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## Blue Diamond Growers Sues Freedom Foods for Fraud and Breach of Contract. Australian-based company facing \$16 million damages claim.

SACRAMENTO, CA – On September 25, 2020, Blue Diamond Growers ("BDG"), a California-based cooperative of independent almond growers with over US \$1.5 billion in annual sales, commenced two proceedings in California against Sydney-based Freedom Foods Pty Ltd. ("Freedom"), a subsidiary of publicly-traded Freedom Foods Group Limited (ASX FNP). The proceedings raise a number of serious allegations pertaining to Freedom's business practices.

The first proceeding, filed in the United States District Court for the Eastern District of California, Case No. 2:20-cv-01932-KJM-AC, alleges, in part, that Freedom fraudulently induced BDG into granting it significant concessions based on reciprocal promises that Freedom never intended to perform and, in fact, did not perform.

The second proceeding, filed with the American Arbitration Association in California, Case No. 01-20-0015-0340, alleges, in part, that Freedom breached its written contract with BDG by failing to perform as it had promised to do in that contract.

Five days later, on September 30, 2020, Freedom and its corporate parent, Freedom Foods Group, responded to BDG's American litigation by instituting their own proceeding in the Federal Court of Australia. Freedom's Australia action is rather curious because, in it, Freedom attacks the very written contract Freedom and BDG have been performing under for nearly a decade. Freedom also seeks to disavow its promise in that contract to submit all disputes to binding arbitration in California.

BDG contends that Freedom's Australian action is without merit and intends to vigorously defend itself in it. BDG also intends to actively pursue its claims in the pending California action and arbitration.

## **Ends**

For more information regarding the pending litigation, please contact:

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## **About Blue Diamond**

Blue Diamond Growers, a grower-owned cooperative representing over 3,000 of California's almond growers, is the world's leading almond marketer and processor. Established in 1910, it created the California almond industry and opened world markets for almonds. Blue Diamond is dedicated to delivering the benefits of almonds around the world and does so by providing high-quality almonds, almond ingredients and branded products. Headquartered in Sacramento, the company employs more than 1,800 people throughout its processing plants, receiving stations and gift shops. To learn more about Blue Diamond Growers, visit <a href="www.bluediamond.com">www.bluediamond.com</a> and follow the company on <a href="facebook">Facebook</a>, <a href="Instagram">Instagram</a>, <a href="LinkedIn">LinkedIn</a> and <a href="Twitter">Twitter</a>.