



17<sup>th</sup> November 2021

## FIJI KAVA TO DOUBLE CAPACITY IN LEVUKA EXTRACTION FACILITY VIA FJD200,000 PLANT UPGRADE

- FijiKava's wholly owned subsidiary South Pacific Elixirs has commenced works today that will see the medicinal kava extract producer at least double output by April 2022.
- This major investment includes a new state of the art heat pump dryer which will complement existing drying ovens and solar drying units.
- The green kava liquification plant will also be upgraded along with several new automation steps in liquid handling.
- Significant occupational health and safety and workflow improvements are also included in the upgrade.

**17 November 2021 Brisbane Australia** - FijiKava Ltd (ASX: FIJ), an Australian-Fijian medicinal kava company which produces natural products to reduce anxiety and stress, improve sleep and support exercise and recovery, today announced commencement of works to upgrade their HACCP accredited medical grade kava extract production facility in Levuka, Fiji.

The upgrade program will span a period of five months to allow for production to continue while works are undertaken. The biggest investment is a new state of the art, heat pump dryer, which will address a critical bottleneck in production and allow for higher value, lower moisture content extracts to be produced in the future. The upgrade will also duplicate infrastructure for liquification of green kava.

Conveyor technology, mechanical peeling and closed liquid handling systems are also being installed in line with a series of new processes aimed at continuing health and safety improvements seen since June.

Drinking kava production, which employs a simpler and more streamlined process will take priority during key periods of installation to ensure no drop in production capacity over the period.

Demand for drinking kava in the Australian market is expected to drive significant new sales in 2022, following the anticipated Commercial Importation Trial being announced.

**Dharmendar Chand, General Manager of Fiji Operations said** "Our team has been continuously working to understand and improve our production processes over the past two years. We identified that drying capacity and efficiency as well as green kava processing volume were our key bottlenecks. By selectively upgrading and adding to our capacity in these areas we have been able to plan a cost-effective plant upgrade that will more than double our production capacity when complete in April next year"

**Fiji Kava CEO, Anthony Noble said:** "Over the course of 2021 the production facility in Levuka has been able to recognise a number of key productivity gains in terms of extract potency and increased yields. As we approach optimisation of these processes, the time is right to invest in increasing our

production capacity. We were pleasantly surprised to note that the key bottlenecks in our process were related to relatively inexpensive technologies around powder drying and liquification of green kava, meaning our planned upgrade will more than double output for an investment of around FJ\$200,000. The safety of our workers is our absolute priority. This upgrade will also take critical steps in green kava preparation from manual to automated processes, which will further reduce OH&S risks to our team.”

This release has been approved by the Board of Directors

**ENDS**

### For Further Information

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### About Fiji Kava

**FijiKava Ltd** (ASX: FIJ), an Australian-Fijian medicinal kava health & wellness company, producing natural products for the natural medicine market, estimated to exceed USD \$210 billion by 2026 globally.

As the first foreign company with approval from the Fijian Government to operate in the kava industry, FijiKava has established a global leading sustainable and 100% traceable, certified organic supply chain of ‘noble kava’ including a nucleus farm in Levuka, on the island of Ovalau, Fiji.

FijiKava is focussed on expanding the availability of noble kava products throughout western markets to provide a natural alternative to prescription medicines to promote sleep, soothe and calm the nerves, support muscle relaxation and relax the mind

Backed by years of independent research, Fiji Kava medical kava products are produced by high-quality GMP and are TGA and FDA compliant.

### Forward-Looking Statements

This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Fiji Kava. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.