

Progress with Sales and Capacity

June 15, 2024

Extracta has made progress recently on three fronts:

- Orders from new customers with significant volume
- Excellent brand and customer awareness from a June Trade Expo in Sydney
- Increased capacity to meet sales demand:
 - Installation of a small mill and dryer to deliver product for the new customers
 - Installation of a second, high-capacity mill

Sales

Customer orders:

Extracta is receiving orders for citrus fibre from new customers: The first is 1,000 kg from Access Corporation with a further 4,000 kg to be ordered later this year. Two other customers have samples and are ordering. These are well established national Australian businesses with significant demand for several Extracta products. This adds to the network of existing customers and customer enquiries and prospects.

Revenue

Immediate:

The sale of citrus fibre to Access Corporation will provide combined revenue of \$170,000 in 2024.

This has been forecast to grow to better than \$500,000 over the next 12 months.

Sales from the other customers and prospects from the Expo are work in progress but if as successful as expected will drive the business to cash positive – a key milestone for a new business.

Long Term:

The above is a key step towards achieving long term revenue targets. The new customers are likely prospects for other products in the Extracta range. With the current level of sales demand, it appears that revenue will be restricted by supply capacity for the next 12 months, which is being addressed.

Customer Awareness

As referred above, customer awareness was significantly advanced at the Naturally Good Expo in Sydney in June, with over 37 customers approaching the Extracta stand with enquiries and requests for product samples. Since the show there have been multiple enquiries and orders placed for Extracta ingredients.

Production

Small Mill:

Our partners in northern NSW have now purchased the small mill and drying equipment and are in the process of installing the equipment at a site we are leasing for the next three years. The site has the capacity to expand as Extracta expands.

Large Mill:

The mill that we have extensively tested in partnership with QUT is now available and Extracta has been offered a preferential leasing arrangement that improves the ROI of the project.

Note that both mills are needed for Extracta's growth.

Enquiries

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