

## Abundant Produce benefits from government funding to fast track R&D

**ASX Announcement**  
**28 February 2018**

### Highlights

- **R&D Tax Incentive** of over \$630,000 received and up from the previous estimate of \$250,000 with internal adjustment.
- **TechVouchers NSW** from the NSW Government to fund a \$20,000 project in collaboration with the University of NSW (UNSW) for the Taste of Research Programme and R&D for our Lycopene ActiveLyc<sup>TM</sup> products.
- **Export Markets Development Grant (EMDG)** return of over \$50,000 to be received imminently.
- **Innovations Connections** grants from the Australian Government to fund a \$110,000 project for a new graduate and R&D for future products.

The Board of Abundant Produce Limited (ASX: ABT) is pleased to update shareholders on activities surrounding grants and rebates.

Mr Tony Crimmins, ABT's Group CEO said, "As a commercialisation company developing new IP for vegetable seed and varieties and lifestyle nutraceuticals, it is important that we increase shareholder value through applications for government funding. There are a number of grant facilities on a federal and state level available to ABT to reduce the impact of costs associated with development and overseas exportation of new innovative products."

**R&D Tax Incentive** provides a tax benefit to the company from the Australian Government to help offset the cost of conducting eligible research and development activities. The government provides a return on this investment of up to 150% of costs. A rebate is based on the tax rate for the company, which currently stands at 30%. Our initial return was reviewed by PKF Chartered Accountants and was recalculated and lodged with the Australian Tax Office for a rebate return of over \$630,000.

**TechVouchers NSW** is administered by the NSW Government and brings companies closer to universities to embark on innovative joint research projects. We lodged an application to assess the feasibility of supercritical fluid extraction for our Lycopene ActiveLyc<sup>TM</sup>. The project received \$20,000, half funded by the NSW Government and half by ABT, with the results enabling Abundant Natural Health (ANH) to deliver a product to the Chinese and Australian markets.



**Taste of Research Programme** was set-up by UNSW Engineering to allow undergraduate students to spend a summer working with a research group to understand what real research is about at university and in industry. UNSW is extremely excited by this collaboration with ABT, which has allowed two undergraduate engineers to extend our works programme over the summer break. The outcome for UNSW is that the School of Chemical Engineering has an active student interest in nutraceuticals and is providing much needed science in this sector. The funding for this programme is included in the TechVouchers NSW mentioned above.

**EMDG** is an export grant provided to companies that are extending their reach on a global scale. We have been exporting seed to the USA, UK and Middle East for the past two years. The Federal Government's Austrade division has refunded 50% of our export associated costs in recognition of our endeavours on the world stage.

**Innovation Connections** is a three-stage grant system with the Australian Government of which ABT has used one of these grants to optimise and scale-up the extraction process for lycopene, while developing new vegetable extracts at UNSW for inclusion in our highly sort after nutraceutical products (\$50,000 grant – 50/50 Australian Government and ABT). This research relates to exciting new products, which ANH anticipates releasing over the next one to three years. We have also used a grant to fund 50% of the expenses of Chemical Engineering Graduate Mitchell Austin from The University of Sydney. This grant has allowed us to bring the technology from UNSW and implement it in-house at ABT (\$60,000 grant – 50/50 Australian Government and ABT).

Mr Crimmins commented that, "It is reassuring that the State and Federal Governments are recognising ABT's innovative work through the TechVoucher and Boosting Business Innovation Programme as well as Innovation Connections, which have helped us accelerate our research and scale up both locally and internationally."

He added, "We have built solid collaborative relationships with UNSW and The University of Sydney here in Australia and Chonnam National University in Korea allowing us to tap into some of the best high tech equipment and technical expertise globally. Essentially, it promotes innovation and collaboration between our business and the scientific research sector."

**For more information, please contact:**

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**About Abundant Produce Limited**

Abundant Produce Ltd (ASX: ABT) develops agricultural intellectual property, creating superior seeds and now producing skin care products based on natural vegetable extracts. Based in Sydney and Cobbitty (at the University of Sydney's Plant Breeding Institute), Abundant breeds superior vegetable seeds for food producers, and vegetable plants for their active extracts. Abundant specialises in breeding hybrid greenhouse vegetables with better yield, disease resistance, temperature tolerance, taste, texture, colour and shape, developing innovative products to target demand for highly productive food crops that thrive in low-tech conditions.