



Abundant Natural Health business update – domestic distribution, international brand awareness and an expanding product range

ASX Announcement

8 April 2019

Highlights

- **Abundant Natural Health products on shelves in 500 Australian stores, targeting 2,000 over a 12 month period and 5,000+ over time within existing distribution channels.**
- **Agreement signed with niche distributor Australian Health 888 P/L. Daigou and Asian social media activities underway, Chinese language website launched, new Chinese distribution channels and cross-border to follow.**
- **Pain relief products receive TGA approval. Exfoliating body bar rich in magnesium, olive oil, goat's milk and Jojoba beads launched. Six to eight products in total expected by calendar year end.**

Abundant Natural Health (ANH)

Abundant Produce Ltd (ASX: ABT, "Abundant") is pleased to provide an operational and strategic update for its healthcare segment, Abundant Natural Health ("ANH").

ANH is implementing a business development program focusing on Australian and international distribution, brand awareness and sales of its expanding magnesium-based product range.

1. Australian Distribution

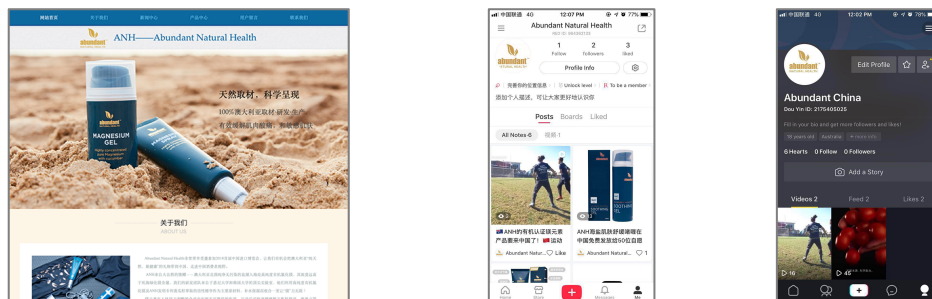
Over the last three months, ANH secured two additional major Australian pharmacy distribution channels providing key paths to market through mainstream Australian pharmacy coverage.

To date, ANH has achieved placement of its high purity natural magnesium products on shelves in around 500 Australian stores and pharmacies, with management targeting approximately 2,000 stores over a 12 month period. With this shelf presence and distribution capacity in place, ANH is investing in a marketing strategy driven by key social media influencers, brand ambassadors and content driven public relations. The potential reach within existing distribution channels is 5,000 plus stores across Australia over coming years.

Abundant expects this Australian distribution to drive domestic sales growth in FY19 and beyond. It is also regarded as vital for establishing the home-market brand credibility required to underpin international marketing efforts.

2. International Brand Awareness

Abundant's attendance at the inaugural China International Import Expo in November 2018 demonstrated strong growth potential in the Chinese marketplace to ANH management, and to Chinese distributors and Daigou groups who visited ANH's exhibition stand. Representatives from Chinese distributors and ecommerce platforms expressed strong interest in establishing direct commercial relationships with ANH and emphasised the sophisticated nature of China's international consumers. ANH management decided that a successful international marketing program would require close in-house management rather than relying on an intermediary and took steps to ensure complete freedom to operate internationally.

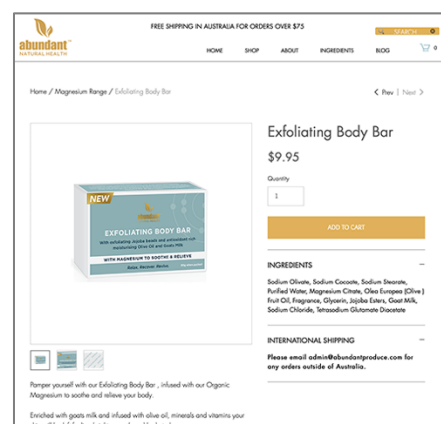


ANH will continue to implement its staged international marketing strategy over the remainder of calendar 2019. Initially this involves Daigou shoppers via targeted specialist pharmacies and gift shops and increased Asian social media activities. ANH has signed a distribution agreement with niche distributor, Australian Health 888 P/L targeting these channels in Australia, New Zealand and Asia. The company has also launched a Chinese language website and is working to secure new Chinese distribution agreements. This is expected to be followed by a cross-border platform campaign rollout.

3. The Product Pipeline

Domestic and international feedback has convinced ANH management to focus on the development and rapid deployment of healthcare products based on the effectiveness of its high purity natural magnesium formulations.

Currently ANH offers natural pain relief through two magnesium products: a Magnesium Spray and a Magnesium Gel, each of which has received Therapeutic Goods Administration approval as a complementary medicine used to relieve joint aches and pains, reduce muscle inflammation after exercise, and decrease muscle soreness.



In addition, the company recently launched a soothing cleanser, an Exfoliating Body Bar rich in magnesium, olive oil, goat's milk and Jojoba beads. The company plans to follow this with a magnesium lotion, bath sachets, a hand cream, a foot lotion and (subject to further market research) a health drink by the end of the calendar year.

A highly promising new lotion is also in development that offers both immediate and lasting relief to sufferers of psoriasis and eczema/dermatitis. Following successful internal trials, ANH has launched broader public trials and is in consultation with the National Psoriasis Foundation in the United States, the leading patient advocacy group for over 8 million Americans living with psoriasis and psoriatic arthritis. Abundant has identified a substantial market opportunity for this product: health officials estimate over 175 million global sufferers of psoriasis, and 245 million sufferers of eczema/dermatitis.

"By the end of the calendar year, we expect ANH will be selling six to eight natural magnesium and salt products across Australia and into China," General Manager Shanan Birkin said. "Following our successful execution of this APAC-led growth strategy, we anticipate planning our launch and penetration of the large and attractive US and European markets."

For more information, please contact:

Walter Munro
Communications & Stakeholder Relations
Abundant Produce Limited
+61 475 148 018
admin@abundantproduce.com

ABOUT ABUNDANT - *creating shareholder value by using science to harness the power of nature.*

Abundant creates intellectual property and shareholder value by using cutting edge science to harness the power of nature through its two operating subsidiaries. Abundant is committed to the principals of the Circular Economy, minimizing our environmental footprint, and upholding the highest standards of environmental and social corporate citizenship.

Abundant Seeds - *Australia's only listed plant breeder.*

Abundant is Australia's only listed breeder of hybrid vegetables for the food production industry, including cucumbers, tomatoes, zucchini, capsicum and eggplant. In collaboration with the University of Sydney's Plant Breeding Institute, Abundant creates new varieties of greenhouse vegetables designed to grow with less fertiliser, less pesticides and less temperature control, decreasing the impact of horticulture on the environment, and which produce higher yields and superior taste, texture, colour and shape.

Abundant Natural Health – *All Natural Relief. Created with Science. Guided by Conscience.*

Abundant is passionate about innovation in all natural, therapeutic healthcare. Fusing active extracts from Australian botanicals with the purest organic minerals, Abundant is creating an expanding range of nourishing, pain relieving healthcare products. Proudly 100% Australian grown, owned and made, Abundant vouches for the quality, purity and effectiveness of its all-natural formulations.