



Corio Bay Dairy Group Update

23rd May 2019: Wattle Health Australia Limited (**WHA** or **Company**), is pleased to provide a progress update on Corio Bay Dairy Group (**CBDG**) and the construction of Australia's first dedicated organic nutritional spray dryer.

Construction works continue at CBDG, by head builder George Rydell Constructions, with steel works for the dryer and evaporator building currently being installed. This is currently being prepared in order to lay concrete on the first 2 levels of the building. Once completed the building will stand circa 28 meters high.

In the coming weeks installation of the concrete panels of the dryer and the evaporator building will begin. This will be ahead of the first of five shipments of the dryer/evaporator equipment arriving from overseas in late July 2019.





About Corio Bay Dairy Group

Corio Bay Dairy Group (**CBDG**) is a joint venture between Wattle Health Australia (**WHA**), Niche Dairy (**ND**) and The Organic Dairy Farmers of Australia (**ODFA**). CBDG is currently constructing Australia's 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 across WHA's nutritional dairy range.

About ODFA

ODFA is a farmer owned co-operative formed in 2001 by a group of farmers determined to develop organic dairy farming in Australia to differentiate their dairy products from commodity markets and maximise the organic farm-gate milk price for co-operative members.

ODFA is a leading supplier of organic milk produced in Australia and comprises certified organic and bio-dynamic farms across the main dairying regions of Victoria.

ODFA farmers are certified organic and they comply with a strict set of standards. They do not use synthetic or artificially produced pesticides, herbicides, fertilisers or GMOs (genetically modified, transgenic organisms). Cows are fed predominantly on pasture which is completely GMO free. ODFA farmers have a genuine concern about the long-term health of the land and about the herd's welfare. This results in contented cows and remarkable tasting organic milk and dairy products. 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 enterprises which are sustainable 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.

Up until 2015, the ODFA co-operative was heavily reliant on contract manufacturing for a major part of the production of value-added products. These products provided an opportunity to add value to organic milk returns and manage milk supply. Joint ventures have been established for the production and marketing of cheese and butter products.

From 2016, the co-operative made its first capital investment in a milk processing plant in North Geelong. This has been a defining point for the longer-term future of the co-operative. This plant provides manufacturing capability for valued added products.

The Australian Organic Dairy Centre has significant potential for additional production of organic dairy products as the co-operative has invested in a specialty cheese plant, new infrastructure including milk receival and storage and processing of milk separation and cream pasteurization.

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 brand, "True Organic", as a mark of quality and integrity.

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About Wattle Health Australia Limited

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 that 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.