

15 October 2020



Response to Shareholder's Questions from Chairman's Address

- 1. Would my existing holding be cashed out or will I have an opportunity to keep holding my shares which could be converted to US NASDAQ shares?**

Current ANO shareholders would receive shares in the NASDAQ listed company as consideration. We are unable at this stage to predict what the shareholdings will be and the listing price on NASDAQ.

- 2. Rest of World \$969,770 versus \$1,568,821 – what's the reason for this? Seems bigger than a one quarter slowdown, every other region was still well up overall, did we lose a major customer, if so, why? Who?**

We do not have a strong presence in Asia and sales decreased significantly in India where we do have two distributors.

We do not currently trade in China.

The majority of products sold in Japan and Korea are coated zinc based products of which at present we do not have a product to meet this demand.

- 3. Everzinc Confirming you have no concerns re Everzinc being competitive on a cost basis v ANO? Obviously, there's a market share battle happening in the mineral sunscreen space, how have Everzinc responded?**

We are not aware of any current price wars from competitors and are not witnessing any significant loss of customers to Everzinc. Our understanding about Everzinc is that they have increased prices and we are lowering ours.

4. Asian Market What work is happening to activate partners/distributors/brands in this part of the world?

As per our answer to question 2.

5. Alusion – is the increase in sales to MERCK or are we getting ‘new new’ sales?

We are currently at full capacity, with Merck orders. We anticipate further sales once we resolve production equipment issues and install new equipment to increase capacity and efficiency.

6. Distribution network for Alusion?

We currently have no new distributors or channels other than Merck. ANO plans to increase production capacity and create efficiencies in production before it looks to develop new channels to market.

7. Do we currently have a stockpile of Alusion in Europe?

Not yet, our plan is to start this next year.

8. How many different variations of Alusion do we offer? Is there much take up of any new variations?

Currently only one variation. New equipment has been ordered and will be installed and trialled which could lead to new variations of the product.



9. Any comments on the potential for use in APPLE products?

We have no visibility if any Apple products contain our products.

10. 2nd/3rd wave of lockdowns – What’s the feedback from distributors/suppliers etc?

All distributors are facing significant issues with lockdowns and travel restrictions. However, they still remain optimistic for Q3 and Q4 sales for FY21.

11. Last year we signed up new distributors for Iberia etc – how are these going?

Iberia has placed orders. Again, like all other distributors, the COVID-19 lockdowns have made new customer sales difficult.

Authorised by:

Geoff Acton (B.Com CA)

Managing Director