

2016 AGM Chairman's Address

ASX Announcement

29 November 2016

Good morning and welcome to the 2016 Annual General Meeting for Abundant Produce Limited. This meeting marks the completion of a transformative year for our Company, and one in which we have achieved several important milestones to underpin our long-term growth strategy.

Firstly, let me introduce your directors: Tony Crimmins, CEO, Graham Brown, Adam Hajek, and non-executive director Stuart Richardson. Along with our Company Secretary Graeme Hogan and Shanan Birkin, our Administration Manager.

Tony will make a detailed presentation later in the meeting.

However, before Tony does that I will provide a brief general update and some observations.

Since Abundant Produce listed on the ASX seven months ago, after raising \$3.5 million, management has dedicated itself to the activities outlined in the prospectus, mainly;

- Identifying further cucumber lines to be trialled commercially,
- Finishing the first generation F1 tomato hybrids, for which we owe a debt of gratitude to Graham Brown and our Research Scientist Dr Nabil Ahmad,
- Expanding and automating the greenhouse facilities at University of Sydney Cobbitty, for which we thank Adam Hajek for his efforts in leading this process under budget in a wet construction period,
- Identifying and contracting more science capability; I welcome our plant breeding Research Scientist Dr Matthew Turner,
- Marketing Abundant's cucumbers and tomato lines to the trade both in Australia and internationally, and
- Identifying further species of vegetables to investigate and begin breeding/improving.

The Company's management has had numerous meetings with trade contacts in Australia, which has identified a real need for product innovation — particularly in tomato, cucumber, and other vegetable species in what has become a commoditised market dominated by the supermarkets. Consumers are interested in new tastes, colours and culinary uses of vegetables. We've all seen the rising interest in TV cooking shows, as well as the innovation from the restaurant trade.

The reality is most of the seed for the vegetable lines available in Australia have been developed overseas. Australia only represents a small market to the multinational companies that dominate the world trade in seed. Thus, not much breeding work had occurred Australia before Abundant came on the scene six years ago. There is strong interest from the local trade who are keen to see, taste, and trial what Abundant has produced at its Cobbitty facility.



It is in this context that Abundant Produce is bringing an Australian flavour to the mix by producing seeds that are better adapted to our difficult growing conditions and demonstrating better attributes that Australian consumers are willing to pay for.

We also believe that these lines will also have a market opportunity in other regions of the world beyond Australia, particularly the Middle East and Asia. These are opportunities that the Company is actively pursuing.

Management showcased Abundant at the Asian Seed Congress in Korea earlier this month. There was strong interest in the Abundant offering and requests for seed to trial from several key companies in Asia and North America.

The Company has also commenced the production of hybrid cucumber seed in Chile. Chile is well known for both quality and competitive cost of seed production. This seed production will provide the opportunity for international sales.

It's an exciting time, but it is worth reminding ourselves that we're working with biological systems where the outcomes are unknown when you commence work on a breeding strategy.

It is the breeder's skill and knowledge, built up over many years, that produce an outcome from the hypothesis devised at the beginning of the breeding process. It informs the material they select in making the initial crosses and successive backcrosses. Our breeders do this to deliver stable target traits, in addition to ensuring the plant has the insect and disease resistance to match or better current varieties in the market.

Breeding is a complex process, and I remain very confident that we have the right team in place at the right time to make the most of the opportunities before us.

The adage in breeding is "cross the best with the best and hope for the best". However, technology has changed this paradigm to a certain degree, in that many of the plant species Abundant is working in have had their genome sequenced.

This has identified gene markers associated with key traits in many species. This helps to speed up and reduce uncertainty in the breeder's work, as these trait markers can be identified early in the vegetative stage of the plant's development. Time and money is important in this business.

Abundant is actively considering how best to get access to this technology. Abundant being based at the University of Sydney at Cobbitty is fortunate, as that's where many of these capabilities and facilities are available. We are also considering the opportunity of partnering with international seed companies who have the capabilities, and have already developed important trait markers.

The Company will continue to manage its resources closely to take full advantage of these opportunities.

The Board continues to see a positive outlook for Abundant Produce's growth and development. We look forward to rewarding shareholders' belief in the Company's ability to achieve its vision.



Vince Logan

Non-Executive Chairman

Abundant Produce Limited

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About Abundant Produce Ltd

Abundant Produce Ltd (ASX: ABT) is Australia's only listed agricultural intellectual property development house. Based in Sydney and Cobbitty, New South Wales, the Company breeds superior vegetable seeds at the University of Sydney's Plant Breeding Institute, Cobbitty.

Abundant Produce specialises in breeding hybrid greenhouse vegetables with better yield, disease resistance, temperature tolerance, taste, texture, colour and shape. The Company develops innovative products that target the gap in the market for highly productive food crops that thrive in low-tech conditions.

