



Clover Corporation Limited

ABN 85 003 622 866

ASX ANNOUNCEMENT

31 July 2024

Clover Corporation announces Omega 3 sourcing integration with new facilities in Ecuador.

Melbourne, Australia – July 31, 2024

Clover, a developer of high value added nutritional solutions to improve human health with many of its products containing Fish oil to deliver Omega 3 solutions, is pleased to announce the establishment of its new division in Ecuador. This strategic initiative aims to secure a critical supply chain input for Clover's products and enhance its position in the industry.

Key Highlights:

1. **Ecuador Facility:** The state-of-the-art facility in Ecuador has been under construction for the past twelve months and recently commenced production. Situated in a major fishing port, it is uniquely positioned to source and extract fish oil efficiently.
2. **Supply Chain Integration:** Clover's decision to vertically integrate into the supply chain is driven by supply chain challenges during the pandemic, evolving global events, heightened government regulations, and intensified market competition. By establishing its own extraction capabilities, Clover ensures a reliable supply of high-quality fish oil.
3. **Omega-3 Benefits:** Fish oils, rich in omega-3 fatty acids, play a crucial role in human health. Specifically, docosahexaenoic acid (DHA) and eicosapentaenoic acid (EPA) support brain development, heart health, and immune function.
4. **Cell Membrane Support:** Omega-3s are integral to cell membranes, facilitating intercellular communication. DHA, concentrated in the retina, aids vision and prevents age-related macular degeneration. Growing awareness of these applications provides Clover with new market applications.
5. **Microencapsulation Expertise:** Clover currently refines and microencapsulates fish oils in its Australian and New Zealand facilities. These oils are used to fortify infant formula, pharmaceuticals, nutraceuticals, and food products.
6. **Sustainable Sourcing:** At the Ecuadorian facility, oil is extracted from fish heads—often discarded by canning operations. The extracted oil from these heads undergoes refining and microencapsulation, while the by-product, fish meal, is sold as high-value stock feed. Ecuador falls within the jurisdiction of the Inter-American Tropical Tuna Commission (IATTC), the regional fisheries management organization responsible for tuna conservation and management. The IATTC oversees the highly

regulated fishing zone from which Ecuador sources its catch, ensuring compliance with EU standards and dolphin-free practices.

7. **Strategic Impact:** Clover expects the Ecuador facility to meet up to 50% of its current oil requirements, providing cost savings and an expected timely return on capital.

Clover remains committed to flexibility, quality, and sustainability as it strengthens its position in the global fish oil market. Investors and stakeholders can anticipate positive impacts on Clover's bottom line as the Ecuador facility contributes to its growth trajectory.

For further information, please contact:

Mr Rupert Harrington – Chairman, Clover Corporation +61 3 8347 5000

Mr Peter Davey – MD & CEO, Clover Corporation +61 3 8347 5000

About Clover Corporation Limited

Clover Corporation is an Australian company listed on the Australian Stock Exchange (ASX:CLV). Clover evolved from being a research and development, manufacturing, and marketing company to one concentrating on forming strategic relationships focused on technology, new product development and commercialisation.

Clover's superior microencapsulation technology enables nutritional oils, such as tuna, fish, algal and fungal oils, to be added to infant formula, foods and beverages. Developed through extensive research and development, our proprietary technologies protect those sensitive oils from oxidation, allowing them to be incorporated into a range of applications. All Clover products reach the highest standards of purity, stability, and performance, allowing customers to maximise and deliver nutrition.

For more information about Clover visit www.clovercorp.com.au