

**Zoono Group Limited (ASX: ZNO)****ASX ANNOUNCEMENT**13<sup>th</sup> May 2019**Successful Poultry Trials Completed - Zoono Signs Agreement with The Z Factor Limited**

Global biotech company Zoono Group Limited (ASX:ZNO) ('Zoono' or 'the Company') is pleased to announce that it has today signed a sales and distribution agreement for the supply of its proprietary poultry formulation utilising Zoono Z71 Microbe Shield (ZPP) with New Zealand based The Z Factor Limited (**The Z Factor**). This agreement is the culmination of nearly twelve months' work on behalf of both parties.

The Z Factor's agreement with Zoono is an important step forward in its intention to build a profitable, diversified sales business utilising Zoono's suite of products. Zoono is confident that, combined with other opportunities now available, the poultry sector can become a significant contributor to the overall financial performance of the Company in coming years.

Since mid-2018, The Z Factor has been working with a highly reputed poultry broiler farm testing the effectiveness of ZPP for use in the poultry industry. It undertook three, 42-day cycle trials during which broiler sheds were treated with ZPP via a misting process and then tested for pathogen levels using ATP swap tests. The results were then compared to the traditional, formaldehyde-based sanitation product.

A key criterion of the trial was to determine whether ZPP could maintain efficacy within broiler sheds over extended periods. The results were conclusive. ZPP can maintain its efficacy over an extended period. Further, ZPP is non-toxic and environmentally friendly; in stark contrast to traditional sanitation products used within the industry.

**Trial Highlights:**

- Pathogen levels within a Zoono treated broiler shed were, on average, 87% lower than a traditionally treated shed;
- The average bird live weight was 60 grams more in the Zoono treated shed. Given an average broiler shed holds 25,000 birds; this equates to an additional 1,500 kilograms per shed, per 42-day growth cycle;
- Birds achieved the additional weight increase consuming 10% (10 tonne) less food per shed, per cycle as the birds expend less energy fighting bacteria; resulting in a greatly improved food conversion ratio;
- The stand down time between growing cycles can be significantly reduced as ZPP is non-toxic and can be applied efficiently and effectively using a misting process.

The Z Factor is currently in discussions with major poultry brands in New Zealand, Australia, UK and several Asian countries. Mr. Kevin Storey, General Manager, The Z Factor, is confident that, with global pressure mounting on the industry to reduce the need for antibiotics, the timing of ZPP's launch could not be better.

The Z Factor will provide poultry companies with the full service of supplying ZPP and applying it to its poultry broiler sheds. Clients will be provided with online access to the biosecurity information necessary to maintain an antibiotic free environment. The Z Factor expects its first service agreements to be executed within the next quarter.

Zoono sees this initiative as a major global opportunity in the B2B market. The ZPP application further demonstrates the versatility of Zoono's antimicrobial technology and the multiple industries where it can be used and make a difference.

**Key Terms of the Distribution Agreement:**

- An initial, ten-year term;
- Minimum annual performance volumes:
  - o **First 18 Months NZD \$1.0M;**
  - o **Second 12-month period: NZD \$2.0M;**
  - o **Third 12 month period: NZD \$3.0M;**
  - o **Thereafter increasing by 10% per annum;**
- There are no conditions precedent;
- Either party can terminate the Agreement with immediate effect for material breach or insolvency;
- In addition, Zoono has rights to terminate if there is a material change of control of The Z Factor or it fails to achieve its minimum performance requirements.

**For further information, please contact:****Zoono Group Limited****Paul Hyslop**

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**About The Z Factor**

The Z Factor Limited is a New Zealand based company with its headquarters in Auckland. Trading as Z Factor Poultry, The Z Factor provides a new solution to the poultry industry with a non-toxic, formaldehyde-free application to reduce bacteria within poultry sheds and at the same time increasing yields to invested parties.

**About Zoono**

Zoono Group Limited is a global biotech company that develops, manufactures and distributes a suite of scientifically-validated, long-lasting

and environmentally-friendly antimicrobial solutions. Zoono's mission is to improve health and well-being through innovative, safe, non-toxic and durable germ protection.

Zoono produces sprays, wipes and foams suited for skin care, surface sanitisers, and mould remediation treatments. The products are based on the 'zoono molecule', a unique antimicrobial molecule that bonds to any surface and kills pathogens including bacteria, viruses, algae, fungi and mould.

Zoono's products have received numerous regulatory approvals and the company's technology claims are supported by independent testing conducted in laboratories worldwide. Zoono is headquartered in New Zealand and its products are available globally.

To learn more, please visit: [www.zoono.com](http://www.zoono.com)