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CODEX REGIONAL KAVA STANDARD ADOPTED, ENDORSES NOBLE KAVA AS GLOBAL BENCHMARK

- New regional Kava standard adopted by Codex significantly strengthens regulations for Noble Kava in the Pacific
- Endorsement of Fiji Kava's strategy, to only sell Noble Kava from its vertically integrated supply chain as the highest quality and safest varieties of Kava
- Codex Standard adopted by the Food and Agriculture Organisation (FAO), the United Nations and the World Health Organisation (WHO)
- Provides a clear framework for future Kava exports, including the impending Australian Government commercial importation trial of Kava which will commence by December 2021

14 October 2020, Brisbane Australia - Fiji Kava Ltd (ASX: FIJ), an Australian-Fijian medicinal kava health and wellness company which produces natural 'Noble Kava' products for the complementary and alternative medicine market, welcomes a major milestone for the international Kava industry with the adoption of a regional kava standard by the Codex Alimentarius Commission, which was established with the support of the Food and Agriculture Organisation (FAO), the United Nations and World Health Organisation (WHO).

The new kava standard adopted by Codex significantly strengthens regulations for the Pacific Noble Kava market to bring higher-quality and safer kava to international markets and excludes other kava varieties such as Tudei Kava. The standard provides mandated procedures and controls for the growth, harvesting and processing of Kava with the key benchmarks for international exports of Kava including at a minimum being the exclusive use of Noble Kava and produced to Food Safety Standards.

The Kava standards adopted by Codex will regulate the Pacific Kava market and has been finalised following a five-year process, having been accepted for development in 2016 and now progressed through eight phases for final approval.

Fiji Kava Founder and CEO Zane Yoshida played a role in the development of the standard as a Member of the National Codex Committee (Fiji) and as a Member of the Committee of the Fiji Kava Taskforce. Mr Yoshida is also an Executive Member of the Australian Fiji Business Council.

Commenting on the regional standard, Fiji Kava Founder and CEO, Zane Yoshida said: "The adoption of a regional Kava standard for the Pacific is a very significant milestone that will build confidence among international markets, at a time where Kava continues its resurgence as new global legislation and regulations are developed and applied.

“Importantly, the standard becomes the internationally-recognised authority for Kava, with Codex defining that raw materials for Kava products be exclusively of the Noble Kava variety and developed to Food Safety Standards.

“This is a clear endorsement of Fiji Kava’s strategy. Fiji Kava only sells Noble Kava as the highest quality and safest varieties of Kava, which we grow and export via our vertically integrated supply chain. While many exporters will be forced to make changes to their business in response to the standard, Fiji Kava will continue to operate with complete confidence in our strategy to sell our Fijian Noble Kava across international markets.

“The Codex standard is an incredibly exciting development for the Kava industry, with these regulations strengthening Noble Kava in the Pacific by providing clearly defined controls and governance for Kava exports.”

Australian Government Commercial Importation Trial

Fiji Kava also welcomes the update by the Australian Government in the 2020 Federal Budget which reinforces the importance of the commercial importation trial of Kava to 'deepen economic, trade and bilateral ties with the Pacific region'.

Following earlier changes to the implementation date due to COVID-19, the Australian Government has confirmed the commercial importation trial will commence by December 2021. It follows an initial phase of the Government's pilot which increased personal imports of kava from 2kg to 4kg per passenger and was implemented in December 2019.

Mr Yoshida said, “the upcoming commercial importation trial of Kava in 2021 will further strengthen consumer access to Kava and will complement other key global initiatives, such as the recent adoption of the Codex standard.”

“The standard provides a clear framework for future Kava exports, including the Australian Government's commercial importation trial of Kava in 2021. With Fiji Kava fully compliant with the standard's' minimum benchmarks of being Noble Kava and compliant with Food Safety Standards, we are strongly positioned to participate in the trial and to work with government in the trial’s development ahead of its launch next year.”

This announcement has been authorised by the board of Fiji Kava Limited.

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About Fiji Kava

Fiji Kava Ltd (ASX: FIJ), an Australian-Fijian medicinal kava health & wellness company, producing natural 'Noble Kava' products for the complementary and alternative medicine market, estimated to exceed USD \$210 billion by 2026 globally.

As the first foreign company with approval from the Fijian Government to operate in the kava industry, Fiji Kava has established a global leading sustainable and 100% traceable supply chain of 'noble kava' via its world first kava tissue culture laboratory and 111-acre nucleus farm in Levuka, on the island of Ovalau, Fiji.

Fiji Kava is focussed on expanding the availability of noble kava products throughout western markets to provide a natural alternative to prescription medicines to promote sleep, soothe and calm the nerves, support muscle relaxation and relax the mind

Backed by years of independent research, Fiji Kava medical kava products are produced by high-quality GMP and are TGA and FDA compliant.

Forward-Looking Statements

This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Fiji Kava. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.