The Company's Malaysian subsidiary has been granted tax incentive under Section 127 of the *Income Tax Act 1967* for exemption of tax on statutory income from fish rearing activities for a period of ten years from February 2013.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

(ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate. For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Inventories

Agricultural produce harvested from biological assets is measured at fair value less costs to sell at the point of harvest. Such measurement is the cost at the date when applying AASB 102 Inventories. Other stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

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

Property, plant and equipment

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 straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	50 years
Farm equipment	10 years
Ponds and quarters	10-20 years
Machinery	7 years
Motor vehicles	5-7 years
Fixture and Fittings	5 years

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

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.

Biological assets

Fishery livestock

Fishery livestock are measured at fair value less costs to sell, based on market prices of livestock of similar age, species, where necessary, to reflect the differences. Market prices are obtained from observable market prices (where available), contracted prices or estimated future prices. The costs to sell include the incremental selling costs, including fees and commission paid to dealers and estimated costs of transport to market. Changes in fair value of livestock are recognised in profit or loss.

In measuring the fair value of fishery livestock, various management estimates and judgements are required. Estimates and judgements in determining the fair value of fishery livestock relate to the market prices, average weight, tails of fishes and quality of the fishery livestock.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

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.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

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.

5. RISKS

The below list of risk factors should not be taken as an exhaustive list of the risks faced by West Coast or by investors of West Coast. The below factors, and others not specifically referred to below, may materially affect the financial performance of West Coast and the value of shares under the Offer. The shares issued under the Offer carry no guarantee in respect of profitability, dividends, return on capital or the price at which they may be traded on the SSX. Furthermore, there is no guarantee that the shares will remain continuously quoted on the SSX, which could impact the ability of prospective shareholders to sell their shares.

Potential investors should consult their professional advisors before deciding whether to apply for shares under this Offer.

5.1 Digital Currency (USDT)

West Coast will be required to liquidate the Digital currency received from this offer into Australian Dollars.

Liquidation of USDT to AUD may take between 3 to 56 days post completion of this offer.

Shares will be issued prior to liquidating of USDT. Shares will be quoted prior to or during the liquidation of USDT.

There is a risk the subscribers of the offer may send USDT to the incorrect wallet address. The Company urges you to use the instructions provided to subscribe with USDT very carefully. The Company will not take responsibility for USDT sent to the wrong wallet address.

The Company may liquidate in \$500,000 AUD tranches to minimise risk. Although the company is capable of liquidating a substantial amount in one transaction, the company believes it is more responsible to liquidate in smaller tranches to minimise risk.

USDT is susceptible to theft if proper precautions are not adhered to such as safe wallet management practices.

USDT held in trust, in conjunction with this offer, is not insured by the Trustee or the Company.

We urge individuals who are not familiar with Digital Currency to refrain from subscribing with USDT pursuant to this offer.

The Company will only raise capital in USDT, which is subject to significantly less volatility in comparison to other digital currencies such as Bitcoin. USDT's value generally follows the value of USD very closely

5.2 Infrastructure Risks

West Coast does not own the waters in which they operate their fish farm. Currently they have been granted a license to operate in their current location for a period of 12 months (to be renewed annually) by the Ministry of Agriculture and Agro-Based Industry Malaysia. There is no guarantee that the Ministry of Agriculture and Agro-Based Industry Malaysia will extend the West Coast's license to operate in the given area. In the event that West Coast's licensing is not extended, West Coast will firstly be required to secure a new area to operate in, and they will secondly be required to tow their marine farming operations to the new location which may take a period of 1 to 2 weeks depending on the location. During the towing period fish will be exposed to stress which may cause a significant increase in mortality rates. The new location may not be suitable for the fish which may further increase mortality rates.

5.3 Lack of Ongoing Purchase Contracts

West Coast has not signed any long-term contracts with any one customer. Consistency of purchase and of price cannot be guaranteed. There is a risk that the demand for West Coast's produce will decrease which will have an adverse effect on the Company's sales, negatively impacting financial performance.

5.4 Decrease in Demand

Economic conditions may adversely impact consumer demand for West Coast's produce, opting for cheaper alternatives of seafood. Consumer's dietary preferences may change which could result in decreased demand for West Coast's produce. Decrease in demand may impact the price in which produce can be sold for directly affecting financial performance of the Company.

5.5 Disease

There is a risk that West Coast's fish stock will suffer from a disease outbreak. This may result in higher mortality rates impacting the Company's financial performance.

Velvet Disease

Velvet disease is caused by the parasite *Amyloodinium* attaching to fish. *Amyloodinium* is a species of dinoflagellate parasites. *Amyloodinium* may be transmitted through direct contact with dinospores. Wildlife in the area and other fish with the disease are common transmission causes.

Monogenea

Monogenea are a group of flatworm-like parasites that infect the skin and gills of fish. Monogenea can cause fish's gills to swell, respiratory problems and the loss of scales disallowing the sale of the fish until fully treated and potentially permanently reducing the quality of the fish.

5.6 Environmental Conditions

Natural Events

The operations of West Coast are exposed to the risk of natural disaster such as, amongst others, tsunami, typhoon and hurricane, which to a certain extent are unpredictable and destructive. The operations of West Coast are located at Langkawi, in the State of Kedah. To date, Kedah has not experienced any occurrence of natural disaster such as earthquake, tsunami or typhoon, as Malaysia, including Kedah, is not located in the zone of frequent earthquakes and volcanic eruptions.

Although West Coast has and will continue to implement its risk management program to minimise the risks of natural disaster, and the fact that Langkawi, Kedah has not experienced such disaster before, there can be no assurance that natural disaster will not happen at Langkawi, Kedah and cause mortality to West Coast's fish.

Air Pollution

Langkawi Malaysia occasionally experiences high levels of air pollution which may adversely affect labour output and West Coast operations.

Seasonal and Environmental Concerns

As West Coast is an agricultural producer (predominantly water-based), there is a risk that West Coast could be exposed to a number of natural events such as floods, storms, fire and adverse movements in the marine environments, such as change in water temperatures, dissolved oxygen and salinity level, many of which are beyond West Coast's control.

Adverse environmental conditions can negatively impact fish stock survival, restrict the growth of fish and increase feed conversion ratios. Events such as floods and storms could also cause short, medium or long-term interruptions to West Coast's operations and materially impact cash flows, financial performance and operational results.

Water Pollution

Aquaculture activities require conducive aquatic environment, especially unpolluted water. West Coast's marine fish cages are located at sea with good water supply and such environment is conducive for the farming and breeding of fishes. West Coast is careful in

avoiding the use of hazardous chemicals in its farm operations as this will have an adverse effect on the natural ecosystem over the long term.

Although West Coast has taken steps to address environmental concerns, there can be no assurance that future uncontrolled development and agro-climatic changes near its farms will not cause environmental problems affecting its operations.

5.7 Supply Prices

Fish Feed

Feed is vital to West Coast's operations and constitutes a significant percentage of operational expenses. Increase in the price of feed may adversely affect the Company's financial performance.

Fingerlings and Juvenile Fish

Fingerlings and juvenile fish are a key component to the Company's produce. The increase in price of fingerlings and juvenile fish will have an adverse effect on the Company's financial performance.

Entrance of competitors in the vicinity of Langkawi may cause an increase of feed, fingerling and juvenile fish prices due to the increased demand for the supplies.

Fuel and Energy Prices

Fuel is a material operating expense for West Coast and there is a risk that if there is a significant increase to fuel or energy prices, such increase will adversely affect the Company's operating costs.

West Coast uses fuel to:

- Power high pressure water pumps;
- Power generators on the fish farm to produce electricity;
- Fuel necessary boats and barges for operations; and
- Fuel land transport vehicles for the purchase of relevant supplies.

5.8 Customer Credit Risk

West Coast may provide repeat customers with a line of credit including varying settlement periods of up to 30 days after dispatch of goods. There is a risk that debtors' default on their payments or make late payments, which may have a material adverse impact on West Coast's financial performance.

5.9 Contamination

Maintaining a non-contaminated farming area is crucial to the operations of the Company. There is a risk that farming waters may be contaminated by incoming sea vessels or surrounding fish farms which may increase mortality rate of fish affecting financial performance.

5.10 Intellectual Property

Intellectual Property in relation to the hybrid fish breeding techniques are not protected nor patented.

5.11 Brand and Reputation

Events outside of West Coast's control may adversely affect the brand and reputation of the Company. Such events include, but not limited to:

- A food safety incident relating to Malaysian fish;
- A food safety incident relating to a particular species of fish produced by the Company;
- A widespread loss of consumer faith in the seafood industry.

Incidents such as these may affect the Company's revenue and financial performance due to a decrease in demand for West Coast's produce.

5.12 Expansion plan

West Coast has established an expansion plan to expand its current operations as well as establish operations in other areas of the aquaculture supply chain. There are risks associated with the expansion which may affect future financial performance.

5.13 Dependence on Particular Products

Currently, the core of West Coast's business is in the breeding and trading of Grouper species. There is no guarantee that there will not be a loss of appeal and popularity for the fish due to changing preferences of consumers. Furthermore, there can be no assurance that the demand for marine fish will not be substituted by freshwater fish.

To reduce the dependence on Grouper as mentioned above, West Coast has and will further diversify into the commercial breeding of Barramundi and Snapper to broaden its product offering.

5.14 Dependence on Particular Export Market

For the financial year ending 31 April 2020, West Coast exported approximately 57 percent of its products to Hong Kong. For the near future, Hong Kong will remain the main export market for West Coast as there is high demand for live marine fish, in particular, the Grouper species. In addition to the high local demand for live marine fish, Hong Kong is also the main trading and distribution centre for fisheries products for the China market. Hence, any decrease in the demand for live marine fish in Hong Kong may have an adverse impact on West Coast's financial performance.

5.15 Regulatory Risk

Lowered Barrier to Entry

Malaysia is currently providing entities wishing to operate marine farms with strong fiscal incentives similar to those that West Coast presently enjoys.

5.16 Key Personnel Dependency

West Coast attributes a significant amount of its success to its key personnel. Particularly the operational expertise of Huan Tai Chan see Section 6.1.

There is a risk that changes in key personnel could adversely affect the operational and financial performance of West Coast. If the need arises, there is no guarantee that West Coast can replace key personnel that will provide the same or better results.

5.17 Foreign Exchange Rate

West Coast's revenue and operating costs are conducted in Malaysian Ringgit, however, the Company wishes to conduct business internationally. Thus, there is a risk that foreign exchange fees may adversely affect financial performance of the Company.

Currently, West Coast's revenue and operating cost are mainly denominated in Malaysian Ringgit. West Coast's export sales are also mainly denominated in Malaysian Ringgit. However, West Coast intends to expand further its business regionally and internationally, including establishing supply chains in Australia. As such, West Coast may be potentially exposed to further foreign exchange risks.

West Coast intends to use various hedging techniques available in the market when the need arises, to mitigate this risk. However, it must be noted that there can be no assurance that any future significant exchange rate fluctuations or changes in foreign exchange control regulations will not have a material and adverse impact on West Coast's revenue and financial position.

5.18 Political and Regulatory Risk

Changes in political, economic and regulatory conditions in Malaysia may adversely affect the financial performance and business operations of the Company.

Like all other business entities, changes in political, economic and regulatory conditions in Malaysia, Australia and other countries could materially and adversely affect the financial and business prospects of West Coast and the markets of its end products. Amongst the political and economic prospects of West Coast, regulatory uncertainties and changes in political leadership, expropriation, nationalisation, re-negotiation or nullification of existing sales orders and contracts, changes in interest rates and methods of taxation and currency exchange rules and contracts may adversely affect the financial performance of the Company.

5.19 Litigation Risk

There is a risk that West Coast could be involved in litigation that relates to operational activities, key personnel, key contracts and employment claims. In the event West Coast is exposed to these risks business expenses would increase, consumer confidence may be adversely affected which may impact share price and financial performance of the Company.

5.20 Insurance

West Coast's current policies require West Coast to acquire relevant insurances.

West Coast cannot guarantee a stable rate of insurance nor reasonable prices in the future. West Coast cannot guarantee that insurance arranged will be adequate and able to cover all claims.

Any increase in the cost of insurance policies will have an adverse effect on the Company's financial performance.

West Coast's fish are not insurable. The Directors, however, are confident that they have taken adequate precautionary steps, amongst others, by the constant monitoring of water quality, implementing the necessary risk management and security measures.

5.21 Share Price Fluctuation

The shares that are quoted on the Sydney Stock Exchange may increase or decrease in price. There is no guarantee that shares will trade above the offer price. There is no assurance that shares will trade above the offer price even if West Coast's earnings increase.

Factors which may affect the share price include economic conditions, exchange rates, inflation rates, interest rates, legislation, regulation, inclusion or removal of market indices, the nature of markets in which West Coast operates and general operational and business risks.

5.22 Emerging Market Issuer

West Coast will be considered an emerging market issuer. Pursuant to Report 521 "Further review of emerging market issuers" published by ASIC, investing in emerging market issuers involves greater risk than in more established markets. Global financial or economic downturns in an emerging market can be subject to rapid change, adverse price movement and liquidity constraints due to investors moving their money into more established markets.

Investors should take care when evaluating the risks involved with investing in an emerging market issuer. Potential investors are urged to consult with legal and financial advisors prior to investing as well as to read ASIC's Report 521.

5.23 No Guarantee of Dividends

There is no guarantee that dividends will be paid on shares in the future. Dividend pay-outs will be governed by West Coast's dividend policy.

5.24 Trading in Shares may be Illiquid

There can be no guarantee that an active market in West Coast shares will develop. There may be relatively few buyers or sellers of the shares on the SSX at any time. This may increase the

volatility of the market price of the shares. It may also affect the ability for individuals to sell their shares on the market. This may result in shareholders receiving a market price for their shares that is less or more than the price they paid.

Following listing 80% of shareholding will be held by 5 individuals which may have an impact on the liquidity of the shares.

5.25 Control Implications of the Offer

Key Shareholders will own between 84.78 percent and 87.76 percent of shares following the Offer close, which would make the Key Shareholders the largest Shareholders of the Company.

	Pre-Offer		Minimum Subscription		Maximum Subscription	
	Shares (m)	%	Shares (m)	%	Shares (m)	%
Key Shareholders	100,000,000	86.91%	100,000,000	87.76%	100,000,000	84.78%
14 minor Shareholders	3,950,000	3.8%	3,950,000	3.47%	3,950,000	3.35%
New Shareholders pursuant to the Offer	NA	NA	10,000,000	8.77%	14,000,000	11.87%

5.26 Risk of Shareholder dilution

In the future, West Coast may elect to issue shares to engage in fundraising for various reasons. West Coast will need to comply with SSX listing rules which does not permit more than 15 percent of its total share capital to be issued within a 12-month period without shareholder approval.

5.27 Coronavirus (COVID-19)

Government restrictions placed due to COVID-19 and the world economic conditions caused by as a result of COVID-19 may adversely affect West Coast's financial performance.

Currently the Company has all the necessary staff required to run operations, however COVID-19 may impede the Company's ability to hire foreign labourers which may adversely affect to the financial position of the Company as there will be a requirement to hire local labourers which may cost significantly more.

Currently international transport vessels that purchase fish from the Company are free to travel to the Company's location. However, this may change due to Malaysian government regulation.

COVID-19 may create unforeseen transport delays in the supply chain adversely impacting the Company's financial position.

6. KEY PEOPLE, INTERESTS AND BENEFITS

6.1 Board of Directors

The Directors bring to the Board a breadth of expertise and skills, including industry and business knowledge, financial management skills and corporate governance experience.

The profiles of the Directors of West Coast Aquaculture Group are as follows:

CHING HOE NEO (MARK) | Chief Executive Officer and Managing Director

Background

Mark is a Co-Founder of West Coast Aquaculture Group and was appointed to the Board of Directors of West Coast Aquaculture (M) Sdn Bhd on 3 February 2018.

Mark plays a key leadership role in the Company guiding its strategic vision, its operational expansion and customer relations.

Mark was the winner of the 15th Asia Pacific International Entrepreneur Excellence Award 2016 – under the category of Excellence Leadership.

Other Current Directorships

Mark is also a Director of Right Pristine Manpro Sdn Bhd and AP Venture Provision Sdn Bhd, which are foreign workers recruitment agencies.

Profile

Upon the completion of his secondary education, Mark started working at a printing Company as a Production Supervisor, and was involved with attending to high-tech printing machines, monitoring printing quality and manpower arrangement for different production line to ensure production was on schedule.

In 1995, he ventured into the human resources industry and founded Right Pristine ManPro Sdn Bhd (“**Right Pristine ManPro**”), AP Venture Provision Sdn Bhd (“**AP Venture Provision**”) and Maxprotech Resources SDN BHD (“**Maxprotech**”).

Right Pristine ManPro focuses on the provision of domestic foreign labour supply, human resources management services and dormitory development. The company predominantly deals with the sourcing of house maids for Malaysian households. Based in Penang, a Northern region of Malaysia, it is one of the nation’s foreign manpower management companies. Right Pristine ManPro partners with foreign agencies in various countries to supply professional workforce to multiple sectors of multinational factories and local companies. It has connected with more than 50,000 foreign work force from Indonesia, Vietnam, Nepal, Myanmar, and the Philippines to cater to the needs of various industries and sectors.

Right Pristine ManPro sustained their competitive advantage in providing manpower services nationwide with its delivery commitment, quality of support and service, and experienced and dedicated management team in managing all outsource related activities. The Company is committed to taking care of the wellbeing of its foreign workers, ensuing that the foreign workforce is treated with respect and dignity.

Right Pristine ManPro has provided foreign labour to companies such as Sony, Canon, Motorola and Kuala Lumpur International Airport.

AP Venture Provision is a professionally managed licensed recruitment agency that recruits foreign domestic helpers.

Max Protech is Company which focuses on the provision of international industrial labour in Malaysia. Industrial Labour includes jobs that consist manual and physical works such as building and working on fish farms.

As the Managing Director and Chief Executive Officer of West Coast Aquaculture Group, Mark is primarily responsible for overseeing the overall business operations and development, as well as the formulation and implementation of the West Coast Aquaculture Group's corporate strategies. With over 25 years of experience in the business sector, Mark is the driving force of the Group.

TEIK HON CHIN | Chief Operations Officer

Background

Teik Hon Chin is a Co-Founder of West Coast with 12 years' experience in fish farming operations and was appointed to the Board of Directors of West Coast Aquaculture (M) Sdn Bhd on 30 May 2016.

Chin is responsible for the farming operations of West Coast Aquaculture and he ensures that their practice is compliant with legislation requirements, environmental standards and good aquaculture practice.

Chin guides and implements West Coast's growth and development plans. He works closely with West Coast's CEO with a key focus on business growth. Currently, he is overseeing the implementation of West Coast's Expansion Plan.

Chin's role extends to the marine environment and fish performance from fingerlings to harvest. He has been responsible for West Coast's production increases and improved fish production.

Chin is well recognized for farming innovation in Langkawi and his extensive knowledge of aquaculture is the foundation on which West Coast Aquaculture's success is built on.

Key Achievements

Through the extensive research and development conducted throughout the years by the dedicated R&D team lead by Chin, the West Coast Aquaculture Group has successfully achieved numerous successes in the breeding of its marine fish species, the most notable achievement of which was the successful production of various species of Grouper and Red Snapper.

Chin was awarded a certificate of recognition as "The Catalyst for Transformation in Agrotechnology" in the Aquaculture Sector, by the Muda Agricultural Development Authority, which is an agency under the Ministry of Agriculture and Agro-Based Industry in the State of Kedah on 5 August 2015.

YAW FOI CHAN | Chief Financial Officer

Background

Yaw Foi Chan is an Executive Director of West Coast and was appointed to the Board of Directors of West Coast on 5 December 2019.

Yaw Foi is a qualified Management Accountant with the Chartered Institute of Management Accountant (CIMA) and has over 20 years' experience in accounting and finance. He started his career as a Cost and Financial Accountant, with his last held position as a Financial Controller in an Indonesian Company with an annual turnover of above over USD 100 million.

Yaw Foi's role includes setting up West Coast departments and establishing costing standards, setting up and monitoring inventory control systems, budget preparation and variance analysis, setting products selling price, maintaining financial books, liaising with external auditors and tax advisors, dealing with banks on facilities and trade instruments, evaluating capital expenditures and monitoring returns, as well as guiding and advising management on decisions to achieve set targets.

Yaw Foi is also the Project Director of a property development Company in Malaysia. He is actively involved with project planning and implementation. He leads his team on all aspects of project development, including applying and dealing with securing permits, planning with architect and engineer, engaging building contractors, planning of material use, project monitoring and obtaining approval from relevant authorities for completed projects.

Yaw Foi joined West Coast Aquaculture (M) Sdn Bhd as the Executive Assistant of Ching Hoe Neo. His role includes analysing data for better strategic operations.

STUART LAURENCE NIVEN | Non-Executive Director

Stuart Niven is a solicitor and a Partner of Baldock Stacy & Niven Parramatta, Solicitors and Notaries.

He was educated at the King's School Parramatta and the University of Sydney.

Stuart's practice is largely in the commercial and business area helping companies and individuals in small, medium and large businesses throughout Australia.

Stuart was appointed as a notary public by the Supreme Court of NSW in 2007.

LEE PING CHONG | Non-Executive Director

Lee Ping Chong is a solicitor and Partner of Baldock Stacy & Niven Parramatta, Solicitors and Notaries.

Ping was educated in Malaysia, at the Institute of Chartered Secretaries and Administrators (ICSA) in the United Kingdom and in Australia.

Prior to working in law, Ping worked in the banking industry in Australia.

Ping practices in both the property and business areas helping companies and individuals in small, medium and large businesses in Australia and Asia.

Ping was appointed as a notary public by the Supreme Court of NSW in 2007.

Each Director above has confirmed to West Coast that they anticipate performing their duties as a non-executive Director or executive Director of West Coast, as the case may be, without constraint from other commitments.

Independence of Directors

Pursuant to the ASX Corporate governance Principles and Recommendations (4th Edition) a director is considered independent if the director is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, or could reasonably be perceived to have materially interfere with the independent exercise of their judgement of any given relationship.

The Board consider that Stuart Laurence Niven and Lee Ping Chong are free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgment and so each is considered an independent Director.

Ching Hoe Neo and Teik Hon Chin are currently considered by the Board to not be independent on the basis of their shareholding in the Company and on the basis of their long-standing relationship as advisors to the Company.

Yaw Foi Chan is not considered by the Board as independent on the basis of his close relationship with many of the significant shareholders of the Company.

SENIOR MANAGEMENT

HUAN TAI CHAN

Role

- Huan Tai Chan is a Co-Founder with 12 years' experience in aquaculture and fish farming operations.
- Chan has previous experience in the seafood production industry and was responsible for consistent and reliable supplier of seafood.
- Chan is responsible for wholesale, retail and export sales and customer service.

Other Current Directorships

Chan is also a founder of a marine fish nursery and hatchery Company that supplies quality fish fingerlings to fish breeders, including West Coast Aquaculture.

CHIAM SENG | Senior Technical Manager

Role

- Chiam Seng has 40 years' experience in fish farming operations and joined West Coast in 2014.
- Chiam provides overall advice on all fish farming related issues including pond management, fish treatment, feed species, grading etc.

6.2 Key Shareholders

Name	Shares	Percentage Minimum Subscription	Percentage Maximum Subscription
Ching Hoe Neo*	15,000,000	13.16%	12.71%
Teik Hon Chin	10,000,000	8.78%	8.49%
Joe Yee Neo*	20,000,000	17.55%	16.96%
Chin Dee Khor	15,000,000	13.16%	12.71%
Chin Koon Chia	40,000,000	35.11%	33.91%
Total	100,000,000	87.76%	84.78%

*Ching Hoe Neo and Joe Yee Neo are siblings.

6.3 Interests and Benefits

Pursuant to the table below the Directors will receive the following remuneration and hold the following interest in shares:

Director	Remuneration	Number of Shares	Options Held
Ching Hoe Neo (Chief Executive Officer)	\$60,000	15,000,000	-
Teik Hon Chin (Chief Operations Officer)	\$20,000	10,000,000	-
Yaw Foi Chan (Chief Financial Officer)	\$20,000	Nil	-
Stuart Lawrence Niven (Non-Executive Director)	\$20,000	Nil	-

Lee Ping Chong (Non-Executive Director)	\$20,000	Nil	-
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* not including superannuation

* Directors do not intend to participate in the public offer.

Interests of Advisors

West Coast Aquaculture has engaged the following professional advisors:

- Agile Legal Consulting has acted as Australian Legal and Corporate Advisor (other than in respect of taxation matters) to West Coast Aquaculture in relation to the Offer. West Coast Aquaculture has paid or agreed to pay, approximately \$150,000 (excluding disbursements and GST) for these services up until the date of this Prospectus. Further amounts may be paid to Agile Legal Consulting in accordance with its normal time-based charges;
- STAX Platform has acted as Capital Raising Advisor and Facilitator to West Coast Aquaculture in relation to the Offer. West Coast Aquaculture has paid or agreed to pay, approximately \$295,274 at minimum subscription or \$294,134 at maximum subscription (excluding disbursements and GST) for these services up until the date of this Prospectus. This fee is also inclusive of the SSX listing fees.
- HLB Mann Judd Corporate Finance Pty Ltd has acted as Investigating Account Advisor on West Coast. West Coast has agreed to pay, approximately \$42,564 (excluding disbursements and GST) for these services up until the date of this Prospectus. HLB Mann Judd is the Company's auditors and will be paid fees for performing audit services for the Company.
- HLB Ler Lum has acted as auditors for West Coast Aquaculture (M) SDN BHD. West Coast has agreed to pay, approximately RM96,500 (excluding disbursements and service tax fees).

These amounts, and other expenses of the Offer, will be paid out of funds raised under the Offer or cash otherwise available to West Coast Aquaculture (or one of its subsidiaries). Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 9.14.

Directors' Interests and Remuneration

Chief Executive Officer and Managing Director

Ching Hoe Neo (Mark) is employed in the position of Chief Executive Officer and Managing Director under an employment contract with West Coast Aquaculture. Mark is a founder of the Company. His annual remuneration package comprises a base salary of \$60,000 per annum.

Mark is director and beneficial owner of Maxprotech Resources Sdn Bhd. Maxprotech Resources Sdn. Bhd. provides labour hire services to WCA, which is considered to be a related party transaction.

Mark is also a beneficial owner of Tropika Island Fish Farm Sdn. BHD. ("TIFF"). TIFF had previously operated as a hatchery/nursery based in Alor Setar, Kedah. The Company purchased juvenile fish and fingerlings from TIFF. TIFF is no longer an operational hatchery/nursery. Mark has officially resigned from the Company as of 30 April 2019.

Notice

Mark's employment contract may be terminated by either West Coast Aquaculture or Mark himself by providing 6 months' notice in writing before the proposed date of termination, or in West Coast's case, payment in lieu of notice at its discretion.

West Coast Aquaculture may also terminate the employment of Mark summarily in certain circumstances (without notice) if he engages in serious misconduct, including, but not limited to, any acts of dishonestly, fraud, wilful disobedience, failure to comply with a lawful and reasonable direction or bankruptcy.

Chief Operations Officer

Teik Hon Chin is employed in the position of Chief Operations Officer under an employment contract with West Coast Aquaculture. Chin is a founder of the Company. His annual remuneration package comprises a base salary of \$20,000 per annum.

Chin is also a beneficial owner of TIFF. The Company had previously purchased juvenile fish and fingerlings from TIFF.

Chief Financial Officer

Yaw Foi Chan is employed in the position of Chief Financial Officer under an employment contract with West Coast Aquaculture. His annual remuneration package comprises a base salary of \$20,000 per annum.

Non-Executive Director

Under the Constitution and corporate governance rules, the Remuneration Committee decides the total amount paid to each Director as remuneration for their services as a director to West Coast Aquaculture. Annual non-executive Directors' fees currently agreed to be paid by West Coast are \$20,000 per annum.

The Company must not pay remuneration to Directors that is calculated as a commission on or a percentage of operating revenue, or in the case of non-executive Directors, profits. Superannuation payments are included in all non-executive Director fee amounts.

Deed of Access, Insurance and Indemnity for Directors

West Coast has entered into Deeds of Access, Insurance and Indemnity with each Director which contain rights of access to certain books and records of West Coast for a period of seven (7) years after the Director ceases to hold any office as an officer of the Company or a subsidiary of the Company. The seven (7) year period can be extended where certain proceedings or investigations commence before the seven (7) year expires.

Indemnification

Pursuant to the Constitution, West Coast is required to indemnify all Directors and Secretaries, past and present, against all liabilities allowed under law. Under the Deed of Access, Insurance and Indemnity, West Coast indemnifies parties against all liabilities to another person that may arise from their position as an officer of West Coast or its subsidiaries or any other entity to which a party to this Deed has been appointed as a nominee director at West Coast's request, to the extent permitted by law. The deed stipulates that West Coast will meet the full amount of any such liabilities, including reasonable legal costs and expenses.

Insurance

Pursuant to the Deed of Access, Insurance and Indemnity and the Constitution, West Coast has arranged and maintains Directors' and Officers' insurance for its Directors to the extent permitted by law. Under the Deed, West Coast must obtain such insurance during each Director's period of office and for a period of seven years after a Director ceases to hold office. This seven-year period can be extended where certain proceedings or investigations commence before the seven (7) year period expires.

Other Information

The Company must also reimburse Directors for all reasonable travel and other expenses incurred in connection with the business of the Company.

Subject to the Corporations Act and Constitution, non-executive Directors may be paid such additional remuneration or benefits as the Board decides is appropriate where a Director performs extra or special services.

There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

6.4 Interests of Key Shareholders

Interests in North Island Fish Nursery SDN BHD (940166-P)

North Island Fish Nursery Sdn Bhd (“NIFN”) is a fish nursery/hatchery that operates in Alor Setar Malaysia. NIFN does not compete with West Coast, however it may from time to time provide necessary inventory to West Coast for the grow up phase. There are no contractual terms established pursuant to the supply of inventory. Once West Coast acquires a Hatchery/nursery NIFN may be considered a competitor of West Coast’s hatchery/nursery operations or may continue to supplement West Coast’s operations including the hatchery/nursery by providing further fingerlings and juvenile fish complementing the grow up operations.

Chin Koon Chia is the Director and beneficial owner of NIFN as well as a beneficial owner of West Coast upon completion of this raise.

6.5 Corporate governance

Board of Directors

The Board is responsible for West Coast’s adherence to the Company’s corporate governance practices. Under advice of their legal and financial advisors the Board develops relevant procedures, policies and strategies to ensure corporate governance is adhered to.

The Board’s goals are to:

- Ensure, maintain and develop ethical practices;
- Do everything in their ability to maintain financial stability and growth;
- Ensure that they adhere to relevant compliance and legal objectives;
- Endeavour to maintain or increase value to shareholders.

The Board will be responsible for:

- Developing policies and procedures that are consistent with the day and age;
- Ensuring discrimination and unethical practices are not present within the Company;
- Reviewing the financial performance of the Company on a regular basis;
- Adhering to relevant compliance and legal procedures at all times;
- Identifying risks and set procedures and policies to mitigate those risks; and
- Maintaining transparency with their shareholders.

Composition of Board

Unless otherwise decided upon by the shareholders:

- The Board will consist of 5 directors;
- At all times the West Coast will require a minimum of 2 independent directors on the Board;

The Board is to be made up of individuals with a blend of different competencies, including financial, compliance and aquaculture experience; and

- Board members must add value to the Company.

The Directors consider an independent director to be a non-executive director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence his or her capacity to bring an independent judgment to bear on issues before the Board and act in the best interests of the West Coast and its shareholders.

Adoption of ASX Corporate governance Principles and Recommendations

To the extent applicable, the Company has adopted the Corporate governance Principles and Recommendations (4th Edition) as published by ASX Corporate governance Council.

The Company has adopted these principles to promote investor confidence. Please note the principles outlined are only guidelines and are not binding on the Company's actions or performance.

The key principles have been outlined below:

1. Lay solid foundation for management and oversight;
2. Structure the Board to be effective and add value;
3. Acting ethically and responsibly;
4. Safeguard the integrity of corporate reports;
5. Make timely and balanced disclosure;
6. Respect the rights of security holders;
7. Recognise and manage risk; and
8. Remunerate fairly and responsibly.

The Company is committed to upholding high standards of corporate governance and holds strong belief that good corporate governance helps ensure the future success of the Company, adds value to its stakeholders and promotes investors' confidence.

The Board of Directors acknowledges its responsibility to have oversight of overall corporate governance of the Company. It has adopted the ASX Corporate Governance Principles and Recommendations (4th Edition) ("**Recommendations**") in structuring the Company's corporate governance charters and policies appropriately.

The relevant materials can be found on the corporate governance page of the Company's website and should be read in conjunction with the below statement.

Recommendation	Compliance by West Coast Aquaculture
Principle 1 – Lay solid foundations for management and oversight	
A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.	
1.1 A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Board Charter The Company has adopted a formal Board Charter effective as at 1 January 2020. The Board Charter governs the overall operations of the Board and sets out detailed information in relation to the role, responsibilities, composition, structure, performance review of the Board, as well as its relationship with management. The Board Charter articulates the respective roles and responsibilities of the relevant Committees, each Director, the Chair, CEO and Company Secretary. The Charter also confirms the definition of director's independence and duties, as well as the directors' access to professional advice within the terms of the Constitution.

	<p>In following the Recommendations, the Board currently has three established Committees to assist the Board in exercising its authority and carrying out its duties:</p> <p>Nomination Committee – see Principle 2 Audit and Risk Committee – see Principle 4 and 7 Remuneration Committee – see Principle 8</p> <p>Each Committee has adopted its own Committee Charter, which serve as a form of reference and guidance in respect of each of their own operating procedures.</p> <p>A copy of the Board Charter is available on the Company’s website.</p>
<p>1.2</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>Appointment of Directors</p> <p>The Company has implemented guidelines and policies in place for the appointment and selection of the Directors, whereby the Board assumes the responsibility to undertake appropriate background checks and independence assessment prior to the appointment of a nominated director.</p> <p>The Board has established a Nomination Committee Charter in ensuring the election or re-election of the Directors are executed in compliance with the Recommendations. The Committee acknowledges its responsibility to ensure that appropriate checks are made at the time of, and as part of, the recruitment process, having regard to their skills, experience and expertise, in order to maintain the integrity of the Board.</p>
<p>1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Letter of Appointment</p> <p>Each Director and senior executive are party to a written appointment agreement with the Company whereby the non-executive Directors have executed a letter of appointment, and the executive Directors and senior executives have entered into service and/or employment contracts.</p>
<p>1.4</p> <p>The Company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>The Role of a Company Secretary</p> <p>The Company Secretary is accountable directly to the Board, through the Chairman, and plays a crucial role in all matters relating to ensuring the proper functioning of the Board.</p> <p>Under the Company’s Board Charter, the Board assumes responsibility over the appointment, review and where appropriate, the removal of the Company Secretary.</p>

<p>1.5</p> <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the <i>Workplace Gender Equality Act</i>, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>Diversity Policy</p> <p>West Coast is a forward thinking and dynamic organisation that holds its people in the highest esteem and considers them great assets of the Company.</p> <p>In enforcing a culture that promotes workplace diversity, the Company has adopted a Diversity Policy effective as at 1 January 2020, which sets out the measurable objectives, initiatives, strategies, and guidelines for achieving gender diversity within the organisation.</p> <p>The workforce of the Company comprises of professionals with diverse skills, backgrounds, and experiences – all of which allows the Company to access different perspectives and ideas and benefiting from all available talent.</p> <p>The Executives are responsible for the implementation and execution of this Policy whilst the Company Secretary is responsible for the administration aspect of this Policy. Ultimately, the Board holds overarching accountability for this Policy.</p>
<p>1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period</p>	<p>Board Performance Review</p> <p>According to the Company's Board Charter, the Board is required to conduct a formal evaluation of performance of the Board and each Director when standing for re-election. The purpose of this process is to ensure that the Board is functioning effectively to allow ongoing success of the Company.</p>
<p>1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its</p>	<p>Senior Executive Performance Review</p> <p>According to the Company's Board Charter, the Chairman of the Board is required to conduct a formal evaluation of performance of the senior executives as well as reviewing individual remuneration levels for executives.</p>

<p>senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	
<p>Principle 2 – Structure the Board to add value</p> <p>The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.</p>	
<p>2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>Nomination Committee Charter</p> <p>As mentioned in Recommendation 1.1, the Board has established a dedicated Nomination Committee, which consists of at least three non-executive Directors, all of whom are independent.</p> <p>The Committee adopts its own Charter that sets out the relevant roles and responsibilities in relation to the composition, performance review and succession planning of the Board.</p> <p>The Charter confirms the Committee’s rights of unrestricted access to management and to seek explanations and corporate information from management. It also provides the Committees with the ability to seek advice from the Company’s Counsel or such other independent advisors as to matters pertaining to the powers or duties of the Committee.</p> <p>One of the Committee’s key roles is to ensure that all related party transactions between any Director and the Company are disclosed to the Company’s external auditors in a timely and complete manner.</p> <p>The Nomination Committee Charter is available on the Company’s website.</p>
<p>2.2</p>	<p>Board Skills Matrix</p>

<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p>The Board is committed to enhance investors' confidence and increase the accountability of the Board, by appointing a Board of Directors with an appropriate range of skillsets and expertise, having regard to the strategies stipulated in the Diversity Policy, to ensure that the appointed Directors possess the competency to deal with current and emerging issues within the Company's operations.</p> <p>The Board has a Board Skills Matrix in place and is committed to review the Matrix regularly to identify any gaps and to develop the Matrix as the organisation evolves.</p> <p>In summary, the Matrix consists of three parts:</p> <p>Part A: Collective Skills (Governance and Industry skills)</p> <p>Part B: Personal Attributes and Behavioural Qualities</p> <p>Part C: Diversity and Non-Skills Based Criteria</p>
<p>2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>Directors' Independence</p> <p>The Board is committed to conduct ongoing assessment and annual formal review of each Director's independence.</p> <p>The purpose of this process is to ensure that such independent director operates and performs its duties that clearly align with the interests of the Company and has the capacity to bring an independent judgement to bear on issues before the Board.</p> <p>In the event that the Board determines that a director's status as an independent director has changed, that determination will be disclosed and explained in a timely manner to the market.</p>
<p>2.6</p> <p>A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>New Directors Induction</p> <p>According to the Board and the Nomination Committee Charters, the Directors are required to undergo and participate the induction programs and briefings upon appointment.</p> <p>The Nomination Committee is expected to coordinate with the Company Secretary to facilitate and make decisions on the mandatory or optional continuing professional development or training arranged for the Directors.</p>
<p>Principle 3 – Instil a culture of acting lawfully, ethically and responsibly</p> <p>A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.</p>	
<p>3.1</p>	<p>Statement of Values</p>

<p>A listed entity should articulate and disclose its values.</p>	<p>The Company has in place a Statement of Values that prescribes its mission, values, and strategic goals, all of which are expressly applicable to the Company's Directors, Senior Executives and Employees.</p> <p>In aiming to provide the highest quality of aquaculture products and delivery whilst ensuring the stocks were fished within biologically sustainable levels, the Company's operations revolve around the following four core values:</p> <ul style="list-style-type: none"> • Sustainability • Integrity • Perceptive • Collaborative <p>The Statement of Values can be found on the Company's website.</p>
<p>3.2</p> <p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	<p>Employee Code of Conduct</p> <p>The Company is committed to delivering strong returns while also promoting shareholder and general market confidence in the Company. As at 1 January 2020, the Company has adopted an Employee Code of Conduct ("Code"), which clearly defines the professional and workplace behavioural standards expected of the Directors, Executives and Employees.</p> <p>The main objectives of the Code are to ensure that:</p> <ul style="list-style-type: none"> • High standards of corporate and individual behaviour are observed in the context of their employment or engagement with the Company; and • Employees are aware of their responsibilities to the Company and always act in an ethical and professional manner; and • All persons dealing with the Company can be guided by the stated values and practices set out in the Code. <p>The Code is underpinned by other policies and procedures that articulate the expectation to act ethically and responsibly, as well as comply with legislative and regulatory obligations. These include the Diversity Policy, Whistleblower Policy, Anti-Bribery and Corruption Policy and Continuous Disclosure Policy.</p>
<p>3.3</p> <p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	<p>Whistleblower Policy</p> <p>The Company acknowledges that pivotal role of whistleblowers within the organisation and has adopted a Whistleblower Policy on 1st January 2020.</p> <p>In protecting and supporting West Coast's employees, the Company will ensure that the whistleblower disclosures are dealt with appropriately and on a timely basis, and that any information relating to the whistleblower will be secure and kept confidential.</p>

	<p>The Company has appointed the Chief Operations Officer as the Whistleblower Protection Officer, who is responsible for the administration of the Policy; whereas the Company Secretary and the Audit and Risk Committee are appointed as the Whistleblower Investigation Officer to assist the Protection Officer in dealing with the reports and investigations of any reportable conducts pursuant to the Policy.</p>
<p>3.4</p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>	<p>Anti-Bribery and Corruption Policy</p> <p>The Company has in place an Anti-Bribery and Corruption Policy, which forms a part of the Company's risk management framework.</p> <p>This Policy is a critical component of the Company's delivery on its strategic goal of enduring trust, integrity and resilience, and outlines the Company's specific requirements regarding the management of receiving and offering gifts and benefits pursuant to the relevant laws, regulations and principles.</p> <p>A copy of this Policy is available on the Company's website.</p>
<p>Principle 4 – Safeguard Integrity of Corporate Reports</p> <p>A listed entity should have appropriate processes to verify the integrity of its corporate reports.</p>	
<p>4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes</p>	<p>Audit and Risk Committee Charter</p> <p>West Coast upholds its policy to maintain an awareness of risk and be proactive in its prevention and mitigation measures. The Company recognises that there are many inherent risks, arising from within the organisation, that are controllable and can be eliminated or avoided through active prevention by enforcing rules-based compliance approach. However, there are external risks that arise from events outside the Company and are beyond its influence or control.</p> <p>To address such issues, the Board has established a Board Audit and Risk Committee that assists the Board to discharge its duties in relation to its corporate and financial reporting processes, systems of risk management and internal control, internal and external audit, and compliance.</p> <p>The Committee currently consists of at least three directors of the Company. All directors are financially literate and at least one has extensive accounting and financial expertise. The Committee has oversight of the Company's management has a robust risk management framework and system of internal controls in place to support the mandatory and critical reporting systems.</p>

<p>for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	
<p>4.2</p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>Declaration in Relation to Financial Statements</p> <p>The CEO and CFO of the Company respectively acknowledge their responsibility to provide an annual declaration to assure the Board that the Company's financials are:</p> <ul style="list-style-type: none"> • properly maintained; and • in compliance with the appropriate accounting standards; and • accurate and clearly reflects the Company's current financial performance.
<p>4.3</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>External Auditor</p> <p>The Company has engaged an external auditor, HLB Mann Judd (Vic Partnership), to perform the necessary audit and review, as well as preparation of the auditor's report. The effectiveness, performance and independence of the external auditor is reviewed at least annually by the Board.</p>
<p>Principle 5 – Make Timely and Balanced Disclosure</p> <p>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</p>	
<p>5.1</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	<p>Continuous Disclosure Policy</p> <p>The Company's Continuous Disclosure Policy incorporates underpinning principles for communicating with shareholders, including the intention to provide timely, factual, complete, and balanced information.</p> <p>Importantly, in line with the Company's Constitution, it also reiterates the Board's commitment to continuous disclosure of material matters and significant developments, and the manner in which these will be determined.</p> <p>The Board has processes in place to ensure such issues are recognised and escalated appropriately. The Policy also specifies roles and responsibilities of the Board and management in relation to communication, reporting and disclosure obligations.</p> <p>The Company Secretary is charged with monitoring compliance with this Policy on a daily basis.</p>

<p>5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	<p>Accessibility of Material Market Announcements</p> <p>The Policy also addresses authorisations to speak to media or comment publicly. Where material matters are involved, protocols exist to ensure shareholders are informed.</p> <p>The Company Secretary is to ensure that a copy of all material market announcements is to be circulated to the Board as soon as practicable after its release.</p>
<p>Principle 6 – Respect the Rights of Shareholders</p> <p>A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.</p>	
<p>6.1</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Company’s Website</p> <p>West Coast places considerable emphasis on active and effective communication with its shareholders, investors, market participants, customers, employees, suppliers, stakeholders, and the wider community in general.</p> <p>The Company’s website contains an easily accessible Governance landing page. It is the primary platform for investors to access communications and any relevant information, in particularly the Company’s corporate governance policies and procedures.</p>
<p>6.2</p> <p>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	<p>Investor Relations Program</p> <p>The Company is committed to encourage and promote two-way communication with its investors.</p> <p>In ensuring that the investors are well-informed of all material information relating to their Company, West Coast has adopted its Investor Relations Program, effective as at 1 January 2020, that specifies procedures and initiatives to create an environment where the investors are given the platform to discuss and make direct enquiries with the Company.</p> <p>This Policy aims to ensure investors/shareholders are able to exercise their constitutional rights and powers effectively as well as reflects the Board’s commitment to effective communication with them.</p>
<p>6.3</p> <p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders</p>	<p>Meetings with Investors</p> <p>In addition to the Annual General Meeting, an extensive calendar is maintained that details meetings with and reporting to Shareholders each year. As part of this, the Company may schedule at least one half-day visits per year for the major shareholders to visit the headquarter. Senior management also meets with Shareholders’ representatives regularly. Topics typically include current strategic matters, business performance and forecasts, and emerging risks and opportunities.</p>
<p>6.4</p> <p>A listed entity should ensure that all substantive resolutions at a meeting</p>	<p>Electronic Communications</p> <p>The Company recognises that electronic communication as safe, effective, and convenient means of</p>

<p>of security holders are decided by a poll rather than by a show of hands.</p> <p>6.5</p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	<p>communication. As such, the Company offers its investors the option to receive information from the Company and its registry electronically.</p> <p>To ensure compliance with the Recommendations, the Chair of the meeting assumes the responsibility to ensure that shareholders are able to vote physically, electronically or by proxy via poll.</p>
<p>Principle 7 – Recognise and Manage Risk</p> <p>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</p>	
<p>7.1</p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity’s risk management framework.</p>	<p>Audit and Risk Committee Charter</p> <p>The Board has established an Audit and Risk Committee to ensure that West Coast has an appropriate risk management framework and associated internal compliance and control procedures.</p> <p>The Committee adopts its own Charter effective as at 1 January 2020. In addition to the general duties and responsibilities as mentioned above, the Committee is also expected to review the Company’s insurance program at least annually having regard to the Company’s business and the insurable risks associated with the Company’s business.</p>
<p>7.2</p> <p>The board or a committee of the board should:</p> <p>(a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard</p>	<p>Review of Risk Management Framework</p> <p>The Board commits to ensuring the Company effectively manages its strategic, financial, operational, reputational, and emergency risks. The Board also ensures that an effective system of risk management and internal control operates within the Company and that it regularly monitors the performance of that system.</p> <p>As stated under Recommendation 4.1 and Recommendation 7.1, the Audit and Risk Compliance</p>

<p>to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>Committee has been established to assist the Board to discharge its duties in relations to the review of risk management framework.</p>
<p>7.3</p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p>Internal Audit</p> <p>As part of a comprehensive risk management and internal control system, the Audit and Risk Committee is responsible for overseeing the effectiveness of the Company's internal audit function and controls.</p> <p>Under the Audit and Risk Committee Charter, the Committee has unrestricted access to all records and information of the Company in carrying out its internal audit duties.</p>
<p>7.4</p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p>Disclosure of Material Risks</p> <p>The Company has disclosed all material risks facing West Coast in Section 5 of this Prospectus. Any existing and potential material risks will be disclosed to the market in its annual report or elsewhere as appropriate.</p> <p>The Audit and Risk Committee regularly reviews the current and emerging risks facing the business and monitors the status of plans and controls to manage those risks. The Committee reports at least annually to the Board on the status of risk.</p>
<p>Principle 8 – Remunerate Fairly and Responsibly</p> <p>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.</p>	
<p>8.1</p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p>	<p>Remuneration Committee Charter</p> <p>The Board has specifically retained responsibility for approving the overarching remuneration framework and employment conditions for the Company.</p> <p>In relation to remuneration, the Remuneration Committee Charter explains the Committee's role as assisting the Board to meet its responsibilities by monitoring and reporting to the Board on the Company's remuneration strategies and related policies that achieve the Company's objectives and comply with the Shareholders expectations. The Committee also ensures remuneration reports are provided to Shareholders as required.</p>

<p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	
<p>8.2</p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>Remuneration Policies and Practices</p> <p>The Remuneration Policies and Practices for Non-Executive and Executive Directors addresses the composition of executive remuneration, termination payments and links to performance, as well as equity-based components where applicable.</p> <p>Under the Remuneration Policy, non-executive Directors receive a cash fee for service and have no entitlement to any performance-based remuneration. On the other hand, the remuneration packages of the executives may include short-term, medium-term, and long-term incentive component that is linked to the overall financial and operational performance of West Coast.</p>

Departure from Recommendations

Recommendation	Description	Departure
<p>2.5</p>	<p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>Pursuant to the Company's Board Charter the Chairman should not have been the CEO of the Company at any time during the previous 3 years. However, on completion of the Offer, Ching Hoe Neo will be both CEO and Chairman of West Coast. West Coast is aware of the confidence independence brings to its shareholders. West Coast will endeavor to appoint an independent Chairman as reasonably possible.</p>
<p>2.4</p>	<p>A majority of the board of a listed entity should be independent directors.</p>	<p>West Coast understands and agrees with the need for a board to compromise a majority of independent directors to ensure fair decision-making protocols. However, currently the majority of the Board of West Coast are</p>

		not independent Directors (3 out of 5). Upon growth, West Coast will endeavor to appoint further independent directors to ensure a more favorable board composition.
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7. DETAILS OF THE OFFER

7.1 Description of the Offer

This Prospectus relates to an initial public offering of a minimum of 10,000,000 and a maximum of 14,000,000 shares in West Coast at an Offer Price of \$0.50 per Share. The shares to be issued in the Offer will represent approximately a minimum of 8.78 percent and a maximum of 11.87 percent of the Shares on issues on completion of the Offer.

The total number of Shares on issue on Listing will be a minimum of 113,950,000 and a maximum of 117,950,000 and all Shares will rank equally with each other.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus.

7.2 Public Offer

The application for this Offer must be for a minimum of 4,000 shares.

7.3 Purpose of the Offer

The purpose of the Offer is to:

- Purchase a hatchery/nursery (to allow the Company to have more control over the production process);
- Purchase broodstock;
- Fund further research and development;
- Provide working capital to facilitate the Company's expansion plan;
- Install up to 28 units of 10-meter radius HDPE floating circular cages to expand its offshore operations and increase its production; and
- Pay for third-party fees associated with this Offer.

7.4 Sources and Uses of Funds

The Offer is expected to raise a minimum of \$5 million (before tax) and a maximum of \$7 million (before tax) for West Coast. Proceeds received by West Coast will be applied as described in the table below.

Minimum Subscription				
Sources	\$ (million)	% of Offer	Uses	
Issue New Shares	5,000,000	100%	<ul style="list-style-type: none"> • Purchase of a hatchery and nursery (to allow the Company to have more control over the production process); • Installation of 24 units of 10-meter radius HDPE floating circular cages to expand its operations and increase its production; and • Pay for costs associated of this Offer. 	
Expenditure	Description	Expected Benefits	Total Cost (AUD)	Time Frame
Hatchery/ Nursery	West Coast will be seeking to acquire a hatchery to facilitate the growth of fish larvae to fingerlings/ juvenile fish.	Improved operational efficiencies between broodstock management and grow up. Quality control of fingerlings and juvenile fish. Reduction of operational costs for grow up. Fingerling and juvenile fish sales will constitute another form of revenue. Removal of uncertainty of product purchase in grow up stage.	~\$1,800,000	6 to 12 months from Offer End
Production Expansion	Purchase of 24, 10-meter radius HDPE cages.	Significantly increase capacity and production of Grouper.	~\$1,350,000	12 months from Offer End
Working Capital	Increasing number of employees to maintain the increased cages. Increase the amount of feed to sustain the increased fish capacity and other related expenses of expansion.	Facilitates steady growth and expansion of the Company.	~\$1,161,274	
Expenses of the Offer	See Section 9.14.		~\$688,726	
Total	~\$5,000,000			

Maximum Subscription				
Sources	\$ (million)	% of Offer	Uses	
Issue New Shares	7,000,000	100%	<ul style="list-style-type: none"> • Purchase of broodstock; • Purchase of a hatchery and nursery (to allow the Company to have more control over the production process); • Provide working capital to facilitate the 	

			<p>Company's expansion plan;</p> <ul style="list-style-type: none"> • Installation of 28 units of 10-meter radius HDPE floating circular cages to expand its offshore operations and increase its production; and • Pay for associated costs of this Offer. 	
Expenditure	Description	Expected Benefits	Total Cost (AUD)	Time Frame
Broodstock	West Coast will seek to acquire broodstock of the species that are currently produced by West Coast. broodstock will cater for the production of fish eggs.	Quality of supply of eggs. Improved operational efficiencies between broodstock stage and hatchery stage. Fish egg sales will constitute another form of revenue for the Company. Once West Coast acquires a hatchery, they will no longer need to purchase eggs from other entities.	~\$100,000	6 months from Offer End
Hatchery/ Nursery	West Coast will be seeking to acquire a hatchery to facilitate the growth of fish larvae to fingerlings/ juvenile fish.	Improved operational efficiencies between broodstock management and grow up. Quality control of fingerlings and juvenile fish. Reduction of operational costs for group. Fingerling and juvenile fish sales will constitute another form of revenue. Removal of uncertainty of product purchase in grow up stage.	~\$2,300,000	6 to 12 months from Offer End
Production Expansion	Purchase of 28 10-meter radius HDPE cages. Increase number of employees to maintain the increased cages. Increase the amount of feed to sustain the increased fish capacity.	Significantly increase capacity and production of Grouper.	~\$1,575,000	18 months from Offer End
Working Capital	Increase number of employees to maintain the increased cages. Increase the amount of feed to sustain the increased fish capacity and other related expenses of expansion. Working capital to conduct necessary	Facilitates steady growth and expansion of the Company.	~\$1,936,274	

	development and expansion of newly acquired hatchery/nursery.			
Research and Development	Conducting research activities on new fish species and breeding techniques including cross breeding, feed changes and environment changes.	Facilitates the future innovation of the Company.	~\$400,000	
Expenses of the Offer	See Section 9.14.		~\$688,726	
Total				~\$7,000,000

7.5 Shareholding Structure

The details of the ownership of Shares before and after the Offer are as set out below:

	Pre-Offer		Minimum Subscription		Maximum Subscription	
	Shares	%	Shares	%	Shares	%
Key Shareholders	100,000,000	96.2%	100,000,000	87.76%	100,000,000	84.78%
14 minor Shareholders	3,950,000	3.8%	3,950,000	3.47%	3,950,000	3.35%
New Shareholders pursuant to the Offer	NA	NA	10,000,000	8.77%	14,000,000	11.87%
Total	103,950,000	100%	113,950,000	100%	117,950,000	100%

Restricted Securities				
Post Listing	Minimum Subscription		Maximum Subscription	
	Shares	%	Shares	%
Months 1 to 12	71,185,000	62.47%	71,185,000	60.35%
Months 13 to 24	70,000,000	61.43%	70,000,000	59.35%

Free Float				
Post Listing	Minimum Subscription		Maximum Subscription	
	Shares	%	Shares	%
Months 1 to 12	42,765,000	37.53%	46,765,000	39.65%
Months 13 to 24	43,950,000	38.57%	47,950,000	40.65%

Key Shareholders

Name	Shares	Percentage Minimum Subscription	Percentage Maximum Subscription
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Ching Hoe Neo	15,000,000	13.16%	12.71%
Teik Hon Chin	10,000,000	8.78%	8.48%
Joe Yee Neo	20,000,000	17.55%	16.96%
Chin Dee Khor	15,000,000	13.16%	12.72%
Chin Koon Chia	40,000,000	35.1%	33.91%
Total	100,000,000	87.75%	84.78%

Details of the Shares that will be subject to voluntary escrow arrangements are set out in Section 7.8.

7.6 Control Implications of the Offer

As noted above in Section 7.5, the Key Shareholders will own 86.91 percent to 87.76 percent of Shares following the Offer which would make the Key Shareholders the largest Shareholder of the Company.

7.7 Terms of the Offer

TOPIC	SUMMARY
What is the type of security being offered?	Fully paid ordinary shares in the Company.
What are the rights and liabilities attached to the security being offered?	A description of the rights and liabilities attaching to the Shares is set out in Sections 9.4 to 9.10.
How do I make an Application under this offer?	<p>You may apply for this offer online via STAX Platform and pay application monies electronically.</p> <p>Alternatively, you may complete a paper-based application using the relevant Application Form attached to this Prospectus. Further information is provided on the Offer Application Form attached to this document.</p>
What is the consideration payable for each Share?	The Offer Price is \$0.50 per Share.
Can I participate with Digital currency?	<p>Yes. West Coast will be accepting the following digital currency:</p> <ul style="list-style-type: none"> • USDT <p>Pursuant to this Offer, 1 USDT will be equivalent to \$1.30 AUD.</p> <p>In the event that this Offer does not proceed users will receive a full refund of their investment in the currency with which it was invested.</p>
Company's Digital Currency Requirements	<p>The requirements of choosing a digital Currency for Capital Raising purposes are as followed:</p> <ol style="list-style-type: none"> 1. The Digital Currency must have sufficient volume to be liquidated at any time. The Company and its advisors recommend a minimum 24-hour global volume of 20 times the liquidation value, maintaining this volume for a period exceeding 6 months. Thus, the liquidation volume for a digital currency used in this offer would require a minimum 24-hour global volume of 100 million Australian Dollars. 2. It should be possible for Digital Currency to be liquidated directly for Australian Dollars. 3. The Digital Currency must have been initially issued for a minimum period of 3 years from the date of the offer. 4. The digital Currency must not be highly volatile. The price should maintain a value that stays constant with relevant major fiat currencies. West Coast Denounces the use of highly volatile digital currencies such as Bitcoin for Capital Raising via disclosure document purposes. 5. Digital Currency must be storable in a physical wallet. 6. A law firm under Australian law should provide a declaration confirming that the above provisions are true.
Agile Legal Consulting Declaration	<p>Agile Legal Consulting has provided a declaration stating that:</p> <ol style="list-style-type: none"> 1. There is sufficient evidence that USDT has a 24-hour global volume of at least 100 million AUD; 2. There is sufficient evidence to suggest USDT has maintained a 24-hour global volume of at least 100 million AUD for a period exceed 6 months;

	<ol style="list-style-type: none"> 3. USDT has been issued for a period exceeding 3 years; 4. There is sufficient evidence to suggest that USDT is not a highly price volatile digital currency pursuant to historical information; 5. USDT may be stored in a physical wallet for further security purposes; 6. Agile Legal Consulting believes the criteria relevant and necessary for Capital raising via disclosure document with Digital Currency; 7. Capital Raising via a disclosure document should not be conducted with highly volatile digital currencies such as Bitcoin.
What is USDT?	USDT is a Digital Currency established with blockchain technology. The price generally remains consistent with the United States Dollar.
USDT held in Trust	<p>USDT received under this offer will be held in trust until successful completion of the Offer.</p> <p>The Company is the appointer of the Trust, whereas The Company has appointed Stax Brokerage Pty Ltd as Trustee. Any individual who deposits USDT in conjunction of this raise will become a beneficiary of the trust.</p> <p>Upon a successful raise, USDT will be transferred to the Company and shares issued in the Company at the relevant amounts to the beneficiaries.</p> <p>Upon an unsuccessful raise USDT will be transferred back to the wallet that made the deposit.</p> <p>The USDT held in trust will be governed by the trust deed provided in Annexure A of this agreement. The trust deed must be entered into upon using depositing USDT to subscribe to this offer.</p>
When will USDT be liquidated?	<p>The Company will be required to liquidate USDT within 3 to 56 days post completion of this offer.</p> <p>Please note shares in the Company will be issued prior to the liquidation of USDT.</p>
What is the General Process of the Offer?	<ol style="list-style-type: none"> a) Offer is made with USDT and AUD. b) Once the relevant subscription amount has been raised the offer is considered to be complete. For example, 4 million in AUD and 769,230 USDT (1 million AUD equivalent) will constitute a completed Offer. c) Shares will be issued to investors. d) The Company may be listed and USDT is liquidated simultaneously. <p>*Please note, this is not an admission or confirmation that the Company will be listed nor that the raise will be successful. This is an outline of events provided that the Offer is successful.</p>

What are the cash proceeds to be raised?	Minimum Subscription of \$5 million (before tax); Maximum Subscription of \$7 million (before tax), will be raised under the Offer.
What is the minimum and maximum Application size under the Broker firm Offer?	The minimum Application amount is \$2,000 AUD or 1539 USDT and the maximum is \$350,000 AUD or 269,231 USDT. West Coast reserves the right to aggregate any Applications which they believe may be multiple Applications from the same person.
What is the allocation policy?	The Directors will allocate shares under this Public Offer at their sole discretion, prioritising a diverse shareholder base. There is no assurance that an applicant will be allocated all of the applied for securities or any at all. The Company reserves the right to reject any application or to issue a lesser number of shares than those applied for. Where the allocation of shares is less than the monies provided, surplus application monies will be refunded to the Applicant, without interest, in a timely manner.
Will the Shares be quoted?	West Coast has been admitted to the official list of the SSX on 2 September 2020. West Coast's SSX code is 833. The SSX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the SSX admitted West Coast to the official list is not to be taken as an indication of the merits of West Coast or the Shares offered. West Coast will be required to comply with the SSX Listing Rules, subject to any waivers obtained by West Coast from time to time. Quotation of shares on the SSX is conditional on the success of this offer.
When are the Shares expected to commence trading?	It is expected that the Shares will commence trading on 19 November 2020 on a deferred settlement basis. Trading will be on a deferred settlement basis until the Company has advised the SSX that holding statements have been despatched to Shareholders. It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who trade Shares before they receive an initial statement of holding do so at their own risk. The Company and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial holding statement, whether on the basis of a confirmation of allocation provided by any of them, by the West Coast Offer Information Line, by a Broker or otherwise.
Is the Offer underwritten?	The offer will not be underwritten.
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer.
Withdrawal of Offer	The Offer may be withdrawn at any time. In the event of the Offer being withdrawn West Coast will return all Application monies (without interest) in accordance to applicable laws.

7.8 Escrow Arrangements

Pursuant to the Sydney Stock Exchange's listing rules certain shares will be subject to escrow arrangements (restricted).

None of the shares issued under this Offer will be considered restricted securities.

As per the SSX Listing rules the Key Shareholders of the Company have been required to enter into a restriction agreement for 24 months, upon listing on the SSX, consisting of 70,000,000 shares in the Company of the 100,000,000 in which they own.

Of the 3,950,000 shares belonging to all other shareholders of the Company, other than those of the Key shareholders, 1,185,000 shares have been required to be held in escrow for a period of 12 months upon listing on the SSX pursuant to the SSX restriction agreement.

Restricted Securities				
Post Listing	Minimum Subscription		Maximum Subscription	
	Shares	%		
Months 1 to 12	71,185,000	62.47%	71,185,000	60.35%
Months 13 to 24	70,000,000	61.43%	70,000,000	59.35%

7.9 Free Float

The table below describes the number of shares in the Company that are free from restriction.

Free Float				
Post Listing	Minimum Subscription		Maximum Subscription	
	Shares	%		%
Months 1 to 12	42,765,000	37.53%	46,765,000	39.65%
Months 13 to 24	43,950,000	38.57%	47,950,000	40.65%

7.10 Application Consideration to be Held in Trust

Application monies will be held in trust for the Applicant by Agile Legal Consulting until the allotment of the Securities under this Offer. Any interest accrued will be kept by the Law Institute of Victoria as per Victorian legal trust account practices.

Digital currencies will be held in trust for the Applicants by STAX Brokerage Pty Ltd until the allotment of the Securities under this Offer.

7.11 Taxation

Taxation implications of the Offer will vary in accordance to your particular circumstances. Neither the Company nor any of its Officers or employees, nor its advisors, accepts any liability or responsibility in this regard and recommends that you seek and rely upon your own professional advice in connection with the Offer.

This Section does not constitute financial product advice and is something investors should consider when making a decision about their investments. Investors should seek their own independent advice from professional advisors before deciding whether to invest in the Company.

The following Information is a general summary of taxation implications for Australian tax residents.

These comments do not apply to non-resident investors or investors who are exempt from Australian income tax.

Australian Individual Tax Resident

Dividends Paid

Dividends paid will be in accordance to the Company's dividend policy.

Dividends paid by the Company on a share will constitute assessable income. Individual or individuals complying superannuation entities should include the dividend in their assessable

income in the year the dividend is paid, together with any franking credit attached to that dividend.

Disposal of Shares

Generally, an Australian tax resident investor will be subject to Australian Capital Gains Tax (“CGT”) upon disposal of shares. Some investors may hold their shares on revenue account, as trading stock, or be subject to the Taxation of Financial Arrangements regime. Those investors should seek their own independent professional advice in respect of the consequences of the disposal of shares.

An investor will derive a capital gain on the disposal of shares where the capital proceeds received on disposal exceed the cost base of the shares. The cost base of the shares equates to the amount paid to acquire the shares plus any incidental transaction costs.

A CGT discount may be available on the capital gain for individual investors and trustee investors provided the particular shares are held for at least 12 months prior to sale. Any current year or carry forward capital losses should offset the capital gain first before the CGT discount can be applied.

The CGT discount for individuals and trusts is typically 50 percent.

An investor will incur a capital loss on the disposal of their particular shares to the extent that the capital proceeds on disposal are less than the cost base of the shares.

If an investor derives a net capital gain in a year, this amount is, subject to the following comments, included in the investor’s assessable income. If an investor incurs a new capital loss in a year, this amount is carried forward and is available to offset against capital gains derived in subsequent years, subject in some cases to the investor satisfying certain rules relating to the recoupment of carried forward losses.

7.12 SSX listing, registers and holding statements, deferred settlement trading

SSX has admitted West Coast to the Official List under code 833 as of 2 September 2020. Quotation of shares is conditional upon the settlement of the offer.

8. INVESTIGATING ACCOUNTANT'S REPORT



6 October 2020

The Board of Directors
West Coast Aquaculture Group Ltd
C/- Agile Legal Consulting
Level 7, 257 Collins Street
MELBOURNE VIC 3000

Dear Board members,

Independent Limited Assurance Report on West Coast Aquaculture Group Ltd's historical and pro forma historical financial information

8.1 Introduction

We have been engaged by West Coast Aquaculture Group Ltd ("the Company") to report on the historical financial information of the Group, comprising the Company and its subsidiary, and the pro forma historical financial information of the Group for inclusion in the Replacement Prospectus ("the Prospectus") dated on or about 6 October 2020 and relating to the issue of a minimum of 10 million ordinary shares and a maximum of 14 million ordinary shares at an application price of \$0.50 per share in the Company and listing on the Sydney Stock Exchange Limited ("the SSX") ("the Offer").

Expressions and terms defined in the Prospectus have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services License under the *Corporations Act 2001*. HLB Mann Judd Corporate Finance Pty Ltd ("HLB Mann Judd") holds an appropriate Australian Financial Services License (AFS License Number 240988) under the *Corporations Act 2001*. Refer to our Financial Services Guide included as part 2 of this report.

8.2 Scope

8.2.1 Historical Financial Information

You have requested HLB Mann Judd to review the Historical Financial Information, as set out in Sections 4.5.a to 4.5.c of the Prospectus comprising:

- The consolidated historical statement of profit or loss and other comprehensive income for the period ended 30 April 2020;
- The consolidated historical statement of financial position as at 30 April 2020; and
- The consolidated historical statement of cash flows for the period ended 30 April 2020.

The historical financial information for the period ended 30 April 2020 covers the period of 5 December 2019 (being the date of incorporation) to 30 April 2020 and has been prepared in accordance with the stated basis of preparation as outlined in section 4.3 of the prospectus, being the recognition and measurement principles contained in Australian Accounting Standards ("AAS") and the Group's adopted accounting policies as outlined in section 4.8 of the prospectus. The historical financial information of the Group has been extracted from the audited financial report of the Group

hlb.com.au

HLB Mann Judd Corporate Finance Pty Ltd ABN 49 097 176 139 Australian Financial Services Licence No 240988

Level 9, 575 Bourke Street, Melbourne VIC 3000 | GPO Box 2850, Melbourne VIC 3001
T: +61 (0) 3 9606 3888 F: +61 (0) 3 9606 3800 E: mailbox@hlbvic.com.au

HLB Mann Judd Corporate Finance Pty Ltd is a member of HLB International, the global advisory and accounting network.

for the period ended 30 April 2020, which was audited by HLB Mann Judd (Vic Partnership) in accordance with Australian Auditing Standards. HLB Mann Judd (Vic Partnership) issued an unmodified audit opinion on the financial report. The historical financial information is presented in the Prospectus in an abbreviated form, in so far as it does not include all of the presentation and disclosure required by AAS and other regulatory professional reporting requirements appropriate to general purpose financial report prepared in accordance with the *Corporations Act 2001*.

The historical financial information of West Coast Aquaculture (M) Sdn. Bhd. ("WCA"), presented in section 4.6 has been extracted from the audited financial statements of WCA for the years ended 30 April 2018 to 2020, which were audited HLB Ler Lum PLT. HLB Ler Lum PLT issued an unmodified audit opinion on the financial reports for the 3 years ended 30 April 2018 to 2020. The audit reports issued by the auditors of WCA were considered by HLB Mann Judd as part of our audit of the historical financial information of the Group in accordance with the requirements set out in *ASA 600 Special Considerations-Audits of a Group Financial Report*.

8.2.2 Pro Forma historical financial information

You have requested HLB Mann Judd to review the pro forma historical statement of financial position as at 30 April 2020 included in Section 4.7.b of the Prospectus, referred to as "the pro forma historical financial information".

The pro forma historical financial information has been derived from the historical financial information of the Group, after adjusting for the effects of pro forma adjustments described in section 4.7.a of the Prospectus. The stated basis of preparation is the recognition and measurement principles contained in AAS applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in section 4.7.a of the Prospectus, as if those event(s) or transaction(s) had occurred as at 30 April 2020. Due to its nature, the pro forma historical financial information does not represent the Group's actual or prospective financial position and financial performance.

8.3 Directors' responsibility

The directors of the Group are responsible for the preparation of the historical financial information and pro forma historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information and included in the pro forma historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

8.4 Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement *ASAE 3450 Assurance Engagements Involving Corporate Fundraisings and/or Prospective Financial Information*.

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



Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the historical and pro forma historical financial information.

8.5 Conclusions

8.5.1 Historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information, as described in sections 4.5.a to 4.5.c of the Prospectus, comprising:

- The historical statement of profit or loss and other comprehensive income for the period ended 30 April 2020;
- The historical statement of financial position as at 30 April 2020; and
- The historical statement of cash flows for the period ended 30 April 2020

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 4.3 of the Prospectus.

8.5.2 Pro Forma historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma historical financial information as outlined in section 4.7.b of the Prospectus, being the Statement of Financial Position as at 30 April 2020 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 4.3 of the Prospectus.

8.6 Restriction on Use

Without modifying our conclusions, we draw attention to sections 4.1 to 4.2 of the Prospectus, which describe the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

We disclaim any responsibility for any reliance on the report or the financial information to which it relates for any purpose other than that for which it was prepared. This report should be read in conjunction with the full Prospectus.

8.7 Consent

HLB Mann Judd has consented to the inclusion of this assurance report in the Prospectus in the form and context which it is included. At the date of this report, this consent has not been withdrawn.

8.8 Disclosure of Interests

HLB Mann Judd has no financial or other interest that could reasonably be regarded as affecting our ability to give an unbiased conclusion on the matters that are subject of this report for which normal professional fees will be received. No director of HLB Mann Judd or any individuals involved with the preparation of this report have any interest in the outcome of the Offer other than the preparation of this report and participation in due diligence procedures for which normal professional fees will be received.

Our associated entity, HLB Mann Judd (Vic Partnership) acts as the auditors of the Company, for which normal professional fees are received. It is considered that our independence is not affected.



8.9 Liability

The liability of HLB Mann Judd is limited to the inclusion of this report in the Prospectus. Unless specifically referred to in this Report, or elsewhere in the Prospectus, HLB Mann Judd was not involved in the preparation of any other part of the Prospectus and did not cause the issue of any other part of the Prospectus. Accordingly, HLB Mann Judd makes no representations or warranties as to the completeness or accuracy of the information contained in any other part of the Prospectus.

8.10 Financial Services Guide

We have included our Financial Services Guide as part 2 of this report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our report.

Yours faithfully

HLB Mann Judd Corporate Finance Pty Ltd

A handwritten signature in blue ink, appearing to be 'JL' or similar initials, written in a cursive style.

Jude Lau
Director

Part 2 Financial Services Guide

What is the purpose of this Financial Services Guide?

This Financial Services Guide (FSG) provides you with information about us to help you decide whether to use the services that we offer.

It explains:

- The services offered by us;
- How instructions may be provided to us;
- How we are remunerated; and
- The details of our internal and external complaints handling procedures and how you can access them.

This FSG is provided by HLB Mann Judd Corporate Finance Pty Ltd (AFSL: 240988). In this FSG, each of the companies is referred to as "we", "our" or "us", and collectively referred to as "HLB Mann Judd".

What Services can we provide?

Under our AFS licence authorisation, we may carry on a financial services business to provide:

- financial product advice on basic deposit products, securities, derivatives limited to old law securities options contracts and warrants, and
- dealing services in respect of the above financial products.

Collectively these are referred to as "Services". HLB Mann Judd provides corporate finance services including valuations and merger and acquisition advice. This includes capital raising, strategic option analysis and financial modelling.

Will you provide me with advice which is suitable to my needs and financial circumstances?

We provide general financial product advice only, not personal financial product advice because the advice has been prepared without taking into consideration your personal objectives, financial situation or needs. You should consider the appropriateness of the advice, having regard to your objectives, financial situation and needs before acting on the advice.

We are authorised to provide you with personal advice in relation to basic deposit products, securities and derivatives limited to old law securities options contracts and warrants. We may not provide advice of any kind in relation to any other interest, financial products or other investments.

Generally, if personal advice is given – that is, the advice that takes into account your particular circumstances, financial situation and needs, you would be provided with a Statement of Advice (SOA) / Statement of Additional Advice (SOAA) in accordance with the requirements of the Corporations Act. The SOA/SOAA would contain the advice, the basis on which it is given and the information about fees, commissions and associations which may have influenced the provision of the advice.

In some circumstances, SOA or SOAA is not required to be given. In this case, a Record of Advice (ROA) documenting the personal advice is to be given. You may request a copy of the ROA from your adviser up to 7 years after the advice has been given.

If a recommendation to acquire a particular financial product is made, you would be provided with a Product Disclosure Statement containing information about the particular product, which will enable you to make an informed decision in relation to purchasing that product.

How do I give information to HLB Mann Judd?

You can give us information by telephone, post, fax or email, using the details provided below. In some cases, however, you will need to complete and return certain documents, such as application form and client identification form.

How does HLB Mann Judd get paid for its Services?

HLB Mann Judd payments come from fees generated from the provision of Services.

The fees will vary depending on the services provided, the complexity and nature of the services and other factors such as the size of the transaction. The fees will be negotiated on a case by case basis and will be clearly disclosed to you in our engagement letter.

Our staff are paid a salary and may be entitled to receive bonuses or non-monetary benefits. These bonus payments are not an additional cost to you.

The fees and charges that you pay to us may ultimately benefit our employees, directors or other associates of our authorising licensee or its authorised representatives.

What fee does the person who referred me receive?

We do not currently pay a fee to any person who refers you to use our Services. However, we may enter into referral arrangements with such parties in the future. Any fees or commissions payable for the referral will be disclosed to you. Furthermore, we may receive payments for referring you to other service providers or product issuers.

Disclosure of Interest

We may provide services in relation to products and services provided by other product issuers or invest in those products ourselves. To the extent permitted by law, we may receive fees and other benefits from these product issuers as a result of you investing in one of their products or using one of their services. We may pay to, or receive fees or commissions from, third parties to the extent permitted by law.

Except as disclosed in this FSG, we do not have any relationships or associations which might reasonably be expected to be capable of influencing the way we provide our Services to you.

Compensation Arrangements

We are covered by our professional indemnity insurance in place that complies with section 912B of the Corporations Act and ASIC Regulatory Guide 126.

Who can I complain to if I have a complaint about the Services provided to me?

If you have a complaint about the Services provided to you, you should take the following steps:

1. Contact us and tell us your complaint.
If your complaint is not satisfactorily resolved within seven days, please call our complaints Manager on (03) 9606 3888.
2. Alternatively, you can put your complaint in writing and forward it to:
The Complaints Manager
HLB Mann Judd Corporate Finance
Level 9, 575 Bourke Street, Melbourne VIC 3000
Tel: (03) 9606 3888
Fax: (03) 9606 3800
Email: ireidy@hlbvic.com.au
3. We will endeavour to investigate and resolve your complaint and communicate our decision to you within 45 days. If you still do not get a satisfactory outcome, you may be able to lodge a complaint with The Financial Ombudsman Service (FOS). You can write to FOS at GPO Box 3, Melbourne VIC 3001 or call them on 1300 780 808 or visit www.fos.or.au

HLB Mann Judd Corporate Finance Pty Ltd (AFS Licence 240988)

Level 9, 575 Bourke Street, Melbourne VIC 3000

Tel: (03) 9606 3888

Fax: (03) 9606 3800

Email: ireidy@hlbvic.com.au

Date Issued: 6 October 2020

9. ADDITIONAL INFORMATION

9.1 Company Tax Status

West Coast is subject to tax at the Australian corporate tax rate.

9.2 Material Contracts

Material contracts are vital to the Company's business, as such the Directors believe that investors may wish to be informed of these contracts when making a decision as to whether they should invest into the Company. Brief summaries of the contracts have been provided below for information purposes only. The Company does not purport the details of the summaries to be complete or reflective of the actual contractual terms.

a. Loan Agreement with Agro Bank

WCA has entered into a loan agreement with Agro Bank ("Lender"). Pursuant to the agreement Agro Bank has provided the Company with a loan of 8,500,000 MYR for working capital purposes at an interest rate of 3.75 percent to 5.72 percent. As of April, 2020, there is a balance of 6,644,845 MYR to be repaid.

b. Loan Agreement with RHB Islamic Bank Bhd

WCA has entered into a loan agreement with RHB Bank ("Lender"). Pursuant to the agreement RHB Bank has provided the Company with a loan of 1,950,000 MYR for working capital purposes at an interest rate of 8.2 percent. As of April 2020, there is a balance of 1,872,271 MYR to be repaid.

c. Loan Agreement with North Island Fish Nursery SDN BHD (940166-P) ("NIFN") and Tropika Island Fish Farm SDN. BHD. (849654-D) ("TIFF")

WCA has entered into identical loan agreements with NIFN and TIFF ("Lendee") save for the loan amount in November 2019 to formalise arrangements related to pre-existing related party balances as at 31 October and for new advances made from 1 November 2019 up to 30 April 2020. Pursuant to these agreements, the Company had provided NIFN with a loan of RM4,616,116 and TIFF with a loan of RM195,289, both on a no interest rate basis, repayable in full by 30 April 2020. The condition for these loans were that NIFN and TIFF provided West Coast with the first available pick of juvenile fish and fingerlings, allowing the Company to source the highest grade/quality fingerlings and juvenile fish from both NIFN and TIFF.

Both Loans have been settled as at 30 April 2020.

Chin Koon Chia is the Director and beneficial owner of NIFN as well as a beneficial owner of West Coast, classifying this as a related party transaction.

Teik Hon Chin and Ching Hoe Neo are Directors and beneficial owners of TIFF, classifying this as a related party transaction.

d. Loan Agreement with Chia Chin Koon ("CCK") and Ching Hoe Neo ("CHN") Joe Yee Neo ("JYN")

WCA has entered into identical loan agreements with CCK, CHN and JYN ("Lender") save for the loan amount in November 2019 to formalise arrangements related to pre-existing related party balances as at 31 October and for new advances made from 1 October 2019 up to 30 December 2019.

CCK, CHN and JYN had loaned WCA a sum of RM1,986,083.90, RM3,079,989 and RM1,332,129 respectively on a no interest basis. The loans were to be repaid no later than 30 December 2019.

All loans have been fully settled as at 30 December 2019.

CCK, CHN and JYN are Key Shareholders of the Company thus this transaction is considered to be a related party transaction.

e. **Loan Agreement with Key Shareholders**

WCA has entered into a loan agreement with the Key Shareholders of the Company (“Lender”). Pursuant to the agreement the Key Shareholders have provided the Company with a loan of RM 5,880,000) for working capital purposes on a no interest basis. The Key Shareholders have agreed with the company that the loan will only be paid back with profits made by the Company.

f. **Offset Agreement**

The Company and WCA had entered into a deed of offsetting to formalize prior arrangements to allow the offsetting of debts and credits owing or owed to WCA. The following parties have been granted the right to offset pursuant to WCA and the Company’s financials:

- The Company
- WCA;
- Joe Yee Neo;
- Chin Dee Khor;
- Chin Koon Chia;
- Ching Hoe Neo;
- Tiek Hon Chin;
- North Island Fish Nursery.

The term of the agreement was from 1 November 2019 to 30 April 2020.

g. **Labor Hire Agreement with Maxprotech Resources Sdn Bhd**

Maxprotech Resources Sdn Bhd provides industrial labor hire services to the Company. Including the sourcing foreign labor and applying for the relevant working permits.

As previously mentioned, the CEO Mark Neo is the beneficial owner of Maxprotech Resources Sdn Bhd, making this a related party transaction.

The terms of the agreement are as follows:

- West Coast is provided a General service list from Max ProTech;
- West Coast will choose the relevant services from Max ProTech;
- Max Protech will invoice West Coast; and
- Invoice will be payable in 1 to 3 months upon being invoiced.

h. **Digital currency Liquidation Agreement**

The Company has entered into an agreement with Stax Brokerage Pty Ltd, a registered Digital Currency Exchange under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

The agreement consists of the following terms:

1. Stax Brokerage will hold Digital Currency in Trust for the Company pursuant to the Offer;
2. Stax Brokerage will liquidate up to 10 million USDT at a rate of \$1.30 AUD to 1 USDT;
3. Stax Brokerage will liquidate at this price regardless of the current exchange/market rate (whether it is higher than \$1.30 AUD or less than \$1.30 AUD); and

4. The Company agrees to liquidate all USDT associated to their offer with Stax Brokerage.

i. **Director's Indemnity and Insurance**

West Coast will enter into Deeds of Access, Insurance and Indemnity (collectively, "Indemnity Deeds") with each of its current Directors pursuant to the Corporations Act and the Company's Constitution.

The scope of the Indemnity Deeds will cover indemnification of the Directors against certain liabilities to the maximum extent permitted by law and incurred by them whilst acting as a Director of the Company or its subsidiary companies.

The Indemnity Deeds shall insure the Directors against certain risks to which the Directors are exposed to as a Director and will grant the Director right of access to certain records of the Company for a period of seven (7) years from the date the former Directors ceases to be a Director of the Company.

West Coast will pay a premium for a contract ensuring an Officer of the Company or its related body corporate against any liability incurred by the person in that capacity, except a liability arising out of conduct in contravention of the Corporations Act. West Coast acknowledges its obligation and will endeavour to maintain continuity of indemnity protection for each of the Company's Director.

j. **Share Swap Agreement**

On December 2019, West Coast Aquaculture (M) Sdn. Bhd.'s Shareholders ("**Key Shareholders**") executed a scrip for scrip share swap agreement with West Coast Aqua Culture Group Ltd. The effects of the executed agreement included:

- West Coast Aquaculture (M) Sdn. Bhd. being 100 percent owned by West Coast Aqua Culture Group;
- West Coast Aquaculture Group Ltd is 100 percent owned by Key Shareholders, post execution of the agreement; and
- Key Shareholders beneficial ownership and share ratios reflected in West Coast Aquaculture (M) Sdn. Bhd. were maintained in West Coast Aquaculture Group Ltd in conclusion.

k. **Marine Farming License**

West Coast holds a marine farming licence.

The marine farming license is granted by Kedah State Government Fishery Department (Jabatan Perikanan Negeri Kedah) and authorise the license holder to carry on marine farming in the area to which the farming license relates.

Under the terms of the relevant licenses, West Coast is required to:

- Comply with the terms of the license; and
- Maintain certain records as specified under the license.

West Coast's current marine farming licences are renewed on an annual basis and is currently valid until January 2021. The relevant Minister is required to renew a licence where a licence holder applies for such a renewal, subject to the applicant satisfying a number of conditions.

If the event the marine farming license cannot be renewed the Company will be required to find a new location where the government is willing to grant the license or move to relevant jurisdictions that will be willing to grant the license with a similar climate. This will adversely affect the Company's financial position.

l. **Sponsorship Agreement**

The Company has signed a cost agreement with Agile Legal Consulting for Corporate Advisory and Legal Services. The terms of the agreement stipulate:

- A fee of \$165,000 including GST to be paid upon lodgment of this Prospectus;
- A monthly fee of \$4000 excluding GST be paid for a period of 24 months upon listing on the SSX as Sponsor of the Company.

m. **Arranger/Facilitator Agreement**

The Company has signed an agreement with UH Community Pty Ltd operating as STAX Platform whereby STAX Platform will provide arranging services, Corporate Advisory services and offer facilitation services.

Under the terms of the agreement STAX Platform will:

- Provide Technology to electronically facilitate this Offer;
- Facilitate this Offer;
- Provide Corporate Advisory; and
- Provide capital raising services.

The agreement will continue until listed on the Sydney Stock Exchange.

At minimum subscription, a total fee of \$295,274 excluding GST will be paid upon successful listing on the SSX.

At maximum subscription, a total fee of \$294,134 excluding GST will be paid upon successful listing on the SSX.

n. **USDT Trust Deed**

Anyone that wishes to participate in this offer with USDT must enter into the trust deed detailed in Annexure A of this document.

9.3 **Legal Proceedings**

There is no current or threatened legal proceedings against West Coast Aquaculture Group Ltd or its subsidiaries. This assumption is made pursuant to the knowledge held by the Directors and key Management knowledge.

9.4 **Ranking of Shares**

As of the date of this Prospectus, all shares are of the same class (ordinary shares). Each share holds the same respective liquidation rights, voting right, dividend right and share transfer rights.

9.5 **Voting Rights**

At a meeting of members each person present or by proxy has one vote on a show of hands or one vote per share held via a pole. This is subject to any special rights or restrictions placed.

9.6 **Dividend Rights**

Any dividend that may be declared by the Company are payable on all shares in proportion to the amount paid up.

9.7 **Variation of Rights**

Rights that are attached to shares may only be varied by consent in writing of the holders of 75 percent of the Shares, or via a special resolution passed in a general meeting.

9.8 **Shareholder Liability**

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

9.9 Transfer of Shares

Subject to the Constitution, Corporations Act, Listing Rules and any other applicable laws, Shares are freely transferable. The Directors may refuse to register a transfer of Shares only in limited circumstances, such as where the listing Rules require or permit the Company to do so.

9.10 Meetings and Notice

Each shareholder will be entitled to receive notice of, and attend and vote at, the Company's general meetings.

Each shareholder will be entitled to receive all, notices, accounts and other documentation required to send to shareholder as per the Constitution, Corporations Act and Listing Rules.

9.11 Listing Rules

If the Company is admitted to the Official SSX list, inconsistencies in the Constitution with the Listing Rules will be superseded by the Listing Rules.

9.12 Continuous Disclosure

Pursuant to Part 1.2A of the Corporations Act the Company will be considered a disclosing entity. The Company will be subject to regular disclosure of any information that it becomes aware of concerning the Company and which a reasonable person would believe to have effect on the material value and price of the securities.

9.13 Consent

All parties referred to below, do not make any statements in this Prospectus other than those referred to in this Section and to the maximum extent permitted by law, expressly disclaim and takes no responsibility for any statements in or omissions from this Prospectus, other than the reference to its name to its name and a statement included in this Prospectus with the consent of that party as specified below.

- HLB Mann Judd Corporate Financial Pty Ltd has given and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to the inclusion of this Prospectus of statements by it, including its Investigating Accountant's Report and the statements specifically attributed to it in the text of, or by a footnote in, this Prospectus, in the form and context in which they are included in this Prospectus.
- HLB Ler Lum PLT has given and has not withdrawn, prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as West Coast Aquaculture Group Limited's auditor, including as auditor of West Coast's 30 April 2020 Financial Reports, and having reviewed the Prospectus, in the form and context in which it is so named.
- HLB Mann Judd (Vic Partnership) has given and has not before lodgement of this Prospectus withdrawn its written consent to be named in this Prospectus as the Auditor of the Group. HLB Mann Judd (Vic Partnership) was not involved in the preparation of any part of this Prospectus. HLB Mann Judd (Vic Partnership) did not authorise or cause the issue of this Prospectus and does not accept any liability to any person in respect of any false or misleading statement in, or omission from, any part of this Prospectus.
- Agile Legal Consulting has given written consent to be being named as the Lawyers, Corporate Advisors and Sponsor of the Company. Agile Legal Consulting has given written consent to the provision of their declaration regarding USDT detailed in section 7.7. Agile Legal Consulting has not withdrawn its consent prior to the lodgement of the Prospectus with ASIC.
- Automic Group has given its written consent to being named as the Share Registry in the Prospectus. Automic Group has not withdrawn its consent prior to the lodgement of the Prospectus with ASIC.
- UH Community Pty Ltd trading as STAX Platform has given and has not withdrawn, prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as West Coast Aquaculture Group Limited's arranger, and offer facilitator.
- STAX Brokerage Pty Ltd has given and has not withdrawn, prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Trustee

for the USDT and Digital Currency Exchange for the liquidation of USDT pursuant to the Offer, as appointed by West Coast Aquaculture Group Limited.

9.14 Expenses of the Offer

	Minimum Subscription	Maximum Subscription
ASIC Fees	~\$3,206	~\$3,206
SSX Fees	~\$103,726	~\$104,866
STAX Platform Fee	~\$335,174	~\$334,034
Legal Fees	~\$165,000	~\$165,000
Investigating Accountant Fees	~\$46,820	~\$46,820
Auditors Fees	~RM96,500 Approximately (\$34,800 AUD)	~RM96,500 Approximately (\$34,800 AUD)
Total	~\$688,726	~\$688,726

9.15 Taxation Considerations

Tax consequences of an investment of new shares is dependent on each applicant's circumstances. It is the responsibility of all Applicants to consider the tax consequences related to an investment of new shares. The Company, its Directors and any affiliated party do not accept any liability in relation to taxation consequences of the Applicant. The Company strongly recommends seeking tax advice prior to deciding whether to invest in shares under this Offer.

9.16 Dividends on a Share

Dividends will be distributed in accordance to the West Coast Aquaculture Group's Dividend Policy.

9.17 Effects of Ownership

As the Company wholly owns WCA, we have taken into consideration any Malaysian laws that may affect the Company's ownership.

Pursuant to Section 561 of the *Companies Act 2016* (Malaysia) a foreign Company may not carry on business in Malaysia unless the foreign Company is a registered foreign Company under the Act.

"Carrying on a business includes establishing or using share transfer or share registration office to administering, managing or otherwise dealing with property situated in Malaysia as an agent, legal personal representative, or trustee, whether by servants or agents or otherwise."

"A foreign Company shall not be regarded as carrying on a business in Malaysia for the reasons only that it carries on activities as specified by the Thirteenth Schedule within Malaysia."

Pursuant to the Thirteenth Schedule:

"A foreign Company shall not be regarded as carrying on business in Malaysia for the reasons only that the Company does the following matters in Malaysia:

- (i) Invests any of its funds or holds any property."

The Company is not registered as a foreign Company in Malaysia nor is it required to be registered as one.

9.18 Governing Law

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under this Prospectus are governed by the laws applicable in Victoria and each Applicant under this Prospectus submits to the exclusive jurisdiction of the courts of Victoria.

10. GLOSSARY

\$	Australian Dollars (AUD), unless otherwise stated.
AASB	The Australian Accounting Standards Board
AASB141	Australian Accounting Standards Board 141 Agriculture – the standard accounting specifically addressing accounting requirements for agricultural activity, being the biological transformation and harvest of biological assets for sale, conversion into agricultural produce or into additional biological assets.
Agile Legal Consulting	The Australian Legal Practitioners and Legal Advisors of the Company based in Melbourne, Australia.
Applicant	A person who submits an Application.
Application	An application to subscribe to fully paid ordinary shares in the Company under this Prospectus.
Application Form	The form for making an Application under this Prospectus, accompanying this Prospectus.
Application Monies	The value of the amount accompanying an Application to the Company under this Prospectus.
ASIC	Australian Securities and Investments Commission.
Barramundi	A key product of the Company's farming operations, also known as Asian Sea Bass, a fish distinct pointed head, concave forehead, large jaw and rounded tail fin.
Board or Board of Directors	The board of directors of the Company.
Broodstock	A mature fish that is used in aquaculture for breeding purposes.
CHESS	Clearing House Electronic Sub Register System. CHESS facilitates the clearing and settlement of trades in shares and provides an electronic sub register for shares in listed companies on the SSX.
Closing Date	The date on which the Offer is expected to close, being 17 November 2020 in respect of the Retail Offer.
Completion of the Offer	Completion in respect of the allotment and issue of Shares by the Company.
Constitution	The constitution of the Company as at the Prospectus Date.
Corporations Act	Corporations Act 2001 (Cth).
Digital currency	Tether (USDT).
Directors	A member of the Board.
EBIT	Earnings before interest and taxation.
EBITDA	Earnings before interest, taxation, depreciation and amortization.
Existing Shareholders	The holders of Existing Shares as at the Prospectus Date, 15 October 2020.
Fingerlings	A fish that has reached the stage where the fish has working fins and scales have started developing throughout the body. In this stage, the fish is typically about the size of a finger.

Fry	A recently hatched fish that has reached the stage where the fish can actively feed for itself.
FYE2018	Financial Year Ending 30, April 2018.
FYE2019	Financial Year Ending 30, April 2019.
FYE2019	Financial Year Ending 30, April 2020.
Grouper	A key product of the Company's farming operations and a species of the subfamily Epinephelinae, with a typically spotted body.
GST	The goods and services tax on goods, services and other items sold or consumed in Australia.
Hybrid Fish	Fish whose parents are of two different species.
IFRS	International Financial Reporting Standards (IFRS) – a set of accounting standards developed by the International Accounting Standards Board (IASB).
Institutional Investor	An investor in Australia who is either a “professional investor” or “sophisticated investor” under sections 708(11) and 708(8) of the Corporations Act; and in certain other jurisdictions, as agreed between the Company and the Underwriter, to whom offers or invitations in respect of securities can be made without the need for lodged or registered Prospectus or other form of disclosure document or filing with, or approval by, any governmental agency.
Juvenile Fish	This has the same meaning as Fingerlings.
Key Shareholders	Group of persons in ownership of the majority of the shares under this Prospectus and the Offer. Also given meaning by virtue of Section 7.5.
Quotation of Shares	The expected quotation of the Company's shares to the Official List of SSX.
Listing Rules	The listing rules of the Sydney Stock Exchange (SSX).
Management	The executive management team of the Company.
Offer	The offering of shares under this Prospectus.
Offer Document	An offer of shares in the Company under this Prospectus that is prepared in accordance with section 708AA of the Corporations Act.
Offer Price	AUD \$0.50 per share.
Official List	The official list of entities that SSX has admitted to and not removed from listing.
Opening Date	The date on which the Offer is expected to open, being 15 October 2020 in respect of the Retail Offer.
Prospectus	This document (including the electronic form of this Prospectus) and any supplementary or replacement Prospectus in relation to this document.
Red Snapper	A key product of the Company's farming operations and a highly esteemed food fish with reddish head and body.
RM/MYR	Malaysian Ringgit.
Shareholder's Agreement	An agreement made between the Shareholders of the Company.
Share Registry	Automic Group (ACN: 152 260 814)
SSX	Sydney Stock Exchange.
STAX Platform	UH Community Pty Ltd trading as STAX Platform (ACN: 633 206 470) acting as facilitator and arranger to the Company in relation to the Offer.

TFN	Tax file number issued by the Australian Taxation Office (ATO).
USD	United States Dollar
WCA	West Coast Aquaculture (M) SDN. BHD.

Directors Authorisation

3 December 2019 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 ASIC and has not withdrawn that consent.

Signed for and on behalf of West Coast Aquaculture Group Ltd.

Ching Hoe Neo
Chairman

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- I/We declare that I/we have received a copy of the Prospectus issued by West Coast Aquaculture Group Ltd and that I/we are eligible to participate in the Offer.
- I/We declare that all details and statements made by me/us are complete and accurate.
- I/We agree to be bound by the terms and conditions set out in the Prospectus and by the Constitution of the Company.
- I/We acknowledge that the Company will send me/us a paper copy of the Prospectus free of charge if I/we request so during the currency of the Prospectus.
- I/we authorise the Company to complete and execute any documentation necessary to effect the issue of Shares to me/us; and
- I/We acknowledge that returning the Application Form with the Application monies will constitute my/our offer to subscribe for West Coast Aquaculture Group Ltd and that no notice of acceptance of the Application will be provided.
- I/We acknowledge that the Company retains absolute discretion to allocate any/all of the amount of Shares I/we have applied for the Offer as these terms are defined in the Prospectus.

Instructions for the Completion of the Application Form

You should read the Prospectus carefully before completing this application form.

Please complete all relevant sections of this Application Form using BLOCK LETTERS. The below instructions are cross-referenced to each section of the Application Form.

- 1. Number of Shares**
Insert the number of Shares you wish to apply for in Section 1. Your application must be a minimum of 4,000 Shares (\$2,000.00)
- 2. Payment Amount**
Enter into Section 2 the total amount payable. Multiply the number of Shares by \$0.50 – the application price per share.
- 3. Name/s in which the Shares are to be registered.**
Note that ONLY legal entities can hold Shares. The Application must be in the name of a natural person/s, companies, or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person.
- 4. Postal Address**
Enter into Section 4 the postal address to be used for all written correspondence. Only one address can be recorded against a holding. With exception to annual reports, all communications to you from the Company will be mailed to the person/s and address/es shown. Annual reports will be made available online when they are released. Should you wish to receive a hard copy of the annual report you must notify the Share Registry. You can notify any change to your communication preferences by visiting the registry website – <https://www.automicgroup.com.au/>
- 5. CHESS Holders**
If you are sponsored by a stockbroker or other participant and you wish to have your allocation directed into your HIN, please complete the details in Section 5.
- 6. Email Address**
You may elect to receive communications dispatched by West Coast Aquaculture Ltd electronically (where legally permissible), such as the Company's annual report.
- 7. TFN/ABN/Exemption**
If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details in Section 7. Collection of TFNs is authorised by taxation laws; quotation is not compulsory, and it will not affect your Application Form.
- 8. Payment Details**
By making your payment, you confirm that you agree to all of the terms and conditions of West Coast Aquaculture Ltd Offer as outlined in this Application Form and within the Prospectus.
Your cheque should be made payable to "West Coast Aquaculture Group Ltd – Share Offer Account" in Australian currency, crossed "Not Negotiable" and drawn on an Australian branch of a financial institution. Please complete your cheque with the details overleaf and ensure that you submit the correct amount, as incorrect payments may result in your Application being rejected.
Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be represented and may result in your Application being rejected. Paperclip (do not staple) your cheques to the Application Form. Cash will not be accepted. A receipt for payment will not be forwarded.
If the amount you pay is insufficient to pay for the number of Shares you apply for, you will be taken to have applied for such lower number of Shares as that amount will pay for, or your Application will be rejected.
Payment by Electronic Funds Transfer
If paying by EFT, please complete and return the application form and transfer funds directly to the Company's bank account as in Section 8.
- 9. Contact Details**
Please enter contact details where we may reach you between the hours of 9:00am and 5:00pm AEST should we need to speak to you about your application.
- 10. Declaration**
Before completing the Application Form the Applicant/s should read the Prospectus in full. By lodging the Application Form, the Applicant/s agree/s that this Application is for Shares in the Company upon and subject to the terms of the Prospectus, agrees to take any number of Shares equal to or less than the number of Shares indicated in Section 1 that may be issued to the Applicant/s pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign this Application Form.
- 11. Privacy Statement**
Personal information is collected on this form by Automic Group, as register for securities issuers ("the Issuer"), for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Automic Group, or you would like to correct information that is inaccurate, incorrect or out of date, please contact Automic Group. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the Issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting Automic Group. You can contact Automic Group using the details provided on the front of this form.

How to lodge your Application Form

If you are paying by EFT, please email a scanned copy of your completed Offer Application Form to info@stax.exchange.

If you are paying by cheque, please mail or deliver your completed Offer Application Form with your cheque to:

STAX Exchange

Level 20, 15 Williams St
Melbourne VIC 3000
Australia

1300 888 988 (within Australia) or
+613 9005 8181 (outside Australia)

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Annexure A

TRUST AGREEMENT TERMS AND CONDITIONS

1. ACKNOWLEDGEMENTS

- 1.1 The following terms and conditions (the "**Terms**") apply to individuals who wish to participate in the proposed Offer via Digital Currency (also referred to as "**you**", "**your**" or "**Beneficiary**").
- 1.2 Your ability to subscribe with Digital Currency to participate in the proposed Offer is contingent upon your acceptance of the Terms of this Agreement. If you do not agree with the Terms contained in this Agreement, you must refrain from depositing any Digital Currency for the purposes of participating in the Offer.
- 1.3 By participating in the proposed Offer via Digital Currency, you acknowledge that the following Terms constitute a binding agreement between you, West Coast Aquaculture Group Ltd (ACN 637 883 848), and STAX Brokerage Pty Ltd (ACN 637 035 262), and shall take effect immediately upon your deposit of Digital Currency into the Trustee's Wallet.
- 1.4 Upon depositing Digital Currency, you acknowledge that you will assume the role of Beneficiary whereas STAX Brokerage the Trustee, and West Coast Aquaculture both the Issuer and Appointor. You further acknowledge that you have read, understood, and accepted all the Terms under this Agreement.
- 1.5 You further represent and warrant that:
 - (a) you are of legal age, in your jurisdiction, to enter into a binding agreement; and
 - (b) if you represent a corporation, governmental organization or other legal entity, you have the right, power and authority to enter into these Terms on behalf of such corporation, governmental organization or other legal entity and to legally bind it to these Terms; and
 - (c) you have conducted your own due diligence and consulted your financial advisor before making any investment decisions in relation to the Issuer's Offer via Digital Currency.

2. DEFINITION

- 2.1 **Appointor** means West Coast Aquaculture Group Ltd (ACN 637 883 848), who determines the appointment and removal of the Trustee/s.
- 2.2 **Beneficiary** means the entity who intends to participate in the Offer facilitated by the Issuer.
- 2.3 **Class** means a class of Shares.
- 2.4 **Act** means *Corporations Act 2001* (Cth).
- 2.5 **Digital Currency** means USDT.
- 2.6 **Disclosure Document** means the legal document that the Issuer has released to the public which contains details of the Issuer's Offer.
- 2.7 **Hardware Wallet** means a secure physical device that belongs to STAX Brokerage Pty Ltd, which is used to receive and store any Digital Currency.
- 2.8 **Issuer** means West Coast Aquaculture Group Limited (ACN 637 883 848), the entity that issues shares for subscription as part of its Offer.
- 2.9 **Offer** means the offer detailed in the Issuers Prospectus, Supplementary Prospectus, Replacement Prospectus, Offer Information Statement or Information Memorandum.

- 2.10 **Offer Document** has the same meaning as “Disclosure Document”.
- 2.11 **Ownership** means the legal right and entitlement to a security, asset or chattel.
- 2.12 **Share** means a share to be issued under the Offer.
- 2.13 **Trust** means the trust constituted under this Agreement.
- 2.14 **Trustee** means STAX Brokerage Pty Ltd (ACN 637 035 262).
- 2.15 **Trust Funds** means all the Digital Currency paid in respect of each issued Share by the Issuer.

3. INTERPRETATION

- 3.1 The following apply in the interpretation of this Agreement unless the context requires otherwise:
- (a) A reference to this agreement, this deed, this document or a similar term means either the agreement set out in this document or the document itself (as amended from time to time).
 - (b) A reference to this agreement or any other document is a reference to this document or that other document as varied, novated or replaced in any way.
 - (c) A reference to a law includes any law, principle of equity, statute, and official directive of any governmental authority.
 - (d) A reference to a person includes a firm, corporation, body corporate, unincorporated association, and a governmental authority.
 - (e) An agreement on the part of, or in favour of, 2 or more persons binds or is for the benefit of them jointly and severally.
 - (f) Where a word or expression has a defined meaning, its other grammatical forms have a corresponding meaning.
 - (g) A reference to includes means includes but without limitation.
 - (h) A heading is for reference only and does not affect the meaning or interpretation of this deed.

4. ESTABLISHMENT OF THE TRUST

4.1 Declaration of Trust

- (a) The Trustee declares that it will hold the Trust Funds on trust for the Beneficiary on, and subject to, the Terms of this Agreement.

4.2 Commencement of the Trust

- (a) The Trust commences on the date that the Beneficiary deposits with the Trustee such amount corresponding to the value of Shares that the Beneficiary intends to subscribe for in relation to the Issuer’s Offer.

4.3 **Duration of Trust**

- (a) The Trust shall terminate under the following circumstances:
 - i. upon successful completion of the Issuer's Offer. The Digital Currency held in trust by the Trustee is transferred to the Issuer and the subscribed shares are issued to the Beneficiary; or
 - ii. upon an unsuccessful Offer. The deposited Digital Currency is returned to the wallet that the Beneficiary initially used to deposit the Digital Currency.

4.4 **Trust Funds**

- (a) Prior to the issuance of Shares, the Trust Funds held in trust by the Trustee belongs to the Beneficiary at all times, despite possession being maintained by the Trustee.

4.5 **Role of Trustee**

- (a) The Trustee owes a fiduciary duty to the Beneficiary at all times.
- (b) All equitable remedies are available to the Beneficiary in the event of a breach of duty by the Trustee.
- (c) The Trustee is not responsible for the issue of any Share or the enforcement of any terms of the issue of any Share.
- (d) The Trustee has the power to perform the following:
 - i. transfer Digital Currency to the Issuer upon successful completion of the Offer;
 - ii. refuse to return the Digital Currency to the Beneficiary provided that the Trustee has reasonable grounds to believe that the Digital Currency does not belong to the Beneficiary; and
 - iii. refuse to return the Digital Currency if required by an Australian government body or by Australian law.
- (e) The Trustee may refuse to refund the Digital Currency pursuant to the terms of the Offer unless:
 - i. an application for the admission of the Shares to quotation is not made within 7 days after the date of the Offer Document or the Shares are not admitted within 3 months after the date of the Offer Document, then the Digital Currency will be returned to the Beneficiary as soon as practicable;
 - ii. if Section 724(1) of the Act applies to the Offer, the Digital Currency will be returned to the Beneficiary as soon as practicable or the Beneficiary will be given 1 month to withdraw their application for the Shares and be repaid the Digital Currency deposited; or
 - iii. if the Offer Document passes its expiry date, the Digital Currency will be returned to the Beneficiary as soon as practicable or the Beneficiary will be given 1 month to withdraw their application for the Shares and be repaid the Digital Currency deposited.
- (f) The Trustee does not have the power to perform the following:

- i. allocate the Trust Funds for any purpose other than what is described in this Agreement or the Issuer's Disclosure Document;
 - ii. move the Trust Funds from the Wallet prior to receiving a confirmation from the Issuer as to whether the Offer was successful or unsuccessful;
 - iii. move the Trust Funds from the Wallet prior to any Shares being issued by the Issuer.
- (g) During the term of this Agreement, the Trustee agrees to maintain an appropriate security measure for holding the Trust Funds.
 - (h) Upon receipt of the Trust Funds, the Trustee will place the Trust Funds in a secure Hardware Wallet immediately upon receipt.
 - (i) During the Offer period, the Hardware Wallet will be held by the Issuer's authorised law firm for security reasons.

4.6 Role of Appointor

- (a) Pursuant to this Agreement, the Issuer assumes the responsibility as the Appointor.
- (b) The Appointor shall have the sole power to appoint or remove a Trustee.

4.7 Role of Beneficiary

- (a) Pursuant to this Agreement, the Trustee will only recognise an individual Beneficiary and not joint Beneficiaries.
- (b) During the term of this Agreement, the Beneficiary is not permitted to transfer the Trust Funds to any other third person.

5. TERMS OF REFUND

5.1 In the event that the requirements for a refund are met, the Trustee shall:

- (a) refund the Trust Funds to the Beneficiary as soon as reasonably possible; and
- (b) transfer the Trust Funds to the wallet in which the Digital Currency was received, unless otherwise instructed by the Beneficiary.

6. POSSESSION AND CONTROL

6.1 Pursuant to Section 4.4 of this Agreement, the Beneficiary will retain legal ownership of the Trust Funds whereas the Trustee will retain possession of the Trust Funds.

6.2 The Trustee does not have ownership rights to, or a security interest over the Beneficiary's deposited Digital Currency, nor does it have any rights to dispose the Digital Currency held in trust notwithstanding the terms of this Agreement.

7. MUTUAL OBLIGATIONS

7.1 During the term of this Agreement, the Trustee and Beneficiary agree to:

- (a) comply with the provisions of the relevant governing law applicable to this Agreement;
- (b) adhere to the equitable rules and principles of a trust relationship;

- (a) carry out obligations under this Agreement in a responsible manner and render reasonable cooperation to each other upon reasonable request, in order to give effect to this Agreement;
- (b) refrain from engaging in any conduct which could have an adverse impact on the party's ability to perform and comply with its legal obligations under this Agreement.

8. TERMINATION

8.1 This Agreement may only be terminated upon the following circumstances:

- (a) where the Trustee believes the Beneficiary has breached any clause or obligation under this Agreement;
- (b) where the Beneficiary's account is subject to any pending litigation, investigation, or government proceeding;
- (c) where the Trustee perceives a heightened risk of legal or regulatory non-compliance associated with the Beneficiary's activity;
- (d) upon a successful completion of the Issuer's Offer subject to Section 4.3 of this Agreement; or
- (e) upon an unsuccessful Offer subject to Section 4.3 of this Agreement.

8.2 Upon termination of this Agreement except under the circumstance of a successful completion of the Issuer's Offer, the Trustee will refund the Trust Funds to the wallet that the Beneficiary had deposited from as soon as reasonably possible.

9. RELATIONSHIP OF PARTIES

9.1 The Terms do not create a relationship of agency, employment, partnership, subcontractor or franchise between any party, nor does it establish any other arrangement whatsoever except for a Trust relationship.

9.2 You acknowledge and agree that neither the Trustee nor the Issuer acts or serves as your broker, intermediary, agent, or advisor with respect to any action (including refraining from any action) relating to your participation of the Issuer's Offer.

10. WAIVER

10.1 The failure of either party to fulfil an obligation under the Terms is not a waiver of a party's right:

- (a) to claim damages for breach of that obligation; and
- (b) to fulfil another obligation under the Terms unless written notice to that effect is served to the other party.

11. INDEMNIFICATION

11.1 To the fullest extent permitted under applicable laws (notwithstanding the equitable provisions reserved for trust relationships), you agree to hold harmless and indemnify the Trustee, the Issuer, their respective officers, shareholders, employees, agents, directors, subsidiaries, affiliates, successors, assigns, suppliers, or licensors from and against all third party claims and all liabilities, damages, assessments, losses, costs, or expenses (including reasonable attorney fees) resulting

from or arising out of:

- (a) your alleged or actual breach of these Terms, including, without limitation, your express representations and warranties;
 - (b) your alleged or actual use or misuse of any Terms under this Agreement; and
 - (c) your alleged or actual infringement or violation of any laws or of the rights of a third party.
- 11.2 To the fullest extent permitted under applicable laws (notwithstanding the equitable provisions reserved for trust relationships), the Trustee agrees to hold harmless and indemnify the Beneficiary, your respective officers, shareholders, employees, agents, directors, subsidiaries, affiliates, successors, or assigns from and against all third party claims and all liabilities, damages, assessments, losses, costs, or expenses (including reasonable attorney fees) resulting from or arising out of:
- (a) the Trustee's alleged or actual breach of these Terms, including, without limitation, the Trustee's express representations and warranties;
 - (b) the Trustee's alleged or actual use or misuse of any Terms under this Agreement; and
 - (c) the Trustee's alleged or actual infringement or violation of any laws or of the rights of a third party.

12. TAX

- 12.1 You shall be solely responsible for any taxes applicable to your payment in participation of the Issuer's Offer, and to collect, report, and remit such taxes to the appropriate tax authorities.

13. MISCELLANEOUS

13.1 Entire Agreement

- (a) These Terms constitute all the terms and conditions agreed upon between you, the Trustee and the Issuer, and shall supersede any prior agreements in relation to the subject matter of these Terms, whether written or oral.

13.2 Severability and Waiver

- (a) Unless as otherwise stated in these Terms, should any provision of these Terms be held totally or partially invalid or unenforceable, such invalidity or unenforceability shall not in any manner affect or render invalid or unenforceable the remaining provisions of these Terms, and the application of that provision shall be enforced to the extent permitted by applicable laws.
- (b) The failure of the Issuer to exercise or enforce any of the rights or provisions of these Terms shall not be considered as a waiver of the Issuer's rights to do so.

13.3 Force Majeure

- (a) The Trustee will not be deemed in default of these Terms to the extent that performance of its obligations is delayed or prevented by reason of any external force including, without limitation, war, insurrections, bank failures, strikes, fires, floods, earthquakes, labour disputes, epidemics, governmental regulations, freight embargoes, natural disaster, act of government or any other cause beyond the Trustee's reasonable control.

14. GOVERNING LAW AND JURISDICTION

- 14.1 This Agreement will be interpreted and governed by the laws of Victoria, Australia.
- 14.2 All parties to this Agreement agree to submit to the exclusive jurisdiction of the courts of Victoria, Australia.