

FOR IMMEDIATE RELEASE



cardiabiooplastics.com
info@cardiabiooplastics.com

TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED

DATE: 26 March 2014

Cardia Bioplastics organic waste diversion program extends to China's Qixia District

Cardia Bioplastics Limited is pleased to announce, that it has received an order for 500,000 Biohybrid™ bags from China's Qixia District Council. The Qixia District Council is at the final stages of validating their organic waste diversion program, which will be rolled out to 65% of all households in the District over a one year period. With a population of 400,000, annual orders for the program are forecast to reach \$400,000.

Qixia is a District of Nanjing City and is the fifth Council in China to be trialling and implementing organic waste diversion programs using Cardia Bioplastic technology and bags. Cardia already supplies Shanghai-Pudong, Nanjing Jianye, Hangzhou West Lake and Yuhang Councils and is looking to expand into other Councils and provinces of China.

With manufacturing and product development based in Nanjing and expansion of production under way, Cardia is well poised to continue its growth path in the business segment of organic waste separation products.

Please find attached the media release.

Richard Tegoni
Chairman
Cardia Bioplastics Limited

26 March 2014

For Immediate Release

Cardia Bioplastics organic waste diversion program extends to China's Qixia District

- 500,000 Cardia Biohybrid™ organic waste management bags ordered for final validation of Qixia's organic waste diversion project
- Annual contract forecast of \$400,000
- 65% of Qixia District households will participate in the program on full roll out

Cardia Bioplastics Limited is pleased to announce, that it has received an order for 500,000 Biohybrid™ bags from China's Qixia District Council. Cardia's renewable Biohybrid™ kitchen waste bags are made with Cardia's proprietary Biohybrid™ technology that uses less oil and a lower carbon footprint compared to conventional plastics.

The Qixia District Council is at the final stages of validating their organic waste diversion program, which will be rolled out to 65% of all households in the District over a one year period. With a population of 400,000, annual orders for the program are forecast to reach \$400,000.

Qixia is a District of Nanjing City and is the fifth Council in China to be trialling and implementing organic waste diversion programs using Cardia Bioplastic technology and bags. Cardia already supplies Shanghai-Pudong, Nanjing Jianye, Hangzhou West Lake and Yuhang Councils and is looking to expand into other Councils and provinces of China.

With manufacturing and product development based in Nanjing and expansion of production under way, Cardia is well poised to continue its growth path in the business segment of organic waste separation products. Cardia has seen a rise in demand for its Biohybrid™ and Compostable resins, films and finished bags in recent months, with growth being driven from China, Brazil, Mexico, USA and Australia.

Cardia Bioplastics Managing Director Dr. Frank Glatz stated, "We are seeing increasing adoption of organic waste diversion programs in China and are well placed to continue to grow our market position. Our organic waste management products pass stringent testing and validation programs, delivering results at competitive prices. Both of our sustainable bioplastics offerings, Cardia compostable or Biohybrid™ are in demand by Councils, manufacturers and brand owners."

Mr. Jacky Chen, General Manager of Cardia's China Operations said, "We are delighted with this outcome and will continue to develop and maintain strong Government relationships to work with China City Councils towards managing household waste sustainably and reducing its environmental footprint."

Cardia has a certified compostable offering for its organic waste management business, where trials are underway in Australia, New Zealand, Malaysia, Canada, USA, Brazil and the UK."



Cardia Biohybrid™ kitchen waste bags in use, enabling organic waste diversion in Nanjing Qixia District in China

About Nanjing Qixia District

Nanjing is the capital of Jiangsu province in eastern China. With a population of over 6 million, Nanjing is the second-largest commercial centre in the East China region. Nanjing Qixia is one of 13 districts of Nanjing City. Qixia is characterized by its long history, and its commercial leadership position as a business and transport hub including the Longtan Deep Water Port of Nanjing. Qixia Council is the second District Council of Nanjing following Jianye Council to implement an organic waste diversion program using Cardia Biohybrid™ kitchen waste bags.

About Cardia Bioplastics

Cardia Bioplastics Limited (ASX CODE: CNN) develops, manufactures and markets its patented renewable resource-based materials and finished products derived from Cardia's proprietary technology for the global packaging and plastic products industries. The company holds a strong patent portfolio and its growth is fuelled by the global trend towards sustainable packaging. Established in Australia in 2002 as Biograde, the company Headquarters and Global Applications Development Centre is in Melbourne, Australia. The Product Development Centre and manufacturing plant for resins and finished goods is in Nanjing, China. There are Cardia Bioplastics offices in Australia, China, USA, Brazil and Malaysia, and a network of leading distributors across the Americas, Asia and Europe. Visit www.cardiabioplastics.com

Further information:

Dr Frank Glatz
Managing Director
Cardia Bioplastics
+61 400 930 530
f.glatz@cardiabioplastics.com

Nadya Krienke-Becker
Global Head of Marketing
Cardia Bioplastics
+61 414 672 863
n.krienke-becker@cardiabioplastics.com

Mr Jacky Chen
General Manager China
Cardia Bioplastics
+86 138 1453 1665
j.chen@cardiabioplastics.com