

Market Update**Entry to the China market for future® formula range****Supply agreement executed with Tier 1 cross-border distributor in China**

The Board of Australian Dairy Nutritionals Group (**AHF** or **Company**) are pleased to advise that the Company has achieved an important milestone in establishing a supply arrangement for China's cross border e-commerce channel (**CBEC channel**).

The Company has executed a supply agreement with a well-established Tier 1 distributor who has a proven track record of selling infant formula in the Chinese market. The Group will send over 2,000 units of infant formula to China early in the new year in anticipation of the launch of the range on the distributor's sales platforms.

Group CEO Peter Skene commented, *"This is a very important step that will be backed by a targeted marketing campaign to create awareness and drive sales of the Group's infant formula products. The cross-border channel has become increasingly important with the reduction in the personal shopper channel due to Covid-19 travel restrictions"*.

The release of this announcement has been approved by the Board of Directors.

**Ends**

Further Details

For additional company information or media enquiries, please contact:

Australian Dairy Nutritionals Limited

Phone: +61 3 8692 7284

Email: shareholders@adnl.com.au

Communications Policy

AHF makes ASX market releases at times directors believe it would be helpful or necessary for investors and as required by the Listing Rules. For further information regarding our shareholder communications policy, please refer to AHF's website: www.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 it's 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 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.