

9 June 2021

WOA EXPANDS OATUP DISTRIBUTION AFTER STRONG UPTAKE IN WESTERN AUSTRALIA

Highlights:

- *OatUP sales have accelerated with the product now available in more than 150 cafés and retail locations in South Australia and Western Australia*
- *Consolidating and growing local market share in WA with support from specialty distributor European Foods*
- *Stocked in a growing number of highly respected retail operators including Farmer Jacks, Boatshed Market, Brindle Group (The Good Grocer), multiple IGAs, Bunbury Farmers Market, Williams Woolshed and Spud Shed*
- *Initial sales secured in the South Australian market via OatUP's prime distributor in this market, Ultimate Fine Foods, with positive initial uptake*
- *Active engagement with distributors to accelerate the launch of OatUP internationally, having recently achieved initial sales into Singapore*
- *Advanced stage discussions with a high-profile distribution group that will potentially enable national retail distribution across Australia*

Wide Open Agriculture (WOA) ("WOA" or the "Company"), is pleased to announce that its plant-based milk product, OatUP, has been met with favourable response during its initial months of commercialisation. OatUP is the world's first regenerative and carbon neutral oat milk, and has been highly sought-after by numerous cafés, consumers and retail partners.

Managing Director of Wide Open Agriculture, Ben Cole, said “We are thrilled with the positive uptake of OatUP. Our growing café, retail and distribution partners have told us that their customers are seeking out OatUP, as they can taste the difference of our West Australian grown regenerative oats.”

WA customer growth accelerates

OatUP is now available in over 150 cafes and retail locations across Western Australia and South Australia. OatUP has performed well with its prime distribution partner in Perth, European Foods, and initial traction has been particularly strong in grocery channels and cafés, with distribution expanding weekly.

Customers acquired during the last six months include many of the largest and most respected independent grocery operators in Western Australia, such as Farmer Jacks, Boatshed Market, Brindle Group (The Good Grocer), multiple IGAs, Bunbury Farmers Market, Williams Woolshed and Spudshed.



Initial sales achieved in South Australia

Initial sales have also been secured in the South Australian market via Dirty Clean Food’s prime distributor in South Australia, Ultimate Fine Foods. Ultimate Fine Foods has begun marketing and selling OatUP to its network of customers, reporting positive initial uptake from customers – particularly in the high-end retail sector.

Initial customers include The Chapley Group, who operate six of Adelaide’s finest supermarkets, including the prestigious Pasadena Foodland and Frewville Foodland.

Ultimate Fine Foods Director, Daniel Salem, said “OatUP is off to a great start at Ultimate Fine Foods. OatUP is clearly resonating with many of the shrewdest grocery groups in Adelaide. We have seen strong early interest from a number of our retail customers and are optimistic that the clean taste of regenerative oats and OatUP’s carbon neutral mission will be a match for our customers’ needs in this category.”



The company has also reached advanced stages of discussions with distribution partners that will potentially enable large scale national retail distribution of OatUP in Australia.

Preparations for global roll-out

WOA continues to engage with global partners to expand its distribution beyond Australia, and has completed packaging prototypes for multiple markets, beginning with South-East Asia. The Company is pleased to announce that initial orders of OatUP have been placed in Singapore, and the Company expects to follow-through on its commitment to announce its first Asian distributor relationship during the fiscal year.

Positive feedback from customers in South-East Asia has sustained WOA's focus to launch the product internationally. Market testing and tasting has commenced in Singapore, Hong Kong and Thailand with initial discussions also underway with potential customers and partners in the United States and Europe.

WOA believes OatUP is now ideally positioned to take advantage of a number of promising commercial tailwinds across the current USD\$3.7 billion oat milk market. It is estimated that the sector will continue to grow at a compound annual growth rate (CAGR) of 9.8% each year to 2027¹. Sales are also outpacing more established alternative milk types like almond and soy².

Investor appetite for oat milk is also at an all-time high. Swedish oat-milk maker Oatly recently raised US\$1.42 billion and listed on the Nasdaq with a market capitalisation of US\$10 billion. Oatly's valuation has increased by approximately 45% in the two weeks since listing³.

OatUP's "Carbon Neutral" certification will ensure the product stands out and differentiates from competitors at the point-of-sale. Using oats produced from regenerative farming practices also further increases its eco-credentials.

Launch of direct-to-consumer online subscription model

WOA is expanding its online commerce presence to make OatUP available to consumers nationwide through OatUP.com.au and other digital channels. WOA expects to enhance OatUP.com.au during the current quarter, leveraging its success with the Dirty Clean Food digital platform.

The newly improved OatUP digital platform will include a compelling new subscription service where consumers throughout Australia, including in NSW, Victoria and Queensland can purchase OatUP and have the product delivered directly to their door.

A digital advertising campaign targeting health and environmentally conscious consumers will coincide with the subscription model launch.





ADVANTAGES OF THIS MODEL

- 1 Ability to target early adopters of OatUP
- 2 Secure core base of potential repeat customers
- 3 Create advocates for the product at retail and café level
- 4 Database of customers to promote new OatUP products
- 5 Shipping directly to customers could see higher product margins

Manufacturing and further product development

WOA has completed a pre-feasibility study (PFS) for an oat and other plant-based milk manufacturing facility located in Western Australia. The study is currently under the Board's review and consideration.

Constructing and operating the facility will improve operational efficiencies and margins for OatUP and other products. The facility will also give WOA the ability to rapidly develop plant-based products in response to customer trends and provide transparent provenance and traceability with 'grown and made in Australia' branding.

WOA is also exploring the possibility of adding its propriety lupin protein to OatUP which would increase the milk's protein level. This would allow the product to compete more strongly against soy and dairy milks which have slightly higher protein levels than traditional oat milks. New product development continues across new flavours and ice-cream formats.

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

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About Wide Open Agriculture Ltd

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

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

www.wideopenagriculture.com.au

www.dirtycleanfood.com.au

(1) Grand View Research (2) Nielsen: UK Data (3) Yahoo Finance data 08/06/2021

