

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

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Cardia Bioplastics wins waste management supply contract into Nanjing, China

- Nanjing Jianye District selects Cardia Bioplastics as preferred supplier of waste management products, awards first quarter orders of A\$250,000 with a forecast of A\$1 million annual supply requirement.
- Contract represents 5% of Nanjing City households with potential to expand rollout
- Significant opportunity to secure additional City Councils in China
- Continues momentum of growth for Cardia's China business with focus on organic waste management products

Cardia Bioplastics Limited is pleased to announce that it has been selected as preferred supplier of waste management products by the Nanjing Jianye District. Cardia received the first quarter order of A\$250,000 for the supply of Cardia waste management bins and Cardia Biohybrid™ kitchen waste bags to the individual households of this region with a forecast of A\$1 million annual supply requirement. Cardia Biohybrid™ kitchen waste bags are made with Cardia's proprietary Biohybrid™ technology that uses less oil, is cost competitive and delivers a lower carbon footprint compared to conventional plastics.

The contract win follows the successful one-year trial of Cardia products in Nanjing's various city districts. Nanjing Jianye District is the first city district to have moved forward with full commercial roll out of their organic waste diversion programme using Cardia products. Nanjing's other district councils are at various stages of their trial programmes, with several councils expected to progress to full-scale implementation. With a population of over 6 million, Nanjing is actively moving towards organic waste diversion.

Dr. Frank Glatz, Managing Director of Cardia Bioplastics said: "This marks an important milestone for Cardia Bioplastics waste management products business in China and builds on the existing A\$1.2 million annual supply contract with Shanghai Pudong. The success of winning these contracts is a result of our superior product technology, validation of product performance and effective supply capability by our manufacturing plant in Nanjing, China. Based on the trial programmes that are already in progress in other districts in China we are confident in our corporate strategy of securing additional long-term contracts."

Mr. Jacky Chen, Cardia Bioplastics Global Director of Sales and Head of China Operations stated: "We are delighted with this outcome and will continue to develop and maintain strong Government relationships to work with China City Councils towards managing household waste sustainability and reducing their environmental footprint."

Cardia also has a certified compostable product offering in its organic waste management business, which is delivering sales in Australia, New Zealand, Malaysia, Canada, USA, Brazil and the UK.

The Nanjing waste management contract continues to build on Cardia's growth, with recent announcements made regarding supply contract wins with Brazilian Ricoy supermarkets and Cardia's Bag and Film production expansion.



Cardia Biohybrid™ kitchen waste bags in use, enabling organic waste diversion in Nanjing Jianye District in China

About Nanjing Jianye District

Nanjing is the capital of Jiangsu province in eastern China. With a population of over 6 million, Nanjing is the second-largest commercial centre in the East China region. Nanjing Jianye is one of 13 districts of Nanjing City. Jianye is characterized by its long history, its green environment and its commercial leadership position. It is currently being developed into a modern district with a wide range of high technology industries. Nanjing city will host the 2014 Summer Youth Olympics with its Olympic Sports Centre located and key activities taking place in Jianye District.

About Cardia Bioplastics

Cardia Bioplastics Limited (ASX CODE: CNN) develops, manufactures and markets its patented renewable resource-based materials and finished products derived from Cardia's proprietary technology for the global packaging and plastic products industries. The company holds a strong patent portfolio and its growth is fuelled by the global trend towards sustainable packaging. Established in Australia in 2002 as Biograde, the company Headquarters and Global Applications Development Centre is in Melbourne, Australia. The Product Development Centre and manufacturing plant for resins and finished goods is in Nanjing, China. There are Cardia Bioplastics offices in Australia, China, USA, Brazil and Malaysia, and a network of leading distributors across the Americas, Asia and Europe. Visit www.cardiabioplastics.com

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