

Settlement of Sale and Leaseback of Brucknell North Farm

The Board of Australian Dairy Nutritionals Group (**AHF** or the **Group**) is pleased to advise that the sale and lease back of the farm located at 417 Moreys Road, Brucknell, Victoria (**Brucknell North farm**) completed today. The total purchase price for the property was \$6.425 million (before costs). AHF received the balance of the purchase price today (\$6,103,750).

From an operational perspective the sale of the Brucknell North farm won't result in any changes as the Group immediately leased back the property for a period of 3 years with an option to extend for a further 12 months. AHF also has the right to terminate the lease at any time during the term (and any extended term) on 90 days written notice, giving significant flexibility to the Group in determining the optimal strategy for sourcing its raw milk requirements.

The proceeds of the farm sale (after costs) will be used to fund raw material and packaging purchases, additional infant formula production runs as well as general working capital requirements.

The release of this announcement was authorised by the Company Secretary on behalf of the Board of AHF.

Ends

Further Details

For additional company information or media enquiries, please contact:

Australian Dairy Nutritionals Limited

Phone: +61 3 8692 7284

Website: www.adnl.com.au

Email: shareholders@adnl.com.au

About Australian Dairy Nutritionals Group

Australian Dairy Nutritionals Group (AHF) is a vertically integrated Australian dairy group which owns high quality organic and organic A2 dairy farms, and a processing facility located in Southwestern Victoria, the 'Golden Triangle' of Australia's dairy industry. The Group have now added to the award-winning milks and yoghurts with a new premium range of infant formulas and are nearing completion of a purpose-built infant formula factory ready for the launch of its organic A2 infant formula in 2022. The Group is a trusted source of premium quality branded dairy products using fresh milk sourced direct from its organic 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. Readers are cautioned not to place undue reliance on forward looking statements.