



ASX Announcement

5 November 2019

## **FOD Plant Upgrade**

### **Highlights**

- **Construction of FOD's 1260sqm state-of-the-art clean room with laboratory and powder mix capabilities is nearing completion**
- **Sachet powder and gel/liquid machines will be installed in November to create high end, high margin and high-volume products including lactoferrin marine proteins and collagen gels**
- **FOD will also install a multi-purpose oil bottling line which will operational by December – which can produce canola oil, avocado oil, grapeseed oil, olive oil and coconut oil**
- **Discussions have commenced with large Chinese grocery store, Tong Li Supermarket, which has 16 stores across Sydney and two other Chinese distributors to distribute the new products when available. Careline will also be an active distribution channel for the new products**
- **All new plant capabilities will be operational in December 2019/January 2020**
- **FOD will exhibit new products plus recently the acquired and revamped Original Black Label juice brand at the upcoming China International Import Expo (CIIE) in Shanghai. FOD will also follow up its MoU with Sinopec now that the oil bottling line is nearing completion**
- **Last year's event attracted more than 800,000 people including 150,000 buyers from around the world**
- **FOD expects significant interest in new products and brands to position it for busy period leading into Chinese New Year in February 2020**

The Food Revolution Group Limited (ASX: FOD) is pleased to announce its state-of-the-art fully self-contained 1260sqm clean room with laboratory and powder mix room at its Mill Park facility in Melbourne is nearing completion.

The Company advises the panels of the clean room have been erected. The manufacturing machinery, comprising a gel/liquid sachet machine and a 12-channel a high-speed powder sachet machine, are built and will be installed in November 2019. These machines will manufacture high end, high margin products including lactoferrin, marine protein, functional health products and beauty aids (collagen powders and gels).

Manufacture of a canola bottling line has commenced for installation in December. The canola oil bottling line has capacity to bottle a variety of sizes including one litre, two litre and four litre bottles. The bottling machine is multi-purpose, in addition to canola oil it can pack avocado oil, grapeseed oil, olive oil and coconut oil. Production will commence as soon as installation is complete.

The new workshop will produce many new products to fit the fast-growing market in China and South East Asia.

FOD has already commenced discussions with Chinese grocery store Tong Li Supermarket, which has 16 stores across Sydney, to stock the new products when available. Those shops will sell other FOD products including fruit drinks and juices as well as sachet products, giving FOD further exposure Asian markets. Two other Chinese distributors have commenced discussions with FOD regarding distribution of the new products in China.

“These new products are primarily for export to China as we aim to grow our export sales substantially over the next one to two years,” FOD Chief Executive John Florey said.

“The oil bottling plant has capacity of six package lines and we expect to ramp production up to this level in December this year.”

### **China International Import Expo**

FOD will return to the China International Import Expo (CIIE) at China’s National Exhibition and Conference Centre in Shanghai from 5-10 November 2019 with Careline Australia. More than 800,000 people attended the inaugural event last year, at which FOD and Careline Australia exhibited. The expo attracted enterprises from more than 100 countries, along with around 150,000 buyers from China as well as other regions.

The companies have a 180m<sup>2</sup> booth in a premium expo location. FOD has booked business meetings with 30 premium buyers during the event. FOD will also be following up its MoU with Sinopec at this time given its canola oil line will be operational by calendar year end.

FOD will showcase and take orders for powder sachet and functional gels products, oil products and its existing quality fresh fruit and vegetable drinks. FOD will also launch its newly acquired and revamped Original Black Label juices in China during the Expo.

“This has become the premier Chinese expo conference and is ideal for us to showcase our growing range of products to potential new customers,” Mr Florey said.

“Having attended the event last year, we will be more prepared to embrace the sheer size of the expo, which is exclusive but is able to bring together government officials, business representatives, exhibitors and buyers.”

**For more information, please contact:**

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### **About The Food Revolution Group**

The Food Revolution Group Limited (ASX: FOD) is an Australian-based food processing company that uses a combination of conventional juice processing equipment and custom-developed equipment and processes to manufacture a range of high-quality juices, fibres, infused fruits and fruit waters that are sold as branded products or ingredients to customers domestically and

overseas.

FOD uses a range of processing technologies, including Current Counter Extraction (CCE) technology which was developed in conjunction with Australia's CSIRO to extract juice from fruit and vegetables. Its processing facilities are located in Mill Park, Victoria.

FOD is aiming to generate shareholder value through exploring opportunities for growth in the functional food, beverage and nutraceutical markets in Australian and key international markets, including China.