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Fiji Kava debuts on the ASX

- Initial public offer closes oversubscribed, raising \$5.2 million before costs, with offers scaled back
- Strong support from institutional and retail shareholders, including Strategic Global Fund, and Fijian distribution partner, Jacks of Fiji
- Backed by independent research, Fiji Kava’s medical kava products offer a natural alternative to prescription anti-anxiety medication and the US\$15 billion global benzodiazepine market
- Poised for an Australian product launch in early 2019
- Clinical trial pipeline established, to test the efficacy of kava cultivar strains in the treatment of medical conditions, including anxiety, insomnia and pain

Fiji Kava Limited (ASX:FIJ) (Fiji Kava or the Company), an Australian kava company commences trading today on the Australian Securities Exchange (**ASX**), following a successful initial public offer (**IPO**).

The oversubscribed offer raised \$5.2 million before costs, with offers scaled back. Strong support was received from institutional and retail shareholders in both Australia and Fiji and includes investment from Strategic Global Funds and Fijian distribution partner – Jacks of Fiji. A total of 26,000,000 fully paid ordinary shares at \$0.20 per share were issued under the offer. The raise was led by PAC Partners, supported by Cicero Advisory and Kontiki Capital.

Targeting the US\$15 billion benzodiazepine market

Kava has been used in the South Pacific for over 3,000 years in traditional kava ceremonies and is known for its relaxation and therapeutic benefits. More recently, the medicinal benefits of kava and its active ingredient kavalactone are becoming widely recognised as a natural, non-prescription alternative for the treatment of anxiety and other medical conditions.

As the first foreign company to be granted Fijian Government approval to operate in the kava industry, Fiji Kava is targeting the US\$15 billion global benzodiazepine market¹ with a range of kava products. Providing a natural alternative to anti-anxiety prescription medications, such as Valium and Xanax, the Company sells its range of TGA and FDA compliant “Taki Mai” branded kava products in Fiji and is preparing to launch under the Fiji Kava brand in Australia in early 2019.

Fiji Kava’s products are backed by years of joint research conducted with the Australian Centre for International Agricultural Research, the University of the South Pacific and the University of Melbourne. Kavalactone, the active ingredient in kava, is extracted from select noble kava cultivars, selected to target specific medical conditions. The Company has complete control over its vertically integrated supply chain in a true farm-to-shelf operation and has established a 111-acre nucleus farm in Levuka, on the island of Ovalau, Fiji. Kava is grown using tissue culture and mass propagation methods, ensuring standardisation of the kavalactone extracted from these plants for processing and manufacture using HACCP and Good Manufacturing Practice (GMP). Vertical integration and control

¹ Size of benzodiazepine market in 2015. Anxiety Disorders and Depression Treatment Market Analysis by Product (Antidepressant Drugs, SSRIs, SNRIs, Benzodiazepines, Devices and Therapy, TMS, DBS, VBS), by indication (MDD, OCD, Phobia) and Segment Forecasts (2014 – 2025). Kava Report 2003: In-depth investigation into EU Member States Market Restrictions on Kava Products.

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of the supply chain ensures Fiji Kava maintains compliance with the Codex Alimentarius Kava Standard², an international standard currently being developed and supported by the Food and Agriculture Organisation of the United Nations and World Health Organisations.

Further research to be undertaken

To test the efficacy of different kava cultivars in treating different medical conditions, Fiji Kava will conduct human clinical trials in Sydney in conjunction with the National Institute of Complementary Medicine (NICM).

Under the direction of Fiji Kava's Professor Jerome Sarris, a trial to compare the Company's kava tablets to Valium (2.5mg/day) is expected to commence, subject to finalised research plan in respect to trial design/s, timeline and logistics.

Further trials to establish the efficacy of Fiji Kava's products, the efficacy of certain cultivars to target insomnia, muscle recovery and cardiovascular disease and the opportunity to develop medical cannabis/kava combinations targeting a variety of indications have been identified by the Company.

Commenting on the listing, CEO Zane Yoshida states:

"Today marks a huge milestone for us and we are excited to be the first kava company to be listed on any exchange globally. On behalf of the board, I'd like to thank our new and existing shareholders for their incredible support in the leadup to our listing."

"The team is focussed on our Australian launch, research and development and the commencement of human clinical trials as it looks to develop a portfolio of products which address a variety of ailments and build long term value for our shareholders."

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About Fiji Kava

Fiji Kava is a kava company based in Australia and the first foreign company with approval from the Fijian Government to operate in the kava industry. The Company has complete control over its vertically integrated supply chain in a true farm-to-shelf operation and has established a 111-acre nucleus farm in Levuka, on the island of Ovalau, Fiji. Fiji Kava is focussed on expanding the distribution of kava throughout western markets to provide a natural alternative to anti-anxiety prescription medicines such as Valium and Xanax. The Company sells its range of TGA and FDA compliant "Taki Mai" branded kava products in Fiji and is preparing to launch under the Fiji Kava brand in Australia in early 2019. Fiji Kava's products are backed by years of independent

² The Codex Alimentarius Kava Standard is being developed by the Codex Alimentarius Commission, a body established by Food and Agriculture Organisation of the United Nations and World Health Organisations. The new standard is expected to standardise the operating procedures for growth, harvesting and processing of kava, ban the export of non-noble kava and require exporters to meet stringent quality standards.

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research. The Company plans to conduct human clinical trials to test the efficacy of Fiji Kava's products and specific kava cultivars, targeting a range of medical conditions.

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