

Abundant seeds future growth

**ASX Announcement
31 August 2016**

Highlights

- **Net loss after tax of \$4,796,793 from revenues of \$564,761 and after impairment of goodwill on acquisition of \$5,010,405. See Appendix 4E for more details**
- **Abundant Produce moves through Middle Eastern trials with global seed distributor, making substantial progress toward broad commercial uptake of its hybrid vegetable lines.**
- **Launch of Abundant Natural Health - a wholly-owned subsidiary formed to pursue attractive opportunities in the wellness supplement industry.**
- **Healthy cash balance of more than \$2.5 million at 30 June 2016 with modest operational cash burn.**

Abundant Produce Ltd ((ASX: ABT), “the Company”), Australia’s only listed plant breeding company, is pleased to present its full year results for the year ending 30 June 2016 (FY16).

Having joined the ASX in April 2016, Abundant Produce is pleased to close its first reporting period with significant strides made toward commercialising its globally competitive plant intellectual property. The Company is pleased to report:

- Commercial trials of Abundant Produce’s cucumber and tomato seed lines have proceeded successfully, ahead of schedule and under budget;
- Discussions continue promisingly regarding potential commercialisation of select hybrid vegetable varieties via collaboration with an international seed distribution company;
- Company remains well-funded to progress Abundant Produce’s development toward commercialisation, with more than \$2.5 million in cash as of 30 June 2016.

Operational highlights

Since Abundant Produce listed successfully on the ASX in April, the Company has made significant progress toward its goals of gaining industry acceptance of its plant intellectual property and global distribution of its hybrid vegetable plant seeds.



In early May, the success of the ASX listing enabled the Company to accelerate its plant research and expand its facility size by 174%, ahead of schedule and below budget, with new greenhouses custom designed to suit the Abundant Produce breeding program.



The Company was pleased to bolster its research and development program in May with the addition of leading plant breeder Dr Matthew Turner as a Research Scientist. Matt is an experienced agriculture microbiologist with advanced knowledge of plant chemistry and the application of active plant ingredients. Matt joins the team to further grow Abundant Produce's plant IP portfolio.

In late May, the Company announced that it would proceed to commercial trials of tomato seeds with optimal flavour, colour and heat tolerance with a range of interested parties. The Company is pleased to report that these trials are progressing promisingly. The tomato opportunity remains highly attractive: more tomatoes are consumed throughout the world than any other vegetable, and the Australian market, estimated at around 120 million seeds per annum, is marked by an increasing consumer preference for quality, flavourful produce.

Subsequent to the end of FY16, Abundant Produce completed its third cucumber trial in the Middle East with a globally-recognised seed distribution company. This trial tested Abundant's cucumber hybrids performance in real-world conditions against varieties that have led the market for the past 15 years. On the basis of yield of A-grade saleable product, this trial has independently verified and confirmed Abundant Produce's summer/spring cucumber line as competitive to the global leaders.

Abundant Produce continues to make solid progress on its journey to commercialisation as per the schedule outlined in its prospectus. The Board of Directors remains alert to further opportunities to expand the Company's revenue streams and boost shareholder value via acquisition.

The company has also enabled its website for direct domestic purchase of professional seeds for the serious gardener; visit www.abundantproduce.com to find out more.



New subsidiary launched to target the fast-growing wellness supplement industry

Abundant Produce is further developing its plant portfolio through its pharmaceutical and nutritional supplement program. The Company is bringing world-leading plant intellectual property to another growing market and is pleased to reveal that it has developed a new wholly-owned subsidiary, Abundant Natural Health Pty Ltd (“ANH”).

The Company is aware of a broad range of human health benefits that certain plant extracts can provide. In many cases, concentrating certain extracts can magnify the medicinal effects of their active ingredients.

Abundant Natural Health will focus on producing “factory” plants that produce higher levels of highly sought-after actives with scientifically proven functionality.

“Around the world, more and more people are realising the value of good health, and are putting an increasing premium on products that promote it,” said Abundant Produce Research Director Graham Brown.

“Our portfolio of plant extracts will naturally start with our own cucumbers and tomatoes of which we have bred more than 500 varieties over the past five years. We know some of these are unpalatable, but have highly concentrated active compounds that can improve skin texture and overall health. Through Abundant Natural Health, we will seek to bring plant material, harmonious with the human body and mind, to a large, fast-growing global market,” said Mr Brown.

Abundant Produce is currently operating in a vegetable seed industry worth approximately US\$100 billion, and moving into this new market should help the Company to establish itself further in a US\$250 billion industry. According to industry analysts MarketsandMarkets, the global market for wellness supplements should rise to more than US\$249 billion in 2020 from US\$183 billion in 2015. Demand in the Asia Pacific region should drive the bulk of the growth in this market, which encompasses dietary supplements, functional food, dermo-cosmetic skin essentials and food intolerance products.

ANH will initially seek to develop plant extracts to target new revenue streams by entering the Australian pharmaceutical and nutritional market by partnership with companies that have established sales channels, where the Company can provide exclusive use of plant extracts that can improve specific medical conditions.

Corporate highlights

In April, Abundant Produce successfully raised \$3.5 million (before costs) in an oversubscribed initial public offer. This capital raising provided the funding for the Company to scale up its operations and



accelerate plant development. The Company and its directors appreciate the support shareholders have shown in bringing Abundant Produce into a listed environment.

The cash balance of the Company on 30 June 2016 was \$2.512 million after June quarter operational cash burn of \$232,000.

The Board of Directors would like to thank all investors for their continued support of Abundant Produce, and would like to take this opportunity to recognise the efforts of the Company's hardworking plant breeders, management and support staff.

Abundant Produce looks forward to continuing to reward investors' faith in the year ahead.

For more information, please contact:

Tony Crimmins

Chief Executive Officer

+61 414 997 968

t.crimmins@abundantproduce.com

Tim Dohrmann

Investors and Media

+61 468 420 846

tim@nwrcommunications.com.au

About Abundant Produce Ltd

Abundant Produce Ltd (ASX: ABT) is Australia's only listed agricultural intellectual property royalty stock. Based in Sydney and Cobbitty, New South Wales, the Company breeds superior vegetable seeds at the University of Sydney's Plant Breeding Institute, Cobbitty.

Abundant Produce specialises in breeding hybrid greenhouse vegetables with better yield, disease resistance, temperature tolerance, taste, texture, colour and shape. The Company seeks to work with global seed distributors to develop innovative products that target the gap in the market for food crops that thrive in low-tech conditions.

