

Successful Completion of Security Purchase Plan (SPP)

- **SPP raises an additional \$1.032 million to support launch of Group's infant formula strategy**
- **Securities applied for as part of the SPP to be issued on 17 February 2021**
- **Up to an additional \$240,000 to be raised by Directors, subject to securityholder approval at upcoming EGM**

The Board of Australian Dairy Nutritionals Group (**AHF** or **Group**) is pleased to announce that its Security Purchase Plan announced on 11 January 2021 closed on 10 February 2021 to raise \$1.032 million (before costs) from existing securityholders.

The SPP was offered to existing securityholders at \$0.06 per security. 16,704,995 securities will be issued to securityholders on Wednesday 17th February 2021.

The SPP was well supported by existing securityholders with the Group receiving applications in excess of the \$1 million target amount. All applications from eligible securityholders will be allotted in full, rounded down to the nearest security.

In addition, the Group also expects to raise up to an additional \$240,000 through the proposed issue of securities to Directors at the same price as the SPP, subject to approval at the extraordinary general meeting to be held this Thursday 18th February 2021.

AHF Chairman, Martin Bryant commented “*Our aim with the Security Purchase Plan was to enable our loyal securityholders to increase their holdings on the same terms as the successful placement to sophisticated and professional investors announced on 15 December 2020 (Placement). The success of the SPP demonstrates the Company's existing securityholders support of the Group's infant formula strategy, particularly as it reaches its final stages. On behalf of the Board I would like to thank them for their continued support.*”

The funds raised by the SPP will be combined with the proceeds of the Placement and used to:

- fund the launch and marketing of the Group's Future and Ecklin South Organic A2 infant formula brands;
- acquire the high speed blend and packaging line announced on 15 December 2020 and transport it to Camperdown, Victoria; and
- general working capital costs.

The release of this announcement was authorised by the Board of Australian Dairy Nutritionals Limited.

AUSTRALIAN DAIRY NUTRITIONALS GROUP

ENDS

Further Details

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Communications Policy

AHF makes ASX market releases at times directors believe it would be helpful or necessary for investors and as required by the Listing Rules. For further information regarding our shareholder communications policy, please refer to AHF's website: www.adfl.com.au.

About Australian Dairy Nutritionals Group

Australian Dairy Nutritionals Group (AHF) (previously named Australian Dairy Farms Group) is a vertically integrated Australian dairy group which owns high quality dairy farms and a processing facility (Camperdown Dairy Company) located in South Western Victoria, the 'Golden Triangle' of Australia's dairy industry. The Group is a trusted source of premium quality branded dairy products using milk sourced fresh from its farms. The Group is constructing an infant formula plant in Camperdown, Victoria to be operational in 2021 which will enable it to manufacture infant formula using quality Australian milk fresh from its own farms.

Disclaimer – Forward Looking Statements

This announcement may include "forward looking statements" within the meaning of securities laws of applicable jurisdictions. These forward-looking statements are not historical facts but are based on AHF's current expectation, estimates and projections about the industry, in which it operates, and beliefs and assumptions. Forward looking statements may include indications of, and guidance on, future earnings or distributions and financial position and performance and involve known and unknown risks. Uncertainties and other factors, many of which are beyond the control of AHF, and its officers, employees, agents, or associates, that may cause actual results to differ materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward looking statements and AHF assumes no obligation to update such information.