Media Release

25 March 2019



For immediate release

ODFA sign agreement to supply Wattle Health Australia with A1-free milk through exclusive commercial arrangement with Corio Bay Dairy Group.

Leaders in organic milk production — Organic Dairy Farmers of Australia Ltd (ODFA) — are continuously looking for opportunities to maintain their leading market position ensure they continue to develop and invest in initiatives that add value for their co-operative's members.

With A1-free milk continuing to experience high consumer demand and value in the market, ODFA members will soon have the opportunity to capture this value, through an agreement they have reached with Corio Bay Dairy Group (CBDG) and Wattle Health Australia (WHA).

Corio Bay Dairy Group – ODFA's joint venture with Wattle Health Australia (WHA), and Niche Dairy – have signed a Variation to Supply Agreement with ODFA, to provide in the future, the first-ever commercial quantity of organic A1-free fresh milk. This milk is to be processed into organic A1-free nutritional dairy powder, at the CBDG nutritional powder plant currently under construction in Geelong.

Exclusive-supply contractual arrangements have been struck between CBDG and WHA — 45% equity holder in CBDG — giving WHA 'first rights' on all products produced by CBDG, which will be the major ingredient of WHA's nutritional dairy range.

With CBDG's supply of Australia's first commercial supply of organic A1-free fresh milk, WHA will become the first nutritional dairy company offering nutritional dairy products in an Australian Organic A1-free range.

Mr Jeff Cole, CEO ODFA said, "Organic Dairy Farmers of Australia is pleased to support Wattle Health Australia, in their goal to bring organic A1-free products to market, through increased partnerships with our farmers and the joint venture in Corio Bay Dairy Group.

ODFA are continuously looking for opportunities to ensure we remain the leaders in organic milk production and that we develop and invest in projects that continue to add value for our members. It's an exciting time to be part of the organic dairy industry in Australia as the unprecedented demand for organic products we are currently experiencing continues to rise."

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About Organic Dairy Farmers of Australia (ODFA)

ODFA is 100% owned by the family farmers who supply their organic milk. It's a Co-operative formed in 2001 by a group of innovative farmers who wanted to do things differently and establish organic dairy farming in Australia to differentiate their dairy products from commodity markets. In turn maximising the organic milk price for its members.

As a leading supplier of organic milk in Australia, ODFA farms across Victoria, NSW and Tasmania are Certified Organic. Each farm complies with a strict set of organic standards, in addition to ODFA's sustainability guidelines.

These standards do not allow use of synthetic or artificially produced pesticides, herbicides, fertilisers or genetically modified, transgenic organisms (GMOs). Cows enjoy roaming and feeding on pasture that is completely GMO free. And, this pasture makes up most of the cows' diet.

With a genuine concern for the long-term health of land, and the welfare of their herds, their contented cows produce remarkable organic milk and other organic milk products such as cheeses and butter, including those carrying the True Organic brand mark. Organic production is a holistic system designed to optimise the productivity and fitness of diverse communities within the agro-ecosystem, including soil organisms, plants, livestock and people. Organic farming systems aim to develop family-farmer enterprises that are sustainable for future generations and harmonious with the environment.

The business is experiencing strong growth in demand and has made a strategic decision to focus on being an ingredient supplier to customers seeking organic milk and dairy powder products. Until 2015, the ODFA co-operative relied mostly on contract manufacturing to create added value to its farmers, increasing organic milk returns and managing the milk supply. A number of joint ventures were established for the production and marketing of cheese and butter products.

In 2016, ODFA made a capital investment in a milk processing plant in North Geelong, a definitive moment, for the longer-term future of the Co-operative. This plant also provided manufacturing capability for a range of organic dairy products, in addition to milk processing. Today, Australia's Organic Dairy Centre receives, processes, separates and bottles milk; produces speciality cheeses; pasteurises; and, manufactures bulk and retail butter products.

ODFA has a diverse business model with established long-term strategic partnerships with customers. The Co-operative supplies unique organic milk and dairy ingredients to companies in Australia and overseas who in turn carry the ODFA license brand, 'True Organic', as a mark of quality and integrity.

About Corio Bay Dairy Group

Corio Bay Dairy Group (CBDG) is a joint venture between Wattle Health Australia (WHA), Niche Dairy (ND) and Organic Dairy Famers of Australia. CBDG is currently constructing Australia first dedicated organic nutritional spray dryer to process the largest pool of fresh organic milk through an exclusive supply agreement with ODFA. WHA has entered into an agreement to have exclusive supply of all products produced by CBDG to be used in WHA's nutritional dairy range.

CBDG is currently well advanced in constructing Australia's first dedicated organic nutritional spray dryer. Once completed, the facility will process both existing organic fresh milk from ODFA, and the newly sourced, organic A1-free fresh milk supplied.

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About WHA

Wattle Health aspires to become a company globally recognised for offering superior quality, organic and sustainable products which promote health and wellness at all stages of life.

Wattle Health uses natural ingredients derived from Australia's pure water, clean air and organically fertile soils. We carefully prepare and pack in ways designed to preserve nutrients. Wherever possible, we source certified organic ingredients which are totally free of fertiliser or pesticide residues. Our pristine Australian provenance and quality-assured supply chain guarantees the highest possible standards of purity.

We support Australian farmers who embrace these soil management practices. We translate consumer demand for pure organic nutrition into a reward for maintaining soil biodiversity, to produce naturally superior products which can be enjoyed for generations to come. Ultimately, our aim is to make the sustainable Australian goodness of certified organic health and wellness products widely available to families across the globe.

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