

ABN 98 084 370 669

June 1, 2017

ASX Market Announcements ASX Limited 20 Bridge Street Sydney NSW 2000

LITIGATION UPDATE

Yowie Group Ltd (ASX: YOW, OTC ADR: YWRPY) (the **"Group"** or **"Yowie"**) is pleased to provide the following update on the legal claim brought against Yowie North America (YNA) by the Whetstone Chocolate Factory ("WCF") and Atlantic Candy Company ("ACC") for an alleged breach of the Manufacturing Agreement between the parties.

At the instruction of the court, both parties recently conducted a non-binding mediation session. Parties were unable to negotiate a satisfactory outcome during the mediation session. The case, therefore, is now likely to go to trial towards the end of 2017.

We remain confident in our legal position and thus, YNA has disclaimed liability and is defending the action.

Yours sincerely

Bert Alfonso

Global CEO & Managing Director

Yowie Group Ltd

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About Yowie

Yowie Group Ltd is a global brand licensing company specializing in the development of consumer products designed to promote learning, understanding and engagement with the natural world through the adventures and exploits of six endearing Yowie characters. Educating children and adults about the environment and ecology is at the heart of the Yowie proposition.

Yowie Group employs its company-owned intellectual property rights in the outsourcing of the manufacturing and distribution of the Yowie chocolate confectionery product and in the development of a Yowie digital platform and Yowie branded licensed consumer products. The Company's vision for the Yowie brand includes distribution of Yowie product in North America, with further expansion planned into Australia, New Zealand and throughout Asia, where the Yowie brand is known and brand equity remains strong, even with the brand not having been active in the market for around ten years. Expansion into Europe and the Middle East are key strategic priorities for a second-stage brand rollout

Yowie Group Ltd was first listed on the Australian Securities Exchange www.asx.com.au in December 2012 under code name 'YOW'. The Company's registered head office is in Perth, Western Australia.

For more information on the company go to www.yowiegroup.com The Yowie consumer website can be found at www.yowieworld.com

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