

Entry into Manufacturing Agreement with Sprout Organic Pty Ltd

Australian Dairy Nutritionals Limited (**AHF** or the **Group**) is pleased to announce that it has entered into a manufacturing agreement with Australian-based company Sprout Organic Pty Ltd (Sprout Organic) to manufacture intermediate and fortified milk formula base powder.

Sprout is an Australian children's nutrition company which makes organic, plant-based infant formula, and healthy plant-based snacks for kids. The non exclusive manufacturing agreement has an initial term of 1 year with an option to extend for a further 2 year term.

Mahi Sundaranathan, CEO of AHF said: "We are excited to have Sprout Organic on board sourcing their plant based powder from us to manufacture their quality infant formula products. ADNL has small batch drying capability which is well suited for the needs of Sprout Organic."

Selasi Berdie, CEO of Sprout Organic Pty Ltd said: "Working with a quality Australian owned and operated manufacturer such as ADNL is a great strategic alignment for Sprout Organic. Their agility and innovative nature whilst maintaining stringent organic standards made them an optional contract manufacturing partner for Sprout Organic."

AHF does not consider that the manufacturing agreement with Sprout will be immediately financially material however, with Sprout Organic being the leading Plant Based infant formula globally ADNL forecasts an exciting opportunity for growth for both businesses. This agreement establishes a key strategic partner for the business as it continues to build strong momentum in its infant formula processing volumes. There are no other material conditions that need to be satisfied before the parties become legally bound to proceed with the terms of the manufacturing agreement. There is no other material information relevant to assessing the impact of the manufacturing agreement on the price or value of the Company's securities.

The release of this announcement was authorised by the Board of AHF.

Ends

Further Details

Australian Dairy Nutritionals Limited

Phone: +61 3 8692 7284

Email: shareholders@adnl.com.au

About Australian Dairy Nutritionals Group

Australian Dairy Nutritionals Group (AHF) is a vertically integrated Australian dairy group which owns high quality organic and organic A2 protein dairy farms, and a processing facility located in Southwestern Victoria, the 'Golden Triangle' of Australia's dairy industry. The Group produces the Ocean Road Dairies Organic A2 protein infant formula range, Australia's first Organic A2 protein infant formula made with farm fresh Australian milk from our organic dairy farms and manufactured at our infant formula factory in Camperdown, Victoria.

Disclaimer – Forward Looking Statements

This announcement may include "forward looking statements" within the meaning of securities laws of applicable jurisdictions. These forward-looking statements are not historical facts but are based on AHF's current expectation, estimates and projections about the industry, in which it

operates, and beliefs and assumptions. Readers are cautioned not to place undue reliance on forward looking statements.