

SCALING OF PROPRIETARY PRODUCTS AND SIGNIFICANT NEW DISTRIBUTION

18 November 2020

- Keytone has substantially increased its proprietary product range in retail stores throughout Australia and International markets in recent weeks
- New ranging nationally at Caltex/Ampol, United Petroleum, Freedom Fuels for Tonik Pro and Plant in key petrol and convenience channel
- Tonik Plant and Pro now stocked in store at Coles and Coles Local nationally
- Non-alcoholic Baileys coffee flavored milk now in BWS stores nationally
- Tonik Pro sales at Anytime Fitness and Snap Fitness performing strongly in gym channels
- Tonik Plant ranged in select retailers in Malaysia, a new international market for Keytone

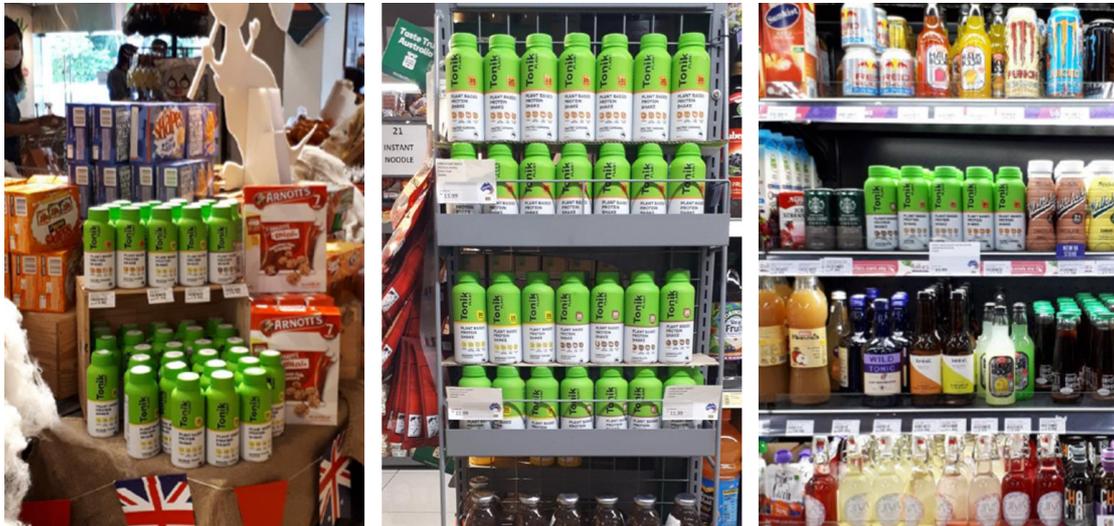
Sydney and Melbourne, Australia and Christchurch, New Zealand – Keytone Dairy Corporation Limited (ASX:KTD or KTD.AU) (the “Company” or “Keytone”) is pleased to announce a number of significant new distribution channels in recent weeks, confirm the roll-out and product indent of a number of its new proprietary products nationally throughout Australia and in Malaysia, a new international market for Keytone.

Specifically:

- Ranging has been secured in 250 Caltex/Ampol, 320 United Petroleum and 55 Freedom Fuels petrol stations for Tonik Pro across Australia, totalling an additional 625 outlets for Tonik Pro in the key petrol and convenience channel for protein shakes
- Over the course of the last two weeks, Tonik Plant and Pro has been stocked and ranged in over 400 Coles and Coles Local stores nationally
- Tonik Plant has been ranged in Malaysia at twenty Village Grocer outlets across Kuala Lumpur and the Klang Valley. Village Grocer is a premium chain of supermarkets in Malaysia. Malaysia is a new international market for Keytone and the Company will look to introduce further proprietary products and brands into Malaysia in due course
- On The Run has confirmed ranging of Super Cubes products and Gran’s Fudge across all of its 145 petrol and convenience stores in South Australia
- Under Keytone’s previously announced licensing agreement, Baileys non-alcoholic coffee flavoured milk drinks are now stocked in 683 BWS stores nationally (Woolworths Australian retail chain of liquor stores)
- Keytone has partnered with national distributors Brackenbury Nutrition and Nutrition Systems for Tonik Pro and Plant. While initial orders have totalled an immaterial sales figure of approximately \$100k for these key distributors, follow on-orders have been placed within a

matter of weeks of the initial orders. These distributors represent key channels, including the gym chains of Anytime Fitness and Snap Fitness, where the initial feedback and response to the Tonik range of products has been strong.

- National ranging in independents supermarkets including Drakes, Romeos and Karellas continues across the Tonik, Super Cubes and Gran's Fudge brands



Tonik Plant ranged in multiple Village Grocers in Kuala Lumpur, Malaysia

Keytone continues to aggressively build its higher value, higher margin proprietary products further diversifying the Company's fast-growing revenue base and building brand awareness. This strategy and growth will continue into calendar year 2021 and beyond with further range reviews scheduled and occurring on a monthly basis. While initial purchase orders in new distribution channels are often immaterial in value, follow on orders across many channels have been received in a number of weeks highlighting the growing demand for the Company's products.

Keytone's CEO Danny Rotman stated, "Keytone's proprietary products are on trend, on point and the demand is growing across Australia and internationally. The cut through and critical mass across multiple distribution channels, including grocery, independent grocery, petrol and convenience and gym channels is being achieved and the Company expects sales to continue to gather momentum and scale over the next 12 plus months."

"A tremendous amount has been achieved in a small period of time for the proprietary product suite and the Company will continue to build out our range of branded products, working with key retailers, distributors and growing our footprint both in local markets and internationally ."

The release of this announcement was authorised by the Non-Executive Chairman, Mr. Peter James, on behalf of the board.



Further Information

Jourdan Thompson
Chief Financial Officer, Keytone Dairy Corporation Limited
Email: investors@keytonedairy.com
Tel: +613 9587 6483

About Keytone Dairy Corporation Limited

Based in Sydney and Melbourne, Australia and Christchurch, New Zealand, Keytone Dairy Corporation Ltd is an established manufacturer and exporter of formulated dairy products and health and wellness products. Keytone Dairy's wholly-owned subsidiary Omniblend is a leading Australian product developer and manufacturer in the health and wellness sector, with both dry powder, ready to drink and protein bar health and wellness-based product capability. In addition to Keytone Dairy's own brands, the company is a trusted production partner, contract packing for well-known brands in Australia, New Zealand and internationally. The Company's purpose-built production facilities in Australia and New Zealand offer a wide range of dairy, health and wellness and nutritional packing solutions, meeting the diverse needs of consumers from different markets and cultures. Please visit www.keytonedairy.com for further information.

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