

3 January 2023

ASX Market Announcements Office

Farm Pride Foods Ltd (ASX:FRM) (Company) Announcement

Farm Pride Foods Ltd (ASX: FRM) (**FRM** or **Company**) announced on 29 December 2022 a proposed \$5.27 million capital raise, comprising:

- a 7:12 pro rata non-renounceable entitlement offer of approximately 32.2 million new shares (**New NREO Shares**) to eligible shareholders at an issue price of \$0.055 (5.5 cents) per New NREO Share to raise up to \$1.77 million (before costs) (**NREO**); and
- subject to obtaining shareholder approval, a further placement of approximately 63.5 million new shares at \$0.055 (5.5 cents) per share to raise gross proceeds of approximately \$3.5 million (before costs) (**Placement**).

Update to details of proposed NREO

The Company's Appendix 3B lodged on 29 December 2022 incorrectly stated that the NREO will require shareholder approval. The NREO does not require shareholder approval.

As announced on 29 December 2022, the NREO also comprises a shortfall facility (**Shortfall Offer**) under which eligible shareholders who have subscribed for their entitlement in full may apply for New NREO Shares attributable to entitlements not taken up by eligible shareholders and New NREO Shares that would have been offered to ineligible shareholders if they had been entitled to participate in the Offer (**Additional Shares**), subject to compliance with applicable laws and the ASX Listing Rules.

The Company has determined that the Shortfall Offer will be capped for each eligible shareholder at 50% of that eligible shareholder's full pro rata entitlement.

The Company will allocate any Additional Shares on a pro rata basis and may scale back applications for Additional Shares on a pro rata basis to the extent that demand for the Additional Shares exceeds the number of Additional Shares available under the Shortfall Offer.

As announced on 29 December 2022, eligible shareholders who may participate in the NREO include shareholders who have a registered address outside Australia and New Zealand (as at the Record Date) but are otherwise eligible under all applicable securities laws to receive an offer under the NREO without any requirement for a prospectus or offer document to be lodged or registered.

The Company has obtained advice from foreign counsel on applicable securities laws in the foreign jurisdictions in which shareholders have registered addresses and, based on that advice, expects to be in a position to extend the NREO to shareholders who have a registered address outside Australia and New Zealand. All eligible shareholders will receive the NREO offer booklet and Entitlement and Acceptance Form (**NREO Offer Document**) or a letter inviting them to access the NREO Offer Documents online.

The above details are reflected in the NREO offer booklet which has been announced to the market today. Full details of the NREO are contained in the NREO offer booklet.

An updated Appendix 3B for the NREO has also been lodged today.

The details of the Placement remain unchanged.

Support from major shareholder

As previously announced, the Company's major shareholder, West Coast Eggs Pty Ltd (**WCE**), has advised that it is supportive of the proposed capital raise.

WCE has indicated that, subject to there being no material adverse change to the Company, it intends to subscribe for its full pro rata entitlement under the NREO.

WCE has also indicated that it intends to vote in favour of the resolution(s) to approve the Placement subject to the independent expert confirming the Placement is fair and reasonable or not fair but reasonable and there being no superior proposal for the Company announced prior to the general meeting to approve the Placement.

Enquiries

For further information in relation to the NREO, please contact the interim Company Secretary, Bruce De Lacy on +61 3 9798 9207.

Other information

Offers of New NREO Shares will be made under the NREO Offer Document to be distributed shortly after the Record Date. Eligible Shareholders should carefully consider the NREO Offer Document before deciding to apply for New NREO Shares under the NREO. Eligible Shareholders who wish to acquire New NREO Shares will need to complete the Entitlement and Acceptance Form.

A copy of the NREO Offer Document will be available on the ASX website or will be able to be obtained by contacting the interim Company Secretary, Bruce De Lacy on +61 3 9798 9207.

This announcement has been authorised by the Board of Farm Pride Foods Ltd.

Contact details

Bruce De Lacy

T 61 3 9798 9207

E: companysecretary@farmpride.com.au

About Farm Pride (FRM)

Farm Pride is a leading ASX listed vertically integrated egg company that farms, processes and markets a range of egg and egg related products. FRM continues to develop its farming business to meet the markets evolving requirement for cage free eggs. FRM maintains strong relationships in the supermarket channel and with industrial food manufacturers. FRM is also committed to maintaining the highest level of environmental, social and corporate governance responsibility and is the only egg company in Australia to manufacture its own egg cartons using recycled newsprint and cardboard. For more information, visit FRM's website