



Update on B&P Transaction

Wednesday 11 March 2020: Wattle Health Australia Limited (**WHA** or **Company**) received a notice of termination from Mason Dairy Holdings Limited (**Mason**) late Monday 9 March 2020 in relation to the revised Share Purchase Agreement entered into between WHA and Mason that was announced to the ASX on 13 January 2020 (**Revised SPA**). The Revised SPA related to the proposed partial acquisition of the Blend & Pack packaging and canning facility. The reason for the termination was due to the Company unable to settle with Mason under the Revised SPA before the sunset date of 29 February 2020.

As announced to the ASX on 17 February 2020, the Company had secured a commitment from Mr Xuan Khoa Pham, a high net worth investor (**Subscriber**) to subscribe for any shortfall shares to help the Company to reach the minimum subscription for the related Rights Issue Offer. Despite the rapidly deteriorating market circumstances the Subscriber continued to confirm his commitment to help the Company to reach the minimum subscription. However, due to difficulties caused primarily by the global COVID-19 crisis the Subscriber and his associates have faced significant challenges in transferring the funds, including being unable to undertake the necessary travel to provide signatories. The Subscriber did request an extension to transfer the necessary funds but unfortunately no agreement has been reached to-date with Mason to accommodate a delay due to these unique challenging market circumstances.

The Board is currently working with all parties involved with a view to work out a solution for all stakeholders. In particular, the Company is continuing a dialogue with Mason to achieve a sensible commercial outcome.

In light of the above, the Board of WHA is assessing the impact of these developments and other potential outcomes might have on the Company's operations and financial position and will provide a further market update to the Company as soon as practicable.

The release of this announcement was authorised by the Company Secretary and Non-Executive Director, Mr Kobe Li on behalf of the Board.

ENDS

For further information, contact:

Corporate Affairs & International Investor Relations

Peter Nesveda

Email: peter.n@wattlehealth.com.au

Tel: +61 412 357 375

About Wattle Health Australia

Founded in 2011 and ASX listed since 2017, Wattle Health Australia aspires to become a company globally recognised as a producer of sustainable certified organic premium products made in Australia that promote health and wellness at all stages of life.

Wattle Health's commitment to traceable and sustainable production has been the motivating factor in delivering Australia's first vertically integrated organic dairy supply chain. Wattle Health are proud of their premium product range developed through their vertical integration process. By embracing local farmers with sustainable organic practices, milk from Australia's oldest and largest Organic Dairy Co-op organic farms is spray dried at a state of the art dedicated organic facility and manufactured in Australia's leading and largest blending and packing facility (by volume) to deliver the ultimate standard for natural nutrition for the whole family.