

ABN 98 084 370 669

July 21, 2014

ASX Market Announcements ASX Limited 20 Bridge Street Sydney NSW 2000

MARKET UPDATE YOWIE SECURES LARGE NATIONAL CONVENIENCE STORE ACCOUNT

Yowie Group Ltd (the "Company" or "Yowie") is pleased to provide an update on sales and distribution progress in the US market.

The Yowie product continues to attract significant interest across numerous trade channels and we are pleased to announce the receipt of purchase orders from a <u>large national convenience chain, Valero Corner Store (1,100</u> <u>stores nationally and 1,900 including Canada</u>), multiple smaller candy specialist distributors, our first entertainment and leisure venue (St Louis Zoo) and the Company's first tourism and travel industry account (Summerwinds Resort).

Our commercial pipeline continues to increase at a rapid pace. Deal terms have been agreed and <u>purchase orders</u> <u>are imminent from two Tier 1 national retailers</u> following completion of comprehensive new customer accreditation. Unexpected delay in the accreditation process has been due to YNA (Yowie North America) not having trading and operations history in the US. All required steps are now being finalised. The company expects to be able to make further announcements in the coming weeks as additional purchase orders are received.

Purchase orders have been received from the following groups.

Valero

- Valero (CST Brands) is an oil and convenience chain based out of San Antonio with a <u>substantial 1,100 store</u> <u>distribution</u> network nationally increasing to 1,900 stores including Canada. This compares to Coles 741 stores including BiLo and Woolworths 872 stores in Australia.
- Yowie will initially roll-out in 235 stores across Texas, Colorado and Southern California, commencing in August.
- Yowie product will be marketed via a 48-count Yowie display unit located in the high foot traffic pathway leading to the cash register.
- The Company anticipates <u>a successful launch would result in a national roll-out</u> encompassing the majority, if not all, of the 1,100 convenience stores across the US.

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Dylans Candy Bar

- Dylans Candy Bar is a chain of boutique candy shops and candy supplier currently located in New York City,
 Los Angeles and Miami Beach, as well as in wholesale venues around the globe.
- Yowie will feature as a new line launch promotion for Dylans Candy Labor Day weekend celebrations which include a candy prize wheel, sampling and video promotion.

St Louis Zoo

- The first entertainment and leisure venue account to range Yowie in the US is the St Louis Zoo which will include Yowie involvement in the upcoming Kids City event at the Zoo.
- Securing the St Louis Zoo account opens up significant opportunities with other entertainment and leisure companies along with charity and conservation groups.

Lolli & Pops

- Lolli & Pops, a specialist candy retail group with 18 stores nationally, have placed a second order (due to stock selling strongly).
- Yowie registered in the top 20 value sales in the first week of sale.

Sweetie Candy

- An order has been received from Sweetie Candy, a small distributor based out of Cleveland.

Summerwinds Resort

- The first tourism and travel industry account is the Summerwinds Resort in Branson, Missouri.
- The Yowie product has sold strongly with week-on-week sales increasing.
- Summerwinds have a total 39 resorts (24 located within US, 9 Hawaii and 6 Mexico)

The Yowie product has a presence in **20%** of US States.

The US remains the lead priority market for Yowie Group and the company remains focused on ensuring the delivery of the 2014 ambition targets in the US market.

Yours sincerely

Wayne Loxton Executive Chairman Yowie Group Ltd

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PHOTO: Yowie launch in premium specialist candy store Candyopolis.

About Yowie

Yowie Group Ltd is a global brand licensing company specializing in the development of consumer products designed to promote learning, understanding and engagement with the natural world through the adventures and exploits of six endearing Yowie characters. Educating children and adults about the environment and ecology is at the heart of the Yowie proposition.

Yowie Group employs its company-owned intellectual property rights in the outsourcing of the manufacturing and distribution of the Yowie chocolate confectionery product and in the development of a Yowie digital platform and Yowie branded licensed consumer products. The Company's vision for the Yowie brand includes distribution of Yowie product in North America, with further expansion planned into Australia, New Zealand and throughout Asia, where the Yowie brand is known and brand equity remains strong, even with the brand not having been active in the market for around eight years. Expansion into Europe and the Middle East are key strategic priorities for a second-stage brand rollout.

Yowie Group Ltd was first listed on the Australian Securities Exchange www.asx.com.au in December 2012 under code name 'YOW'. The Company's registered head office is in Perth, Western Australia.

For more information on the company go to <u>www.yowiegroup.com</u> The Yowie consumer website can be found at <u>www.yowieworld.com</u>

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