

ASX RELEASE

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ASX: BFC

SUCCESSFUL ENERGY TENDER TO DELIVER MATERIAL COST SAVINGS

- **Electricity contracts consolidated for Beston's dairy processing facilities**
 - **Initial two-year energy supply agreement to deliver a ~24% cost saving of more than \$1 million**
 - **Project planning well advanced for potential installation of supplemental solar energy at the Jervois dairy facility**
 - **Initiatives consistent with Beston's strategic imperatives to drive improvements in margin and free cash flow**
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Beston Global Food Company ("Beston", ASX: BFC) is pleased to announce successful completion of a competitive tender process for supply of energy to its Jervois and Murray Bridge dairy processing facilities in South Australia.

As part of Beston's continued drive to reduce annual operating costs and enhance its competitiveness in national and international markets, a Request for Tender was provided to major electricity suppliers to consolidate multiple existing contracts into one 10,000 Megawatt Hour (MWh) supply agreement.

The successful tenderer was selected and will commence energy supply under the new two-year agreement from 1 July 2020. The new supply agreement will deliver annual cost savings of \$527,000, or \$1,054,000 over the two-year term, representing a material 24% annual electricity cost saving (assuming continuing electricity usage profiles and current SA Power Network tariffs).

Project planning is also well advanced for the potential installation of 2.26 Gigawatt Hours (GWh) of solar energy generation capacity at the Jervois facility. It is anticipated that this project will provide supplemental energy supply and reduce the risk of network volatility, provide an additional energy supply source to support Beston's growth objectives, and deliver an attractive feed-in tariff for any excess electricity generation supplied to the national grid.

Beston Chief Executive Officer, Mr Jonathan Hicks, said: "This energy supply agreement is further demonstration of Beston's strategic imperatives in action. Having announced the sale of our dairy farms on 11 June 2020 to streamline operations and reduce debt, our new energy arrangements are further evidence of progress towards margin expansion and free cash flow generation."

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ABOUT BESTON GLOBAL FOOD COMPANY LIMITED

Beston Global Food Company is a proud SA multi award-winning company taking the best of Australian produce to the world with fresh milk supplied by valued Farmers. The company provides direct and indirect employment for nearly 300 people. For more information please visit:

www.bestonglobalfoods.com.au