

22 November 2021

Dirty Clean Food Signs Oat Milk Distribution Agreement with Woolworths

Highlights:

- *Dirty Clean Food has secured its largest distribution agreement to date, with Woolworths having agreed to carry the company's carbon-neutral, regenerative oat milk*
- *Woolworths will carry Dirty Clean Food's Oat Milk in approximately half of its stores in Australia, beginning in March 2022 at "The Kitchen" Double Bay store in Sydney.*
- *Wide Open Agriculture expects the agreement to generate sales of more than \$750,000 per annum for Dirty Clean Food.*
- *The agreement includes the opportunity for Dirty Clean Food to market its brand and to communicate the regenerative farming practices used by its oat suppliers directly to Woolworths customers.*
- *Dirty Clean Food expects continued expansion of its distribution in Australia and Asia over the next six months, and expects the total store count of partners carrying its oat milk to eclipse 1,000 this fiscal year.*

Wide Open Agriculture Limited (ASX: WOA) ("WOA" or the "Company"), is pleased to announce that it has signed a distribution agreement with Woolworths Group Ltd (ASX: WOW) to have Dirty Clean Food's oat milk, OatUP, available for purchase in approximately half its stores in Australia.

"We are thrilled with this agreement with Woolworths," said Dr. Ben Cole, Managing Director of Wide Open Agriculture. "Woolworths Group's Sustainability Plan 2025 demonstrates their commitment to encouraging regenerative farming practices and to have net carbon positive emissions by 2050. We were impressed by their knowledge of regenerative farming practices and their support of our initiative to produce carbon neutral oat milk made from regeneratively farmed oats, grown and rolled in Western Australia."

The agreement with Woolworths represents the largest distribution agreement for Dirty Clean Food to date. The agreement has an initial term of one year. WOA expects that the agreement with Woolworths will generate sales revenue of more than \$750,000 per annum.

“We are excited to collaborate with Woolworths,” said Jay Albany, CEO of Dirty Clean Food. “Phase one of Dirty Clean Food’s plan was to prove that customers will embrace the opportunity to purchase regenerative and truly ethically produced food. Having done that in Perth, we are now focused on extending our distribution and reach. Our aim is to share the best of Western Australia’s regeneratively farmed produce with the rest of Australia and the world.”

The agreement with Woolworths is expected to provide Dirty Clean Food with national distribution of its oat milk in approximately half of Woolworths stores in Australia, beginning with its premium concept store, “The Kitchen” in Double Bay (Sydney) in March 2022. The agreement includes the opportunity for Dirty Clean Food to market its brand and to communicate the regenerative farming practices used by its oat suppliers directly to Woolworths customers.

Strong performance leads to Dirty Clean Food Oat Milk Line Expansion

Dirty Clean Food has completed product development of an expanded line of 1L oat milk products, including Chocolate, Barista, and Coffee. The new flavours are expected to be available for purchase during fiscal 3Q22. Additionally, the Company has received encouraging feedback from prototypes of a high protein oat milk using its proprietary lupin protein concentrate. The Company believes the product will be highly differentiated in the market, as low protein levels in the existing oat milk category represent the most significant nutritional drawback when compared to dairy milk.

Dirty Clean Food’s OatUP is available in 350+ outlets across Australia and is growing quickly, with support from major independent groceries in NSW, WA, SA and Victoria, including The Brindle Group, multiple IGAs, Romeo’s, and Harris Farms, among others, as well as a growing number of cafés. The Company continues to receive positive feedback and repeat orders from its prime independent distributors: European Foods (WA), Ultimate Fine Foods (SA) and the Market Grocer (NSW, VIC). Additionally, OatUP was recently accepted into the Metcash ‘charge-thru program’, which is expected to extend penetration into the national IGA network.

“We are now on track for distribution in over 1,000 locations by the end of this fiscal year, which we see as an incredibly positive response for a new product launched less than 12 months ago. We are excited at the opportunity to harness our growing distribution network for Dirty Clean Food’s expanding product lines,” said Jay Albany, CEO of Dirty Clean Food. “Our brand is driven by taste, quality and unmatched environmental credentials – attributes that consumers everywhere can appreciate.”

Update on global roll-out

Highly encouraging feedback surrounding Dirty Clean Food OatUP’s taste, nutrition and eco-friendly credentials have led to an increased corporate focus to launch the product globally. The Company is pleased to report that it has received and shipped multiple orders from its Singapore distributor,



GrowHub. Market testing and tasting continues in additional markets in Asia. The Company will make additional announcements as new information is available.

WOA believes Dirty Clean Food's OatUP is 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 2027. Sales are also outpacing more established alternative milk types like almond and soy.

Dirty Clean Food's OatUP was certified "Carbon Neutral" by Climate Active, the Australian Government backed initiative for climate action. WOA believes this achievement will ensure Dirty Clean Food's OatUP stands out and differentiates from competitors at the point-of-sale. Using oats grown with regenerative farming practices also further increases its eco-credentials including improved soil health, biodiversity and the water and nutrient cycles.

KEY MATERIAL TERMS OF DISTRIBUTION AGREEMENT

- *General.* Woolworths will offer Dirty Clean Food's Original Oat Milk ("OatUP") for sale in approximately half its stores in Australia including the Double Bay store in Sydney. The number of stores and availability of OatUP may vary depending on store clusters and space
- *Delivery.* The first shipment is expected to be delivered to Woolworths by 4 March 2022.
- *Demand.* Both parties anticipate that demand will be approximately 10 litres per store, per week. This figure is an estimate and will be revisited post-launch.
- *Exclusivity.* WOA agrees to 12 months of exclusivity with Woolworths from 1 April 2022, which excludes sales to Coles and ALDI during this period.
- *New Flavours.* WOA will commence production of the following new flavours, which are available to Woolworths if desired: Dirty Clean Food Barista Oat Milk (1L), Dirty Clean Food Chocolate Oat Milk (1L), Dirty Clean Food Cold Brew Coffee Oat Milk (330ml can). Woolworths is under no obligation to carry these products.
- *Shelf Life & Storage.* WOA will ensure that product arriving at Woolworths distribution centres has a minimum shelf life of six (6) months. Product may be stored in ambient temperature and is best sold in the chilled section in store.
- *Term.* It is intended that this agreement will cover 12 months depending on the performance (hurdle rates are yet to be agreed) of Dirty Clean Food Oat Milk in Woolworth's stores.

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

