

HALF A COW ONLINE

LOCAL MEAT FROM
YOUR LOCAL FARMER



HALF A COW

*Help us create a better future
for Australian Farmers*

HALF A COW ONLINE PTY LTD

Crowd-sourced funding offer document

Dated 22/11/2022

Offer of fully-paid ordinary shares in
Half A Cow Online Pty Ltd at \$5.00 per share to raise
a maximum of \$600,000.

This crowd-sourced funding (CSF) offer document relates to the Offer of fully-paid ordinary shares in Half a Cow Online Pty Ltd. This Offer is made under the CSF regime in Part 6D.3A of the Corporations Act 2001 (Corporations Act).

Issuer

Half A Cow Online Pty Ltd ACN 658 813 506

Intermediary

Swarmmer PTY LTD AFSL 50786

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SECTION 1: RISK WARNING

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.



SECTION 2: COMPANY INFORMATION

Letter From The Founder

Dear Investors,

A genuine thank you to everybody who is considering investing in our company.

This thanks comes not just from myself, but from all the farmers who are already benefiting from the changes we are bringing to the meat and livestock industry.

My name is James Gilbert, I am 32 years old and I have been an entrepreneur from a young age. Most of my working life has been in the computer industry, but I have always had a keen interest in economics, finance and market forces.

About 4 years ago, my long term girlfriend Jess, persuaded me that we needed a tree change and should move out of the city, and, to be honest, I haven't looked back since.

Moving to our farm exposed me to a new way of life, I felt more connected with the land and our wildlife, but after talking to farmers in my local community, it also opened my eyes into the realities of farming and some of the 'quirky' trade-offs which our farmers face.

The main idea for Half A Cow came about when we were sourcing our very own 'side of beef' from a local farmer. I LOVE a good steak (and will happily eat a steak for breakfast), so I was happy to dive in and purchase a whole cow!

I asked my farming neighbours, why not sell direct more often? You can make more selling direct than you do at the sale yards, and your meat price will still be about half that of the supermarket! The farmers agreed, however they had found that the time required to find multiple buyers, manage payments and match individual butcher requests made it impossible to do long term.

So the idea started bubbling away in my mind about how I could solve the challenges raised by farmers, while also simplifying the process for the customer to find, customise and order their meat.

In June 2022 I launched Half A Cow. Since then, it has been a whirlwind of media attention, farmer engagement and public support. I have been in business now for over a decade, and I have never received so much enthusiasm for an idea!

While on the face of it, we are "just" a B2C marketplace, the deeper and more powerful outcome of what we are trying to achieve has quickly become evident. I have had more than one farmer tell me how proud they are of their cattle, and how amazing it is to finally have an opportunity to connect with the person who will actually appreciate their work.

We are at the very start of our journey, but we would love for you to be a part of our vision for the future of Australian farming. We want you to help us put the ball back in the farmer's court, and not those of the large corporations who dominate the industry. Farmers are the backbone of this country, and it is about time they took back control of their hard work with local sales, and local supply chains.

We are presenting an exciting opportunity for you to invest in our simple yet powerful Online marketplace connecting local farmers to local customers. Investors will get to be part of the journey and enjoy the risks and potential returns. We would love to have you involved to help us bring local meat, from your local farmer to millions of Australians.

Full details of the Share Offer are set out in this Offer Document and it should be read carefully in its entirety before making an investment decision. On behalf of the Directors, I commend this Share Offer to you and welcome you as a shareholder of Half A Cow.

James Gilbert
Founder & CEO
Half A Cow Online PTY LTD





2.1 COMPANY DETAILS

This offer of shares is made by Half A Cow Online Pty Ltd ACN 658 813 506 (the Company).

Company Name	Half A Cow Online PTY LTD (Australian Proprietary Company)
ACN	658 813 506
Date of Incorporation	15th April 2022
Registered Office	722 Anzac Highway Glenelg SA 5045
Principal Place of Business	12 Jury Road Brukunga, SA 5252

2.2 DESCRIPTION OF THE BUSINESS

2.2.1 The Problem

Most farms in Australia are at the mercy of the sale yard system and that's a problem.

BAD PAY DAY

Farmers are heavily dependent on the daily price fluctuations at a given auction on a given day.

Imagine driving hundreds of kilometres to an auction site, to be offered 20% to 30% less than expected!

Your only choices are to take a low price, or pack up your stock and try again next week.

This has a huge cost in dollars, time, fuel and stress for the farmer, and the animals.

NO VALUE ADD

Selling into sale yards, while easy, totally eliminates any chance farmers have to add value to their end customers.

Other entities, such as food wholesalers and supermarkets process their cattle into meat and add a significant mark-up.

The end consumer also has no idea who they're buying from or the quality of their meat.

Almost nothing is known of the individual farm or their methods.

2.2.2 Who Are We?

We want to fundamentally shift this model on its head. We help farmers set their own prices and add value to their customers. Local farmers have a real connection to their customers and the outcome of their hard work!

We are an Online Marketplace connecting local farmers to local customers. The core of our mission is to help more farms in more places sell their meat as a value-added product.

Our marketplace approach helps farms of all sizes achieve this goal while simultaneously making products accessible to consumers.

Meating in the middle

We recognise that our customers include both farmers and consumers, so our platform has been designed to facilitate easy ordering and selling.

Ultimately our success as a marketplace platform will be determined by how well we can continue to serve the needs of our suppliers and customers.



Our Solution: Farmers

Farmers are too busy to act as retail front	Our website provides a retail platform for all farmers who join, and helps answer the many questions consumers have when purchasing meat in bulk.
Farmers want a consistent price for their meat	By moving higher along the value chain and selling their livestock on a “dressed weight” basis, farmers can set their own prices and control their own outcomes.
Farmers don't know how build their own website or manage an ecommerce system	We provide farmers with a free platform to market their farm brand and sell their products online at their own prices. Our streamlined “wizard” lets farmers add products for sale in as little as 5 minutes.
Chasing payments is frustrating and time consuming	Of those farmers who already sell “dressed weight” to friends or family, a common theme is people cancelling after paying a small deposit or simply changing their minds. With HAC, all payments are made upfront, and no cancellations can be made after the close of the order window (as this is when the animal is slaughtered).
Explaining “cut sheets” to customers is annoying and requires farmers to act as the go between farmer, butcher and consumer	Our online ordering system is matched to the local butcher that the farmer uses. All of the options and ‘add-ons’ which the butcher is happy to provide are shown to the customer (with pictures!) in an easy to use flow. These are automatically included with their order and can be easily emailed to the butcher.
Building and marketing a brand to find customers is expensive and difficult	We are an online marketplace platform with many farms all over South Australia. We promote individual farms and the “Half A Cow” platform. This means farmers do not have to specifically build their own brands as the power and convenience of the marketplace helps to drive sales (although they are still identified as individual farms/butchers).

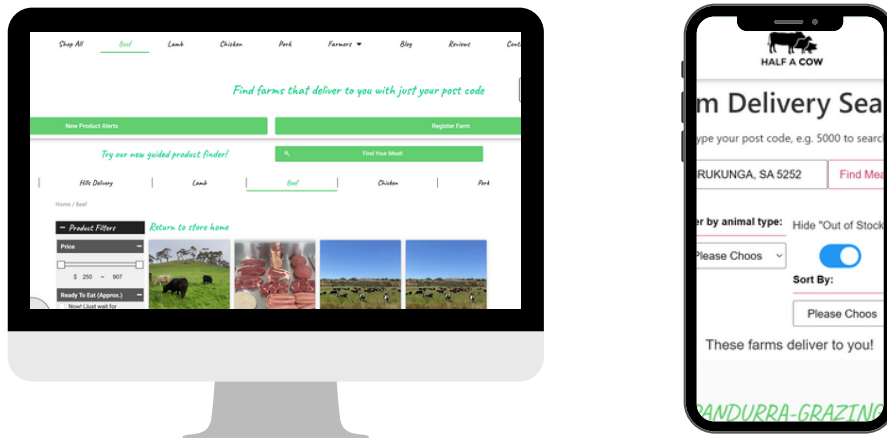


Our Solution: Customers

Difficulty in finding a farm/supplier	Let's face it, unless you're from the country or know a farmer, it can be difficult to know where to start. Customer feedback has been consistent on this point! By simply entering in a suburb, customers can find a local farm that offers pickup or delivery (via a registered butcher or licenced cold freight vehicle)
Uncertain as to the process	With our simple guided "cut sheet" (With pictures) a customer can customise how they want their side of beef in about 5 minutes. This information and process can be customised to the local butcher and farm.
Difficulty with upfront purchase cost	<p>As a platform we've already integrated solutions in this space to help people afford to make bulk purchases.</p> <p>Farmers can "opt in" to customer deposits, whereby a 25% non-refundable amount is paid. The balance is required before the close of the order window.</p> <p>On average this gives customers an additional 3 – 6 weeks to budget for this purchase. In the future version of our software we have plans to integrate a more advanced system of in-house payment plans to further facilitate sales.</p>
General rising cost of meat	<p>By purchasing direct from the farm, the customers are paying a simple flat rate for their meat.</p> <p>At time of writing (29.10.2022) wholesale beef prices on our website are between \$13.90 and \$15/kg depending on the farm and location. The customer receives the same flat rate for the mince, bones, fillet steaks and everything in between.</p> <p>This represents significant savings over the supermarket markups.</p>
Still looking for variety	<p>We offer more than just beef!</p> <p>We already have a range for lamb, pork, chicken and seafood farms on the platform.</p> <p>While we started with the vision of "just cows" the system has quickly evolved to support more kinds of protein.</p>

2.2.3 Our Business Strategy

We want to connect thousands of farms and regional butchers to individual customers all around Australia in one easy to use website.



WE ARE NOT ANOTHER BEEF BOX!



HALF A COW



Local Meat, Local farms



Lower prices for consumers



Short, local supply chains



Quick to expand, just need local farms to join



Quality is ensured at the local processor and butcher

Meat Boxes
and
Online Butchers



High consumer cost



Small farms can't supply



Single brand, not local



Farmers not directly supported



Large overheads and logistic responsibility

We want to connect thousands of local farms to millions of local customers

2.2.4 Business Objectives

We have proved our concept, but we want to go further.

PLATFORM UPGRADES

The current version of our platform has been developed in consultation with farmers and customers.

We've learnt a lot in our first three months of operation and have identified technical challenges to scaling which can be resolved with the next upgrade!

We've also identified customer barriers such as order quantity and consistent communication which are being addressed.

CUSTOMER EDUCATION

We have a unique position to act as an ambassador for farming around Australia.

Dealing with dozens, and maybe even hundreds of farms on a daily basis, we learn first-hand the challenges and opportunities available.

Education helps customers better connect with their food and their local farmers, reinforcing their loyalty to the platform.

MORE FARMS, MORE PLACES

We launched our platform in the Adelaide Hills with a small number of local farmers.

We were quickly contacted by more farms around South Australia including the Eyre Peninsula, Yorke Peninsula and Port Lincoln.

These farms have joined and have all been selling successfully, but we want to help more farmers in more places benefit from our platform.

EXPAND PLATFORM SUPPLIERS

Since our launch we've had many different kinds of farms join our platform.

Established farm brands, wholesale butchers, and micro farms, have all joined and made successful sales through our platform.

Longer term we want to offer further opportunities for farms to add value creating additional revenue for Half A Cow.

2.2.5 Business Highlights

A fantastic farmer and customer response, right from the word go!

Sales and Operations

- Beef, Lamb, Chicken and Pork available on our platform
- Over \$100,000 transacted through the platform within the first 12 weeks
- Farmer interest around Australia with registered farms in SA, VIC and NSW!

Public Interest

- Featured on Channel 7 National News
- ABC Rural Radio, and ABC Website
- FiveAA Radio Interview
- Stock Journal Livestock Section
- Massive social media following and support

Technology Platform

- Fast development cycle to improve usability for farmers and customers
- Solid plan mapped out for v2 to incorporate lessons learnt so far
- 60,000 unique views to our platform with customers signing up for new farm alerts all over Australia



2.2.6 What Is Our Business Model?

We are currently focused on growth, with low barriers to entry for farmers. Currently our revenue model is a simple percentage of turnover.

3.5% OF TURNOVER

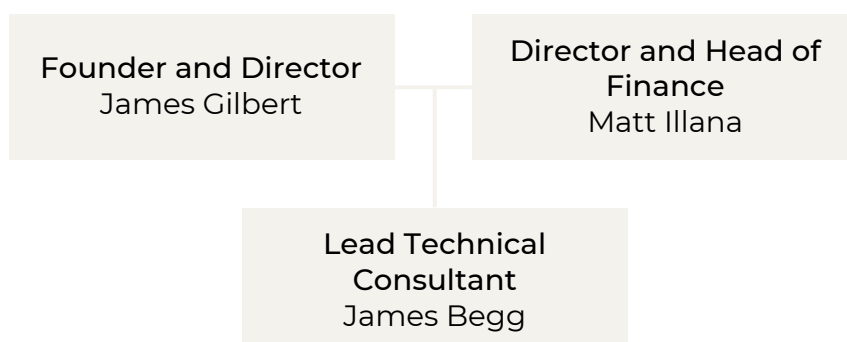
This introductory rate is about half what farmers pay at the sale yards

NO FEES

To encourage high growth we are not currently charging any signup or ongoing fees



2.2.7 What Does Our Organisation Look Like?



See Section 2.4 for further details of responsibilities and skills of staff.

2.2.8 Competitors

Our platform turns most competitors into potential suppliers. Since our launch we've attracted wholesale butchers and established farm brands.

MEAT BOXES

Many copycat meat box products exist with a similar business model.

Selling individual cuts at a significant markup.

The individual farms are not well defined and the brands are monolithic.

SUPERMARKETS

With established supply chains and a high degree of convenience we will have to work hard to educate potential customers about the benefits of buying farm direct.

2.2.9 Competitive Advantage

We are turning the industry on its head, giving power back to the farmers, and choice to consumers. We help farmers set their own prices, and add value to their customers. Local farmers have a real connection to their customers and the outcome of their hard work. Our platform already has many farms with many different price points and value offerings. As there is no middle man when buying farm direct, most of our farmers' wholesale meat prices are very competitive. As our platform develops we will expand our range to suit the needs of a wider client base.

- We are a small agile company able to quickly respond to change
- Our business has low running costs
- Our exposure to risk of individual farms is low
- Wholesale movements in beef (and other stock) prices do not materially affect our margins.
- Very scalable system, proven to work around Australia
- Farmers can earn more using our platform, making us their "first choice" to sell.
- We own no stock, farms or processing facilities and are not exposed to the risks associated with large CapEx Items
- Proven to work with a wide range of farms and business types
- We can create a truly local supply chain which is not easily duplicated by a larger company
- Our system is built to work with micro farms and large scale commercial properties.
- Worldwide scalability is possible using mostly the same software base.

2.3 CAPITAL STRUCTURE

2.3.1 Issued Capital

As at the date of this CSF Offer Document, the Company has 1,000,000 Ordinary shares. The current share distribution is set out in table 1 below. There are no options on issue.

Table 1: Issued capital of the Company before the Offer

Shareholder	Share Type	Shares
James Gilbert	Ordinary	850,000
Helen Gilbert	Ordinary	10,000
Stefen Kalebe	Ordinary	10,000
James Greenhalgh	Ordinary	10,000
James Begg	Ordinary	10,000
Majagil Pty Ltd Atf Majgil Superannuation Fund Director- Marie Gilbert	Ordinary	10,000
Robert Hack	Ordinary	10,000
Christina Belmonte & Matthew Pepicelli	Ordinary	20,000
Tomas Illana & Jayne Illana	Ordinary	30,000
Matthew Illana & Sharleene Illana Atf Illana Investment Trust	Ordinary	30,000
Simon Ruthven & Jacqueline Kerr	Ordinary	10,000
Total	N/A	1,000,000

Table 2: Issued capital of the Company following the Offer

Shareholder	Minimum Subscription	Maximum Subscription
James Gilbert (Director)	850,000 (83.3%)	850,000 (75.9%)
Matthew Illana & Sharleene Illana Atf Illana Investment Trust (Director)	30,000 (2.9%)	30,000 (2.7%)
Other Existing Shareholders	120,000 (11.8%)	120,000 (10.7%)
Offer Shares	20,000 (2.0%)	120,000 (10.7%)
Total shares on issue (fully diluted basis)*	1,020,000 (100%)	1,120,000 (100%)

*This table represents the fully diluted capital of the Company. There are no options, SAFEs or convertible notes on issue.

2.3.2 Rights Associated With Ordinary Shares And Options

As of the date of this Offer, the only class of shares on issue are ordinary shares. There is no shareholders agreement between the existing shareholders. Shareholders are only liable for the funds they have contributed to purchasing their shares. The rights of shares are set out in the Constitution and Section 3.3 of the offer document. A copy of the Company's constitution is available on Swarmers platform.

2.3.3 Debt Funding And Other Sources Of Funding

To date, the business has been funded primarily by equity and some debt funding. This includes the following:

Loan

Loan from the Director James Gilbert to the Business

- Amount: \$2,706
- Interest: 0%
- Repayment terms: Loan will be repaid when the business is cash flow positive and the
- business can afford the repayment

Equity

- Amount: \$75,850 of Ordinary Shares
- See Section 3.3 for the rights associated with the shares



2.4 DIRECTORS AND SENIOR MANAGERS

2.4.1 Our Directors and Management

James Gilbert (Founder and Director)

James is the brains and driving force behind the "Half A Cow Online" platform. He has over 15 years experience in the IT space, with experience ranging from basic IT support, to CRM platform development. He has a university level education in both Management and Marketing from Adelaide University and is passionate about the crossover between farming and economics.

"While "Half A Cow" is primarily a "for profit" platform, the social and economic benefits to farmers, and maybe even Australia as a whole, have become very evident since our launch, and I hope we can make a real difference" - James Gilbert

Matt Illana (Director and Head of Finance)

Matt has worked in the financial services industry for 18 years and has been a qualified financial planner for 15 years. Matt saw the potential of Half A Cow Online very early, and encouraged James to 'have a go' at making this idea a reality. Matt works with a diverse range of clients in a professional capacity, including a large number of farmers across South Australia. Matt's insight has been key in helping Half A Cow identify with farmers and understand their unique financial challenges.

Consultants

James Begg (Lead Technical Consultant)

James Begg has been the lead developer on a number of technical projects over the last decade. James Begg's skill set has been instrumental in developing the Half A Cow platform to its current state, and beyond. With an extensive working relationship with James Gilbert, the pair are able to easily cross delegate tasks and identify when an external resource is required. As the platform moves forward, his experience and technical understanding will be invaluable when dealing with third party development teams.

2.4.2 Legal Or Disciplinary Actions

There are no legal or disciplinary actions against the company or directors.

2.5 RISKS FACING THE BUSINESS

An investment in Half A Cow Online Pty Ltd should be seen as high-risk and speculative. A description of the main risks that may impact our business are outlined below. Investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general risks associated with Half A Cow Online (e.g. risks relating to general economic conditions or the inability to sell our shares).

Table 3: Main Risks Facing the Business

Risks	Descriptions
Key person risk	The business is reliant on James Gilbert until the team grows. It would be difficult for the business to replace their skillset at short notice.
Funding Risk	The company is in the process of raising funding to achieve its business objectives and to cover its projected operating expenses. The company may not raise all the required funds to meet these goals and may require additional funding from investors in the future.
Limited History	Half A Cow Online has only been operating for a short period of time and our business model is not fully mature.
Copycats	Other competitors in this space may attempt to copy Half A Cow Online and the company would have to compete to attract farmers and customers
Regulatory restrictions might change	Food regulations may change which could put greater regulatory pressure on farmers or the meat supply chain. This may impact our ability to successfully operate.
Agricultural risks associated with meat production	There are a number of risks inherent in operating in the agriculture industry, including diseases, storm, fire, frost, flood, water availability, water salinity, pests and force majeure events



2.6 FINANCIAL INFORMATION

Below are the financial statements of Half A Cow Online Pty Ltd for the period since inception (15/04/2022) which have been prepared in accordance with the Accounting Standards.

	\$
BALANCE SHEET AS AT 31/10/2022	
Equity	
Paid Up Capital	
Ordinary Class Shares	30,850
Accumulated Loss	(25,429)
Total Capital and Reserves	<u>5,421</u>
Represented by:	
Current Assets	
Cash on Hand	850
CBA Business Acc #4729	<u>51,885</u>
	52,735
Intangible Assets	
Formation Expenses	696
Website Development	<u>10,130</u>
	10,130
	<u>10,826</u>
Total Assets	<u>63,561</u>
Current Liabilities	
Trade Creditors	52,706
Loans - Unsecured	
Director - James Gilbert	2,706
Provision for GST	<u>2,728</u>
	58,140
Total Liabilities	<u>58,140</u>

STATEMENT OF CASHFLOWS
FOR THE PERIOD 15/4/2022-31/10/2022

	\$
Cash Flows from Operating Activities	
Receipts from Customers	96,193
Payments to Suppliers and Employees	(66,188)
Net Cash Inflow from Operating Activities	30,005
Increase in Cash from Share Equity	30,850
Investment in Intangible Assets	(10,826)
Increase in Director Loan	2,706
Net Increase in Cash Held	52,735
Cash and Cash Equivalents as at 31 October 2022	52,735



TRADING, PROFIT AND LOSS STATEMENT
FOR THE PERIOD 15/4/2022-31/10/2022

\$

Income

Sales	96,070
Merchandise	123
GST Output Tax Adjustment	(8,745)
	87,448

Less Cost of Goods Sold

Farmer Payments	90,650
Merchandise Purchases	1,025
	91,675
	91,675

Gross Loss from Trading

(4,227)

Expenditure

Advertising & Promotions	23,136
Bank Charges	1
Insurance	468
Postage	126
Printing & Stationery	873
Subscriptions	545
Telephone & Internet	1,491
Website Hosting	579
GST Input Tax Adjustment	(6,017)
	21,202

Loss before Income Tax

(25,429)



STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 15/4/2022-31/10/2022

	\$
Retained Earnings	
Increase in Share Equity	30,850
Profit Attributable to Shareholders	<u>(25,429)</u>
	5,421
Closing Balance	<u><u>5,421</u></u>
 Reconciliation of Retained Earnings	
Increase in Share Equity	30,850
Profit Attributable to Shareholders	<u>(25,429)</u>
Closing Balance	<u>5,421</u>
Total Equity	<u><u>5,421</u></u>



SECTION 3: INFORMATION ABOUT THE OFFER

3.1 Terms of the Offer

The Company is offering up to 120,000 shares at an issue price of \$5 per share to raise up to \$600,000. The key terms and conditions of the Offer are set out in the table below.

Table 4: Terms of the Offer

Term	Details
Shares	Fully-paid ordinary shares
Price	\$5.0 per share
Minimum Subscription	\$100,000
Maximum Subscription	\$600,000
Opening date	22/11/2022
Closing date	10/12/2022

A description of the rights associated with the shares is set out in Section 3.3 below. To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer.

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached or the Offer is closed but not completed, you will be refunded your application money.

Investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.

The Offer is not underwritten.

3.2 USE OF FUNDS

Investor funds will be focused on platform development and general marketing to expand our farmer network.

Table 4 below sets out the intended use of funds raised under this offer based on the minimum and maximum subscription amounts.

Table 4: Terms of the Offer

Intended use	Minimum Subscription	Maximum Subscription
Website + App Development	\$74,000	\$200,000
SA Rollout	\$5,000	\$35,000
NSW Rollout	\$5,000	\$35,000
Victoria Rollout	\$5,000	\$35,000
Tasmania Rollout	\$5,000	\$35,000
NT Rollout	\$0	\$35,000
WA Rollout	\$0	\$35,000
Wages/Consultants	\$0	\$154,000
Offer costs	\$6,000	\$36,000
Total funds	\$100,000	\$600,000

Funding Priorities

- 1.Rebuilding the current platform to scale with expected demand
- 2.Adding additional features to improve customer experience and the overall platform "stickiness."
- 3.Developing a dedicated Android and iOS App for optimal mobile usability (currently 87% of web visits are on mobile!)
- 4.Increasing marketing efforts to attract and on-board key farms
- 5.Hire Staff to assist the business scale

In Table 4, "Wages" and State Rollouts include overhead expenses, employee wages and director remuneration. Details of payments to be made to directors and senior managers are itemised below:

Director's remuneration:

James Gilbert (Director) will be paid an annual salary of \$70,000 once the raise is successful and reaches the maximum subscription.

The costs of the Offer include the Intermediary's fees under the hosting agreement between the Company and the Intermediary (Swarmer Pty Ltd). These fees are 6% of the raised amount.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 12 months.

If only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 12–18 months. In such circumstances, the Company may consider undertaking a further CSF offer under the CSF regime. Until additional funding is obtained, we will scale back website development activities, and continue to focus our cash resources on expanding our sales and marketing.



3.3 RIGHTS ASSOCIATED WITH THE SHARES

Immediately after issue, the shares will be fully-paid shares. There will be no liability on the part of shareholders and the shares will rank equally with the shares currently on issue.

The rights associated with the shares are set out in the Company's constitution. A summary of these rights is set out below. A copy of the constitution is attached in the Annexure to this CSF offer document and is available on the Intermediary's platform.

3.3.1 Voting Rights

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

3.3.2 Election And Removal Of Directors

The Directors will consist of no more than five directors and must have at least two directors while the Company is making a CSF Offer or has one or more CSF Shareholders.

Subject to the maximum number of directors under clause 50 not being exceeded:

1. the Directors may appoint a director;
2. the Company in general meeting may appoint a director; or
3. a member may appoint a director as follows:
 - a. if a member's Equity Proportion is less than 20% at any time it has no right to appoint a Representative Director;
 - b. if a member's Equity Proportion is at least 20% but less than 40% at any time it has a right to appoint up to one Representative Director;
 - c. if a member's Equity Proportion is at least 40% but less than 60% at any time it has a right to appoint up to two Representative Directors;
 - d. if a member's Equity Proportion is at least 60% but less than 80% at any time it has a right to appoint up to three Representative Directors; and
 - e. if a member's Equity Proportion is 80% or more at any time it has a right to appoint up to four Representative Directors.

3.3.3 General Meetings And Notices

The Directors may call a meeting of shareholders, when and where the Directors decide. The Directors must call a meeting of shareholders when requested by the shareholders specified in the Corporations Act. The shareholders specified in the Corporations Act may call a meeting of shareholders.

At least 21 days' notice must be given of a general meeting. However, unless prohibited by the Corporations Act, the Company may call a general meeting on shorter notice if shareholders with at least 95% of the votes that may be cast at the meeting agree beforehand.

3.3.4 Resolution And Special Resolution

A meeting of shareholders makes a decision by passing a resolution. A resolution is passed if more than 50% of the votes cast by shareholders entitled to vote are in favour of the resolution (unless the law requires a special resolution).

A special resolution is passed if:

1. the notice of the meeting sets out an intention to propose the special resolution and states the resolution; and
2. it is passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution.
3. Subject to this constitution and any special rights or restrictions attached to a share, at a meeting of shareholders.

The business of the Company is managed by or under the direction of the Directors. The Directors may exercise all the powers of the Company except any powers that the Corporations Act or this constitution requires the Company to exercise in general meeting.

Notwithstanding the above, the Company must not make, and must ensure no subsidiary makes, any decision covering a matter listed below without the approval of the shareholders by special resolution:

1. (encumbrances) granting any Security Interest of any nature in respect of all or any material part of the Company's undertaking, property, assets or the issuance of any guarantee in favour of the obligations of a third party (other than an Affiliate);
2. (share rights) varying the rights of any shares;
3. (constitution) amending this constitution; and
4. (related party transactions) other than as permitted by this constitution, transactions between the Company and a shareholder or its Affiliate which are outside of the ordinary course of business, otherwise than on arm's length terms.

3.3.5 Dividends

Subject to any special rights or restrictions attached to a share; and any restrictions in the Corporations Act, the Directors may pay Dividends as they decide. Subject to any special rights or restrictions attached to a share, the holder of a fully paid share is entitled to the full Dividend on the share (whether the issue price was paid or credited or both). The Directors may determine that a Dividend will be payable on a share and fix:

- the amount;
- the time for payment; and
- the method of payment.

The Directors may implement a dividend reinvestment plan on any terms, under which the Dividends of participants are applied in subscribing for securities of the Company or a related body corporate.

3.3.6 Pre-Emptive Rights

Before issuing shares of a particular class, the Directors must offer them to the existing holders of shares of that class.

3.3.7 Share Plan

At any time the Directors may establish a formal written share plan to issue shares in the Company or grant options over unissued shares in the Company to eligible service providers (whether directors, employees or contractors) that result in the issue of that number of shares of an amount up to 15% of the fully diluted share capital of the Company as at the date of the written share plan.

3.3.8 Drag Along Rights

If the Company or any shareholder receives a bona fide offer from a third party to purchase all of the shares in the Company and shareholders acting together owning at least the Drag Threshold of the issued shares in the Company wish to accept the Third Party Offer, any Dragging Shareholder is entitled to issue to some or all of the remaining shareholders a notice requiring each such Other Shareholder to sell to the third party specified in the Drag Along Notice some or all of the Other Shareholder's shares. The Drag Threshold will be 51% of the total issued shares in the Company.

3.3.9 Tag Along Rights

A Tag Along Notice gives each Tag Along Shareholder the right (Tag Along Option) to require the Seller to procure the purchase. If a shareholder (Seller) is entitled, and wishes, to sell unallocated shares to a third party purchaser, and the unallocated shares total the Tag Threshold or more of the total issued shares in the Company, the Seller must, before that sale, give notice to the Directors to that effect, and the Directors must (as agent of the Seller) notify each other shareholder of the Seller's intention (Tag Along Notice). The Tag Threshold will be 51% of the total issued shares in the Company.

3.3.10 Winding Up

Subject to any special rights or restrictions attached to shares:

1. if on a winding up there are enough assets to repay all capital to shareholders, all capital must be repaid to the shareholders and any surplus must be distributed among the shareholders in proportion to the amounts paid on their respective shares before the winding up began;
2. if on a winding up there are not enough assets to repay all capital to shareholders, the available assets must be distributed among the shareholders in proportion to the amounts paid on their respective shares before the winding up begins (without the necessity of a call up).

3.4 WHAT CAN I DO WITH MY SHARES?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold. However, there are numerous possible circumstances that may create an opportunity for shareholders to exit their investment in the Company. These include, but are not limited to:

- A trade sale of the Company
- A listing on a registered stock exchange (eg. the ASX)
- A private equity acquisition of the Company
- A share buy-back by the Company

There is no guarantee that any of the exit options will eventuate. Therefore potential shareholders should consider this investment as illiquid and be prepared to hold it until there is an exit event as set out above.

3.5 INVESTOR REWARDS

In addition to becoming a share holder of Half A Cow PTY LTD, a range of rewards are available as a thank you to investors.

Table 5: Investor Rewards

Reward	\$300	\$1,500	\$5,000	\$10,000
Keyring	Free Keyring!	Free Keyring!	Free Keyring!	Free Keyring!
Hat		Free Hat!	Free Hat!	Free Hat!
T-shirt		Free T-Shirt!	2x Free T-Shirts	2x Free T-Shirts
Hoodie			Half A Cow Hoodie	2x Half A Cow Hoodies
Order Discount			\$200 Credit to first Order	\$200 Credit to first order
Free Platform Usage				Sell \$50,000 worth of meat through our platform with no commission. *Must be a farmer!

SECTION 4: INFORMATION ABOUT INVESTOR RIGHTS

4.1 Cooling-Off Rights

You have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the Company), you must do so within five business days of making your application (the Cooling-off Period).

You must withdraw your application via the Intermediary's platform as follows:

1. Proceed to your profile on the top right-hand side of the screen on Swarmer's website by clicking your profile image
2. Click on the right-hand side bar and select "My Investments"
3. Scroll until you find your Half a Cow Investment
4. Click the "Withdraw" button below the Half a Cow logo
5. Confirm the selection by clicking the "Confirm" button on the pop up
6. Your Withdrawal request will be processed. This may take a few days to complete

After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable.

4.2 Communication Facility for the Offer

You can ask questions about the Offer on the communication facility available on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the Company and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the Company, and related parties or associates of the Company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the Company and/or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.

4.3 Proprietary Company Corporate Governance Obligations

4.3.1 Annual Report

While the Company is currently a small proprietary company that is not required to prepare annual financial reports and directors' reports, if we successfully complete this Offer, then we will be required to prepare and lodge these annual reports with ASIC (within four months of the financial year end). The Company has a 30 June year end and its financial reports must be lodged by 31 October each year.

Our financial reports are currently not required to be audited as we are a small proprietary company. This means that the Company's financial reports will not be subject to auditor oversight, and, therefore, there will be no independent assurance of the Company's financial statements. However, the directors are still required to ensure that the financial statements give a true and fair view of the Company's financial position and performance, and that the financial statements comply with the accounting standards.

We may be required to have our financial reports audited in the future if we raise more than \$3 million from CSF offers (including this current offer and any future offers), or, otherwise, become a large proprietary company.

4.3.2 Distribution of Annual Report

The Company is not required to notify shareholders in writing of the options to receive or access the annual report. Shareholders will not be able to elect to receive a copy of the annual report by way of email or post. However, shareholders can access the annual report on the Company's website at the following address [insert link to website] (free of charge) or can purchase the report from ASIC.

4.3.3 Related Party Transactions

If we successfully complete this Offer, the rules on related party transactions in Chapter 2E of the Corporations Act will apply to the Company (for so long as we continue to have CSF shareholders). This means that the Company is required to obtain shareholder approval before giving financial benefits to related parties of the company (e.g. directors and their spouses, children or parents), subject to certain exceptions (such as reasonable remuneration provided to directors).

4.3.4 Takeovers

If we successfully complete this Offer and have more than 50 shareholders, the takeover rules in the Corporations Act will only apply to the Company in a very limited way. If someone wants to buy more than 20% of the voting shares in the Company, they will be able to do so without complying with the takeover rules. This means that a person may be able to get control of the Company without making a formal takeover bid to all shareholders or without seeking shareholder approval.

Shareholders will not have the benefit of the full protections under the takeover rules, which means you may not have the right to vote on or participate in a change of control of the company. However, the general principles of ensuring shareholders have sufficient information and time to consider a change of control, and all have a reasonable and equal opportunity to participate in any benefits, will apply to the Company. In addition, the Takeovers Panel has jurisdiction to hear disputes relating to control of the Company.



GLOSSARY

Company means Half A Cow Online Ltd ACN 658 813 506

Cooling-off Period means the period ending five business days after an application is made under this Offer, during which an investor has a right to withdraw their application and be repaid their application money

CSF means crowd-sourced funding under Part 6D.3A of the Corporations Act

Intermediary means Swarmer Pty Ltd AFSL 507 867

Maximum Subscription means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer

Minimum Subscription means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer

Offer means an offer of fully-paid ordinary shares by the Company under this CSF offer document



HALF A COW

