

20th June 2019

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Freedom Foods Group Limited (ASX: FNP)
Update on Nutritional Ingredients Business Platform

Freedom Foods Group Limited (**FNP**, or the **Company** or the **Group**) today issued an update on the progress of the development of its Nutritional Ingredients Business Platform.

Specifically, the Company is pleased to announce that it has entered into a long-term supply agreement for Lactoferrin with a major global pharmaceutical company. Further details remain confidential for the moment.

The supply agreement will utilise a significant component of current and planned capacity for Lactoferrin at the Company's Nutritional ingredients facility in Shepparton, Victoria.

Lactoferrin is a naturally occurring iron-binding protein found in milk that is known for its anti-microbial, anti-inflammatory and immunological properties. As a high value and functional ingredient, Lactoferrin is used globally in a range of consumer health and nutritional food products including medicinal products and infant formula.

The Company's Nutritional ingredients capability is experiencing strong customer demand for its unique capabilities and has commitments for the sale of all its available capacity in FY 2020 for native whey protein isolate, micellar casein and Lactoferrin. Pricing for these key ingredients has been achieved at or above initial business plan assumptions.

The Company recently completed a \$130 million equity raising, with the institutional component of the equity raising significantly oversubscribed with strong demand from a broad range of high-quality institutional investors, including current shareholders.

The equity raising will predominantly be used to accelerate Freedom Foods's growth strategy, including acceleration of \$100 million in capital expenditure in Nutritional ingredients through calendar 2019 and 2020, including increased capacity for protein streams such as native whey protein isolate, micellar casein and Lactoferrin as well as accessing new protein streams. The capital expenditure program is underway, with the increases in capacity available through both FY 2021 and FY 2022.

The strong customer demand for the broad range of protein streams, as well as the new agreement for long term supply of Lactoferrin further validates the capacity upgrades.

The Company is also well progressed on commercialising a number of these key ingredients into initial applications under its own brands, including in Performance and Adult Nutrition as well as consumer applications for Lactoferrin.



For further information, please contact:

Rory J F Macleod
Managing Director and CEO
Freedom Foods Group Limited
+61 2 9526 2555

Media Enquiries:
Ian Pemberton
P&L Corporate
+ 61 402 256 576

FNP Forward Looking Statements

Freedom Foods Group Limited (FNP) advises that this document and any related materials and cross-referenced information may contain forward looking statements (including statements, calculations and projections concerning the anticipated performance of FNP and the industries and markets in which it operates) that may be subject to significant uncertainties outside of the control of FNP and matters and events unknown at this time.

No representation is made as to the accuracy or reliability of forward looking statements or the assumptions on which they are based. These forward looking statements may or may not prove to be correct and FNP and any person associated with the preparation of this document accepts no responsibility or liability in relation to their accuracy or reasonableness.

You are cautioned not to place reliance on any forward looking statement and must make your own independent investigations and/or seek professional advice regarding the accuracy, reasonableness and completeness of any forward looking statement or other information in this document