



Oceania Natural Limited (NXT: ONL)

30 November 2017

Oceania Natural Limited (“ONL”) acquires the “Water for Everyone” brand and collateral business assets

ONL has entered into a sale and purchase agreement with Aquity International Limited and its subsidiary company Kauri Springs Aqua Limited (“Vendors”) for the purchase of their business assets comprising of their water bottling, sales and distribution operation located at Kaiwaka.

As part of the transaction, ONL will be employing all of the Vendors’ staff on a full-time basis from settlement.

The aggregate maximum purchase price for the business assets is \$740,000 plus GST, plus the value of the stock on settlement. The purchase price is subject to adjustment down depending on the actual performance of the commercial operations of the business post completion of the purchase. The final adjusted purchase price will be quantified during the period post completion ending on 31 March 2019.

The effective date of settlement is anticipated to be on or about December 1, 2017.

In New Zealand, the principal brand under which the Vendor’s operations trade is the “Water for Everyone” brand.

In conjunction with the purchase of the business assets, ONL has also contracted Aquity to:

- provide the ongoing sales and distribution function for the business through to 1 April 2018. At the end of this term, ONL shall offer employment to certain of the Vendor’s staff on a full-time basis; and
- Manage the production facility acquired by ONL (including the land, buildings and consented water bottling facility) in August 2017, for an agreed fee through to 31 March 2019.

This acquisition will allow ONL to:

- Further enhance and optimally exploit the bottling operations;
- Ensure the quality of the water products produced from the Kaiwaka facility;
- Receive an uninterrupted supply of water products for both local and export markets.
- Leverage off the Vendor’s existing distribution channels, and generate sales revenue for ONL; and
- Work with its existing suppliers of products being exported as this acquisition supports diversification of the supplier base and the reliance on specific manufacturers to meet future ONL production requirements are further mitigated.

ONL is currently finalising its results for the 6 months ended September 30, 2017, which will be released to the market later today. The Company has also determined that following the release of the 6 months result and this acquisition, it will undertake a full review of its Key Operating Milestones (KOM’s) to ensure they continue to meet the NXT standard. As part of this review, ONL will be engaging with its NXT Advisor and the NZX and will update the market following the outcome of this review.

ENDS**Authority for this announcement**

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Oceania Natural Limited's shares can be traded on the NXT Market. Oceania Natural Limited is required to disclose information under the NXT Market Rules. Information about the NXT Market and Oceania Natural is available here www.nxt.co.nz or from the company's website at www.onlgroup.co.nz

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About Oceania Natural Ltd

Oceania Natural (ONL) produces and distributes healthy, high quality products derived from natural food ingredients, including New Zealand Manuka honey as well as Noni fruit sourced from the Cook Islands. More than two thirds of the company's sales are generated from China, where ONL has an established network of distributors marketing its products under its "Rich Garden" brand. The company also sells direct from its websites and through a number of popular online trading platforms in China including Tmall, WeChat and Alibaba. See www.onlgroup.co.nz and www.richgarden.co.nz