Wide Open Agriculture Ltd
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info@wideopenagriculture.com.au

By email

Laura Gomme
Senior Adviser, Listings Compliance
Australian Securities Exchange
Level 40 Central Park
Perth WA 6000

22 March 2024

laura.gomme@asx.com.au

Dear Ms Gomme,

Wide Open Agriculture Limited - ASX Query

Wide Open Agriculture Limited ACN 604 913 822 (**WOA** or the **Company**) refers to ASX's query letter dated 14 March 2024 and provides responses to the specific queries set out in that letter.

Capitalised terms used in this letter have the same meaning given in ASX's query letter unless otherwise defined.

Questions

1. **Please explain why at the time of the April Announcement WOA considered the fact that it was in 'advanced confidential negotiations with a strategic production partner' to have been materially price sensitive information when no terms had been agreed, the MOU had not been drafted and some terms had not been discussed.**

   At the time of the April Announcement, WOA considered the fact that it was in "advance confidential negotiations with a strategic production partner" to be materially price sensitive information on the basis that:

   (a) WOA and Saputo had aligned on the proposed structure of the proposed non-binding Memorandum of Understanding (**MoU**) and had agreed to a framework of broad terms that would guide their negotiation of the MoU;

   (b) Saputo had provided the Company with an indicative cost model in February 2023 that was used to estimate costs within the framework; and

   (c) the proposed structure and framework were intended to be documented in an MoU following a meeting scheduled with Saputo for the end of April (which was subsequently delayed until the end of May following the suspension of WOA's securities from trading by ASX under Listing Rule 17.3.1).

   Despite the parties not having agreed to final terms, WOA formed the view that the above information would still be likely to influence a person who commonly invests in securities in deciding whether to acquire or dispose of WOA's securities.

   This view was driven by the form of the document being negotiated. A non-binding MoU is generally used by parties to document the scope of the proposed agreement and accepted expectations. In WOA's mind, the scope and expectations had largely been discussed with Saputo or broadly reflected in the agreed structure, framework of terms, and pricing model.

2. **Please explain why WOA stated in the April Announcement that it was in 'advanced confidential negotiations' when no terms had been agreed, the MOU had not been drafted and some terms had not been discussed.**

WOA held the view that it was "in advanced confidential negotiations" at the time of the April Announcement for the reasons specified in clauses (a) - (c) of question 1.

If terms had been agreed and an MOU drafted then that would have been disclosed. The fact that these had not yet been finalised supports the statement that the company was still in negotiations (rather than had reached agreed terms).

3. **Noting that WOA has stated that Saputo was not comfortable being identified in any public announcement until the completion of a formal agreement and that the potential arrangements with Saputo were too significant and important to the future of WOA to jeopardise the negotiations by making a premature disclosure, please explain why WOA elected to voluntarily disclose the existence of the confidential and incomplete negotiations in the April Announcement.**

At the time of the April Announcement, WOA was not aware that Saputo did not want its name publicly released as the counterparty to the negotiations prior to the completion of a formal agreement. WOA only became aware of Saputo's position once the April Announcement was released and WOA raised with Saputo ASX's request for material information regarding the April Announcement to be disclosed to the market. It was at this point that WOA became aware that Saputo was not comfortable being identified as the counterparty.

4. **Please explain why the April Announcement was accurate, complete (as defined in footnote 117 of Guidance Note 8), and not misleading and therefore sufficient to comply with Listing Rule 3.1, when the April Announcement:**

a) omitted the name of the counterparty;

As the MoU concerned an incomplete proposal or negotiation, WOA relied on the exception in LR 3.1A to not provide further information.

b) omitted to state that no terms had been agreed and that some terms had not been discussed;

As the MoU concerned an incomplete proposal or negotiation, WOA relied on the exception in LR 3.1A to not provide further information. It is not uncommon for companies to release to the market that they are in negotiations consistent with stated and disclosed business updates and goals. WOA believed it was providing an update to the market with respect to the direction of its business consistent with what had been previously disclosed.

c) stated that negotiations were 'advanced' yet the MOU was not agreed until October.

At the time of the April Announcement, the arrangements with Saputo were well advanced and the company did not have any reason to believe that the MOU would be signed shortly thereafter. However, after the April Announcement and the suspension of the Company's securities, the following matters led to a delay in execution of the MOU with Saputo:

(i) The cancellation of the proposed meeting between Saputo and WOA at the end of April at which the MOU was due to be drafted. This was due to the potential disclosure of Saputo's name and WOA's suspension from trading.

(ii) Saputo being focused on other material transactions within their business.

Please respond to each part of this question separately.

See answers above.

5. **Having regard to section 7.10 of Guidance Note 8, please explain why the April Announcement was not a ramping announcement.**

WOA does not consider the April Announcement to be a "ramping announcement" for the following reasons:

(a) By its very definition, a ramping announcement suggests a motive by the company to release information for the purposes of impacting its share price. WOA had no such intention with the April Announcement. The information provided to the market was consistent with previous disclosure with respect to the direction of the Company's business. To suggest that the Company released the information with the intention of trying to ramp up its share price is incorrect.

(b) Although drafted as a "business update", new information was disclosed in the announcement in relation to the Board reviewing strategic options for the Dirty Clean Food business, including a potential sale or closure. In addition, there was new information presented on the pricing of comparable plant proteins, as well information to assist investors with understanding the economic position and goals relating to its oat milk product.

(c) The announcement did not make broad unsubstantiated claims with the intention of riding on the back of "strong market sentiment".

(d) The announcement clearly states that WOA was in "negotiation" with a strategic production partner, which infers that no definitive agreement had been reached between the parties. There is no other reference in the announcement to a material contract or transaction being entered into by WOA. As such, it is evident that further information about the negotiations was not provided because that information was subject to further confidential negotiations. Therefore, the omission of such information cannot fairly be viewed as an attempt to "ramp up" WOA's share price.

(e) Further to paragraph (c), a reasonable person would expect that the information required to assess the materiality of a contract would be disclosed once a binding agreement had been entered into and the negotiations complete (as described in section 5.4 of GN 8).

In any event, WOA did not issue the April Announcement with a view to "ramp up" the price of its securities. The announcement was released for the sole purpose of providing investors with concise and up to date information regarding the Company’s strategy to develop its Buntine Protein product and grow its regenerative oat milk and the potential sale or closure of the Dirty Clean Food business.

6. **Please confirm that WOA is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

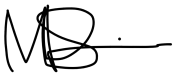
WOA is in compliance with the Listing Rules and in particular Listing Rule 3.1.

7. **Please confirm that WOA’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of WOA with delegated authority from the board to respond to ASX on disclosure matters.**

The response has been approved by the Board of WOA.

If you have any queries, please do not hesitate to contact us.

Yours sincerely
For and on behalf of
Wide Open Agriculture Limited



Matthew Skinner
CEO

14 March 2024

Mr Harry Miller
Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000

By email: harry.miller@automicgroup.com.au

Dear Mr Miller

Wide Open Agriculture Limited ('WOA'): Request for information under Listing Rule 18.7

ASX refers to the following:

A. ASX's Letter dated 29 January 2024 and WOA's Response to ASX's Letter dated 9 February 2024, both released on the ASX Market Announcements Platform ('MAP') on 9 February 2024 (together referred to as the 'Response to ASX Query').

   Capitalised terms used in this letter have the same meaning given in the Response to ASX Query unless otherwise defined.

B. ASX's query and WOA's response to question 4 in the Response to ASX Query which stated:

   Q. 'At the time of the April Announcement, please set out what terms had been agreed between WOA and Saputo Dairy Australia (if any). In answering this question please explain why WOA referred to being "in advanced confidential negotiations" if no terms had been agreed'.

   A.' Whilst negotiations had progressed, no terms had been formally agreed between the parties at the time of the April Announcement. The terms of the MoU were only finally agreed later in the process, and formal acceptance was finalised when the MoU was executed on 6 October 2023.'

C. ASX's query and WOA's response to question 6 in the Response to ASX Query which stated:

   Q. 'Following ASX's request on 27 April 2023, please set out what steps WOA took regarding its negotiations with Saputo, in particular whether it discussed with Saputo ASX's requirement that material information be disclosed to the market regarding the April Announcement.'

   A. 'Saputo was not comfortable being identified as the counterparty to the agreement in any public announcement. Saputo noted that the MOU had not been drafted, and as such, some terms had not been discussed, agreed and documented. Saputo did not want its name released in the public forum until the completion of a formal agreement and in consideration of its own communication priorities.'

D. ASX's query and WOA's response to question 7 in the Response to ASX Query which stated:

   Q. '*Please explain why WOA was unable to provide the information requested by ASX on 27 April 2023.'*

   A. 'WOA was unable to provide the information required for two reason:

   - *The terms of the MoU (a non-binding term sheet) were not finally agreed and still subject to change; and*
   - *Saputo raised concerns about an announcement being made before a formal agreement had been finalised, and requested WOA did not use their name in a public announcement*.

   WOA formed the view that the potential arrangements with Saputo were too significant and important to the future of WOA to jeopardise the negotiations by making a premature disclosure. WOA formed the view that suspension was its only option at the time.'

E. The change in the price of WOA's securities from an intraday high of $0.39 on 19 April 2023 (being the date of the April Announcement) to $0.17 at close on the 19 October 2023 (being the date on which WOA's securities were reinstated to Official Quotation) and the current trading price of WOA's securities (at the date of this letter) being $0.12.

F. Section 7.10 of Guidance Note 8 concerning Ramping Announcements, and which states, relevantly:

'Ramping Announcements come in many forms, including:

- *The release of a 'business update' or something similar, which will typically be worded in an exuberant fashion but which on closer examination contains little in the way of substance that has not already been disclosed to the market;*

  …

- *An announcement that an entity has entered into what appears to be a material contract or transaction but without disclosing key information that investors and their professional advisers reasonably need to understand the materiality of the contract or transaction to assess its impact on the price of value of the entity's securities'*

G. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

H. Section 4.14 of Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B ('Guidance Note 8') which sets out the guidelines on the headers to announcements under Listing Rule 3.1 and which states amongst other things:

'The header for an announcement should also convey a fair and balanced impression of what the announcement is about so as not to mislead readers as to its contents or significance. For example, the header to an announcement that contains essentially negative information should not attempt to disguise that fact by picking out a small piece of positive information in the announcement and just mentioning that (sometimes referred to as "putting spin" on the announcement). Likewise, the header to an announcement that contains forward-looking information (such as earnings guidance or an exploration or production target) that is speculative or highly qualified should be careful not to overstate or sensationalise the true character of the information it contains.

ASX has experienced difficulties in the past with announcements that have been given a fairly innocuous header (such as "Chairman's Address to AGM") but have had market sensitive material embedded in them. ASX would ask entities to ensure that the header to such an announcement clearly identifies the fact that it contains market sensitive information (eg, "Chairman's Address to AGM and Buyback Announcement") or, better still, that market sensitive announcements are made on a stand-alone basis and not embedded in other announcements that may not be market sensitive.'

I. Section 4.15 of Guidance Note 8 which sets out guidelines on the contents of announcements under Listing Rule 3.1 which states amongst other things:

'In disclosing the significance of the contract to the entity, regard should be had to the guidance below about forward-looking statements. For example, a statement about the projected revenue to be derived from a customer contract or any other projection that is a proxy for revenue will be a forward-looking statement and therefore must be based on reasonable grounds or else it will be deemed to be misleading. The disclosure of the name of the counterparty/customer with whom an entity has entered into a market sensitive contact is often particularly significant. It allows the market to assess the standing and creditworthiness of the counterparty/customer. In the case of a customer contract, it also allows the market to assess the quality of the customers the entity is dealing with and the quality of the revenue it is earning from them.'

And:

'An announcement under Listing Rule 3.1 must be accurate, complete and not misleading. A listed entity cannot satisfy its obligation to disclose market sensitive information under Listing Rule 3.1 by disclosing information that is materially inaccurate, incomplete or misleading. If it attempts to do so, that will likely trigger a separate obligation under Listing Rule 3.1 to correct the inaccurate, incomplete or misleading information, causing the entity to be in breach of that rule and section 674 of the Corporations Act until it does so. It will also likely cause a false market in its securities, empowering ASX to require the entity to give ASX any information ASX asks for to correct the false market.

To not be misleading, opinions expressed in an announcement should be honestly held and balanced and should be clearly identified as a statement of opinion rather than a statement of fact. Any forward-looking statements in an announcement must also be based on reasonable grounds or else by law they will be deemed to be misleading.

Any material assumptions or qualifications that underpin a forward-looking statement in an announcement under Listing Rule 3.1 should also be stated in the announcement.'

Footnote 117 – "Complete" in this context means not omitting material information.

J. Section 4.20 of Guidance Note 8, which sets out ASX's views in relation to commercially sensitive information which states that:

'Issues can sometimes arise under Listing Rule 3.1 in relation to the disclosure of commercially sensitive matters, such as the pricing given to a major customer or supplier under a material contract. ASX recognises that the disclosure of such information could be used by the entity's competitors or by other customers or suppliers, to the detriment of the entity and investors in the entity

Some commercially sensitive information may be a trade secret and therefore protected from disclosure under Listing Rule 3.1A. Some commercially sensitive information, however, may be difficult to characterise in that manner.

ASX has no issue with an entity structuring an announcement about a particular transaction to avoid disclosing commercially sensitive matters, provided it includes sufficient information in the announcement to enable the market to assess the impact of the transaction on the price or value of the entity's securities.

If an announcement is structured in this manner, care must be taken to ensure that it is accurate, includes all material information that would influence investors in deciding whether to buy or sell the entity's securities and is not misleading. If the announcement is not capable of being drafted to meet these requirements without including the commercially sensitive information, then Listing Rule 3.1 will require the commercially sensitive information to be disclosed.'

K. Section 4.22 of Guidance Note 8, which states that:

'An entity must comply with its disclosure obligations under Listing Rule 3.1 and section 674, even where it is party to a confidentiality or non-disclosure agreement that might otherwise require it to keep information confidential.'

L. Listing Rule 18.7 which sets out that an entity must give ASX any information, document or explanation that ASX (a) asks for to enable ASX to be satisfied that the entity is, and has been, complying with, or will comply with, the listing rules or any conditions or requirements imposed under the listing rules; or (b) reasonable requires to perform its obligations as a licenced market operator.

Request for information

Having regard to the above, ASX requires WOA to respond separately to each of the following questions and requests for information in a format suitable for release to the market:

1. Please explain why at the time of the April Announcement WOA considered the fact that it was in 'advanced confidential negotiations with a strategic production partner' to have been materially price sensitive information when no terms had been agreed, the MOU had not been drafted and some terms had not been discussed.

2. Please explain why WOA stated in the April Announcement that it was in 'advanced confidential negotiations' when no terms had been agreed, the MOU had not been drafted and some terms had not been discussed.

3. Noting that WOA has stated that Saputo was not comfortable being identified in any public announcement until the completion of a formal agreement and that the potential arrangements with Saputo were too significant and important to the future of WOA to jeopardise the negotiations by making a premature disclosure, please explain why WOA elected to voluntarily disclose the existence of the confidential and incomplete negotiations in the April Announcement.

4. Please explain why the April Announcement was accurate, complete (as defined in footnote 117 of Guidance Note 8), and not misleading and therefore sufficient to comply with Listing Rule 3.1, when the April Announcement:

    a. omitted the name of the counterparty;
    b. omitted to state that no terms had been agreed and that some terms had not been discussed;
    c. stated that negotiations were 'advanced' yet the MOU was not agreed until October.

    Please respond to each part of this question separately.

5. Having regard to section 7.10 of Guidance Note 8, please explain why the April Announcement was not a ramping announcement.

6. Please confirm that WOA is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

7. Please confirm that WOA's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of WOA with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **12 PM AWST Friday, 22 March 2024**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, WOA's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require WOA to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in WOA's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in WOA's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to WOA's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that WOA's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours sincerely

ASX Compliance