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For Public Release

ASX Listing Update: Fiji Kava Ltd

The Directors and Manager of Kinetic Growth Fund Ltd (“KGF” or “the Fund”) are delighted to announce that Investee Company, Fiji Kava Ltd (“FKL” or “The Company”), has launched an Initial Public Offering in Australia and scheduled its intended Australian Stock Exchange (ASX) listing for later this month.

Confirmation of the listing date and release of the Prospectus to the Australian market is expected shortly. Please note that the listing of FKL will occur on the ASX and not on the South Pacific Stock Exchange.

KGF owns 518,750 ordinary shares in FKL which it purchased for a total A\$65,000. KGF is further committed to invest A\$175,000 as part of the Company’s Initial Public Offering.

Attached with this announcement is the Pre-Listing article by Media & Capital Partners who manage FKL’s media relations.

Yours sincerely,

Erik Larson
Director

Griffon Emose
Company Secretary

Fiji Kava to become the first kava listing on any global stock exchange

The therapeutic goods company is set to list on the ASX in October 2018



Zane Yoshida, Founder & CEO, and Dr. Andrew Kelly, Chairman

02 October 2018, SYDNEY - Investors will get the chance to buy into the first listed kava company in the world with Fiji Kava announcing its intention to conduct an AUD \$13.7 million IPO.

Currently a public unlisted company, **Fiji Kava Ltd** intends to raise AUD \$5.2m from investors at 20 cents per share before listing on the ASX with an indicative market capitalisation of \$13.7 million.

As the only foreign company to be granted Fiji Government approval to operate in the kava industry, the business is looking to carve out a share of the USD\$15B benzodiazepine market. This includes treatments like Valium and Xanax, the use of which has reached epidemic proportions around the world, as people look for effective ways to de-stress, sleep, and relax.

In Australia, the number of stressed Aussies has increased by a third over the last decade (3.7 million 2007-8 to 4.9 million in 2016-17¹). Sleep deprivation has been identified as a key contributor to stress and anxiety, leading people to self medicate with addictive over-the-counter drugs.

Medicinal kava offers a plant based alternative for stress and anxiety treatment. Made from the ground roots of the plant *Piper methysticum*, kava is a crop native to the South Pacific and traditionally consumed by Pacific Islanders for its relaxing effects.

¹ Research by health fund Medibank for 2016/17

More recently, the medicinal benefits of kava and its active ingredient, kavalactones, have been recognised as a natural alternative to treat anxiety, insomnia, stress and muscle tension by PHAMA². Kava could offer an alternative natural therapy to that of medical marijuana.

Backed by independent research, the products use extracts from specifically selected and cultivated kava varieties containing specific chemotype and kavalactone profiles (the active ingredients in kava), specifically cultivated for their ability to provide relief for anxiety, stress, insomnia and muscle tension.

The company is well positioned to capitalise on this new, burgeoning market, given it already offers a proprietary range of competitively priced, high quality medical kava products under the brand [Taki Mai](#) in Fiji via a network of retail distributors. The products are tracked and traced from farm to shelf. Fiji Kava is AUSTL approved in Australia, categorising it as a complementary medicine.

The kava market is growing with global legislative changes supporting market growth and providing standardisation and regulation in the medical kava industry. There is a Codex Alimentarius for the national standards for kava, plus a Kava Bill setting out regulations for the industry, which is due to be passed in 2018³.

The consumer demand is there, a range of TGA and FDA compliant medical kava products are already in-market and generating sales⁴.

Zane Yoshida, Founder and CEO of Fiji Kava, commented:

“We want to bring the relaxing benefits of kava to the world. I’ve benefited from growing up with kava and I’m now in a position where we can farm and regulate our kava production to produce products for the global market.

“We are taking this a step further with the proprietary profiling of specific kava cultivars with specific chemotype and kavalactone profiles to target anxiety, stress, insomnia, and muscle relaxation. We want to provide a natural remedy to people that are increasingly stressed and exhausted. We truly believe this is the answer.”

Andrew Kelly, Chairman of Fiji Kava, added:

“I’ve followed the company for many years and really believe in this product and its medicinal benefits. Fiji Kava is producing research backed products, with further independent clinical trials with The National Institute of Complementary Medicine (NICM) taking place to target medical conditions such as anxiety, insomnia, muscle recovery and heart disease.”

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² Kava Quality Manual: http://phama.com.au/wp-content/uploads/2017/07/Kava-Quality-Manual_E-copy2.pdf

³ PHAMA - Fiji kava value chain analysis - <http://phama.com.au/wp-content/uploads/2018/06/Fiji-Kava-Value-Chain-Analysis-Report-FINAL.pdf>

⁴ Kava products with TGA approval. These are therapeutic goods that can be lawfully supplied in Australia. <https://tga-search.clients.funnelback.com/s/search.html?query=kava&collection=tga-artg>

About Fiji Kava

Fiji Kava is a medicinal kava company which offers a plant based alternative for the treatment of anxiety, insomnia, stress and muscle tension. Kava is made from the ground roots of the plant Piper methysticum, which is a crop native to the South Pacific and traditionally consumed by Pacific Islanders for its relaxing effects.

Fiji Kava currently produces a range of high quality medical kava products under the brand [Taki Mai](#) in Fiji. The company is dedicated to providing products that are tracked and traced from farm to shelf. Fiji Kava is developing proprietary profiling of specific kava cultivars with specific chemotype and kavalactone profiles to target anxiety, stress, insomnia, and muscle relaxation.

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