

**ASX RELEASE**

14 April 2016

**Bellamy's well placed to continue growing in China**

Bellamy's Australia Limited (ASX: BAL) wishes to provide the following update to the market in relation to recent regulatory announcements in China.

On 11 April 2016, the Chinese Government issued a new tax policy that included a list of products that would be allowed to enter the country's free trade zones – the 'Positive List'. Infant formula was included in this 'Positive List' subject to having China Food and Drug Administration (CFDA) registration.

On 13 April 2016, the Ministry of Finance in China provided guidance on infant formula registrations with CFDA. This guidance stated that as the registration framework was still in the process of being drafted, all infant formula currently registered with the Certification and Accreditation Administration in China (CNCA) that is sold via the Central Board of Excise and Customs (CBEC) channel (cross border transactions) will not have to obtain CFDA formulation registration until 1 January 2018.

Under the guidance provided by the Ministry of Finance in China, effective from 1 January 2018, all infant formula sold in China, including formula sold via the CBEC channel, must be accredited with a formulation registration certificate by CFDA.

Bellamy's welcomes the guidance provided by the Ministry of Finance in China overnight. For Bellamy's this confirms that the Company will continue to operate in China as it has been. From 1 January 2018, Bellamy's formula products will need to be registered with CFDA, and the company will await further details of the registration process.

Bellamy's infant formula already complies with Guobiao (GB) product testing standards in China, and the Company currently holds registration with CNCA for its infant formula produced by the Company's approved manufacturing facilities.

Commenting on China's recent regulatory change, Bellamy's Managing Director and CEO Laura McBain said:

"Bellamy's has been successfully operating in China for over six years. Bellamy's has a strong "bricks and mortar" business in China selling the company's GB compliant formula. In addition, our products sold in China via "bricks and mortar" businesses already have labelling in Chinese.

"We have grown strongly in China also due to the success of our ecommerce strategy. Bellamy's online flagship store on Tmall is one of the top 15 brands for infant formula, and the guidance provided last night by the Ministry of Finance in China reconfirms that it's business as usual for Bellamy's in the ecommerce channel.

"With Bellamy's infant formula and manufacturing facilities already registered in China, we believe we are well placed to transition to the new requirements once they are known.

"In the meantime, we have not seen any change in demand for clean, pure, organic Australian made infant formula in China. Our growth has been strong because we live and breathe by our values; that all children deserve the purest start to life. Making Bellamy's products available to as many people as possible has always been part of our vision."

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## About Bellamy's

Bellamy's Australia is a Tasmanian-based company and we produce only 100% Australian made organic foods. Our mission is to provide a pure start to life for babies and young children everywhere and we are passionate about promoting healthy eating practices in our children. Bellamy's Organic started in Launceston, Tasmania in 2004 as a family-operated company.

We supply our product range to supermarket chains and independent stores across Australia. Bellamy's also exports its 100% certified organic food to customers in China, Hong Kong, Taiwan, Singapore, Malaysia, Vietnam, and New Zealand.

We are proud that we make a positive contribution to the wellbeing of this and future generations by helping people on a path to Mindful Eating.

For further information please go to [www.bellamysaustralia.com.au](http://www.bellamysaustralia.com.au)