



ASX Announcement

Friday, 3rd August 2018

TPI ENTERPRISES SIGNS 3 YEAR CODEINE PHOSPHATE SUPPLY CONTRACT

TPI Enterprises Ltd (ASX:TPE) is pleased to announce it has entered into a significant multi-year supply agreement with one of Europe's leading pharmaceutical contract manufacturing organisations. Under the agreement TPE will ship Narcotic Raw Material ("NRM") from its plant in Melbourne to its Norwegian operations where it will be processed into Codeine Phosphate Active Pharmaceutical Ingredient ("API"). The Codeine Phosphate API will then be delivered to one of the new customer's several European formulation manufacturing sites for conversion into finished dosage tablets.

Agreement highlights:

1. 3-year term with a minimum supply of 6 tonnes per annum;
2. Revenue upwards of A\$9 million over the three-year term with A\$3.5 million over the 12 months starting August 2018; and
3. Continues the pleasing growth of TPE's API business which in the first 6 months of Calendar 2018 has delivered sales equivalent to the average annual sales of the previous owner over the last three years.

TPI Enterprises CEO Mr Jarrod Ritchie said: "This agreement illustrates TPI's ability to effectively compete in this key segment of the opiates based API market, post the acquisition of the Vistin opiates business in October 2018. The strong customer demand we have experienced since the close of the acquisition has reinforced our belief that we are the most competitive producer of morphine and codeine based API products in the market today and we are in the process of adding capacity at our Norway (Kragere) facility to increase Codeine Phosphate production to meet this demand."

TPE expects to meet or modestly exceed 1H 2018 revenue guidance of A\$20 million as outlined at the Annual General Meeting on 31st May 2018.

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About TPI Enterprises Limited

TPI Enterprises Ltd (ASX:TPE) is one of three licenced poppy processors in Australia, and the only Australian-owned company. It is one of only three companies globally that is vertically integrated from poppy growing through to tableting production. TPI Enterprises has developed an innovative, efficient and environmentally-sustainable extraction and purification manufacturing process which allows the company to deliver a highly competitive pricing platform. The company's strategy is to secure access to regulated downstream narcotics markets to leverage its reliable, cost-competitive upstream raw material capability.

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