

29 December 2022

Market Announcements Office
ASX Limited
Level 4, Rialto North Tower
525 Collins Street
MELBOURNE VIC 3000

Dear Sir / Madam,

Farm Pride Foods Ltd – Notification under s 708AA(2)(f) of the Corporations Act

On 29 December 2022, Farm Pride Foods Ltd (ASX: FRM) ABN 42 080 590 030 (**Company**) announced a non-renounceable pro-rata entitlements offer (**Entitlements Offer**) of 7 fully paid ordinary shares in the Company (**Share**) for every 12 Shares held at 7.00 pm (Melbourne time) on Wednesday, 4 January 2023 by shareholders with a registered address in Australia or New Zealand, at an offer price of \$0.055 (5.5 cents) per Share to raise approximately \$1.77 million (before costs).

Further details regarding the Entitlements Offer are set out in the ASX announcement relating to the Entitlements Offer lodged with the ASX earlier today. An Offer Booklet for the Entitlements Offer is expected to be dispatched to eligible investors on Monday, 9 January 2023.

This notice is given by the Company under section 708AA(2)(f) of the *Corporations Act 2001 (Cth)* (**Corporations Act**).

The Company hereby confirms that:

1. The Shares to be issued under the Entitlements Offer (**New Shares**) will be offered without disclosure to investors under Part 6D.2 of the Corporations Act.
2. This notice is being given under section 708AA(2)(f) of the Corporations Act.
3. As at the date of this notice, the Company, as a disclosing entity under the Corporations Act, has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) sections 674 and 674A of the Corporations Act as it applies to the Company.
4. As at the date of this notice, there is no excluded information of the type referred to in subsections 708AA(8) or 708AA(9) of the Corporations Act, which is required to be disclosed by the Company.
5. The potential effect the Entitlements Offer will have on the control of the Company is described below.

Potential effect of the Entitlements Offer on control of the Company

Based on publicly available information, the Company's largest shareholder is West Coast Eggs Pty Ltd, holding 27,487,302 or 49.81% of the shares in the Company.

West Coast Eggs Pty Ltd has pre-committed to take up its entire entitlement.

The potential effect that the issue of the New Shares will have on the control of the Company, and the consequences of that effect, will depend primarily on the extent to which eligible shareholders other than West Coast Eggs Pty Ltd take up their entitlements.

Depending on whether other eligible shareholders elect to take up their full entitlement, there are a range of potential ownership outcomes which may eventuate as a result of the Entitlements Offer, a number of which are shown below:

- If all eligible shareholders take up their full entitlement, then each eligible shareholder's percentage ownership interest (and voting power) in the Company will remain the same and there will be no material effect on the control of the Company.
- If some eligible shareholders do not take up their full entitlement, such shareholders' interest will be diluted relative to those who did take up their full entitlement and West Coast Eggs Pty Ltd's interest will increase as a result of its full participation in the Entitlements Offer.
- If no other eligible shareholders (other than West Coast Eggs Pty Ltd) participates in the Entitlements Offer, West Coast Eggs Pty Ltd's ownership interest (and voting power) will increase from 49.81% to 61.11%.

The table below illustrates the effect of the Entitlements Offer on the control of the Company where all eligible shareholders (other than West Coast Eggs Pty Ltd) take up 0%, 50% and 100% of their full entitlement (where West Coast Eggs Pty Ltd takes up its full entitlement) but excludes any oversubscriptions under the shortfall facility.

Shareholders	Current	%	NREO with 0% participation by other eligible shareholders		NREO with 50% participation by other eligible shareholders		NREO with 100% participation by other eligible shareholders	
				%		%		%
West Coast Eggs Pty Ltd	27,487,302	49.81	43,521,561.50	61.11	43,521,562	54.89	43,521,562	49.81
Other shareholders	27,692,873	50.19	27,692,873	38.89	35,769,960.96	45.11	43,847,048.92	50.19
New placement shareholders	-	0.00		0.00		0.00		0.00
Total	55,180,175	100.00	71,214,434.50	100.00	79,291,522	100.00	87,368,610	100.00

As announced on 29 December 2023, the Company has received binding commitments from investors to subscribe for 63,636,364 new shares under a placement which must be approved by shareholders at a general meeting to be held on or around late February 2023 (**Placement**). If the Placement is approved by shareholders, the placement will reduce the potential effect of the Entitlements Offer on control of the Company as follows:

Shareholders	Current	%	Placement and NREO with 0% participation by other eligible shareholders	%	Placement and NREO with 50% participation by other eligible shareholders	%	Placement and NREO with 0% participation by other eligible shareholders	%
West Coast Eggs Pty Ltd	27,487,302	49.81	43,521,562	32.27	43,521,562	30.45	43,521,562	28.82
Other shareholders	27,692,873	50.19	27,692,873	20.54	35,769,961	25.03	43,847,049	29.04
New placement shareholders	-	0.00	63,636,364	47.19	63,636,364	44.52	63,636,364	42.14
Total	55,180,175	100.00	134,850,799	100.00	142,927,886	100.00	151,004,974	100.00

This ASX announcement dated 29 December 2022 has been authorised for release by the Board of Directors of the Company.

Yours sincerely
Farm Pride Foods Ltd



Bruce De Lacy
 Interim Managing Director