



MEDIA RELEASE

October 30 2012

Qponics secures major milestone for its algal omega-3 oil

Brisbane-based Qponics Limited (ASX:QPO) today announced that it has secured a route to market for its Australian made organic and vegetarian omega-3 oils through Melbourne-based Nutrition Care Pharmaceuticals (NCP).

The signing of a Memorandum of Understanding (MOU) between the two companies will see Qponics' DHA and EPA omega-3 oils supplied for use in a range of capsules and microencapsulated formats and marketed and distributed through NCP's established Australian and international networks.

Qponics CEO and Managing Director Dr Graeme Barnett said he is delighted to partner with NCP and to work with their CEO and Managing Director Professor Ian Brighthope and his team.

"This agreement achieves a major milestone for Qponics as NCP is a respected Australian company that has the capability of packaging algal omega-3 oil that can be either compressed into a tablet format or sold as a supplement or food ingredient," Dr Barnett said.

"They are experts in the fields of complementary and nutrition medicine and in the development, manufacture and distribution of alternative medications known as nutraceuticals.

"This agreement finalises a major part of our business plan and takes us one step closer to the manufacture and distribution of a unique Australian product.

"Our long-term view is for Qponics to become a preferred supplier of algal omega-3 oil to NCP through its world-class TGA licensed manufacturing facility."

NCP manufactures nutraceutical products under its own label 'Nutrition Care[®]' and markets them to medical and nutritional practitioners, and also contract manufactures products for sale throughout Australia and overseas.

Professor Brighthope said Qponics is preparing to produce algal omega-3 oil that will be organic, vegetarian and Australian-made.

"These are three significant competitive advantages and NCP is pleased to partner with Qponics to secure future supply of this valuable and health-giving commodity," Professor Brighthope said.

"We look forward to working with Qponics to commercialise algal omega-3 oil in a variety of new formulations for use as therapeutic products, dietary supplements and functional foods, and to guide these products through the required regulatory processes."

The MOU also provides for Qponics and NCP to form a long-term strategic partnership for the collaborative development of new products derived from algae.

NCP will develop formulations, and their specifications and scale up production of therapeutic products containing Qponics omega-3 oil.

EPA and DHA omega-3s are essential fatty acids that can only be sourced from our diet or through supplements which means that people who don't regularly eat fish or other marine animals, or take oil supplements derived from fish, other marine animals or algae, are deficient in EPA and DHA omega-3s.

Omega-3 deficiency is associated with a number of diseases, most notably relating to heart and brain health, but is increasingly linked with a wide range of other illnesses.

For more information visit www.qponics.com and www.assob.com.au/QPO

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About Qponics (ASSOB:QPO)

Qponics Limited was founded as a public unlisted company in 2011 and is located at the Brisbane Technology Park, Brisbane, Australia. In April 2011, Qponics was admitted onto the Australian Small Scale Offerings Board (ASSOB). The Company's business philosophy is centred on the sustainable production from algae of high quality organic, vegetarian EPA/DHA omega-3 oils, on locations in close proximity to markets and distribution channels. Qponics is developing the world's first aquaponic system for the large-scale production of algae and their extracted oils through the integration of algal photo-bioreactors into an ecologically balanced aquaculture-horticulture system.

Qponics has partnered with an Australian company that has developed a unique aquaculture-horticulture system for the large-scale commercial production of fish and vegetables, to access nutrient-rich aquaculture effluent to fertilise the growth of algae.

In 2011 Qponics announced that it has signed contracts with UniQuest Pty Ltd, the commercial arm of the University of Queensland (UQ), to access the extensive library of Algae collected from Queensland waterways, and to improve the yields of EPA and DHA omega-3 fatty acids using methods developed by Associate Professor Peer Schenk at UQ. Earlier this year Qponics announced that it has reached agreement with UniQuest on the terms for licensing algae for the commercial production of omega-3 fatty acids and biomass.

About Nutrition Care Pharmaceuticals

Nutrition Care Pharmaceuticals Pty Ltd (NCP) is a Melbourne-based Australian owned and operated company that specializes in the fields of nutritional and herbal medicine. NCP manufactures the highest quality supplements here in Australia, and distributes within Australia, and to many parts of the world, including South East Asia and China. The company is committed to providing drug-free, inexpensive, safe and effective health care products to people all over the world. It strives to promote health research and education, disease prevention, and truthful information about medical alternatives. In particular NCP seeks to empower its customers, health professionals, associates and consumers with the power of nutritional and herbal medicines.

NCP is committed to providing safe and effective health care products to people by (a) honouring the knowledge of healthcare professionals from different disciplines and developing innovative and leading edge products which have proven results, (b) creating Natural Medicine Products that can be trusted through ensuring that all claims made for products manufactured by Nutrition Care are backed by peer reviewed scientific and traditional evidence, and (c) striving for best practice by facilitating the sharing and updating of international knowledge through an active program involving world experts and international research partners.

NCP offers high quality, competitive contract manufacturing services and is fully licensed by the TGA. The company has the unique capability to offer both small and large batch quantities in a wide range of nutritional products.

About Professor Ian Brighthope

Professor Ian Brighthope, CEO and President of Nutrition Care Pharmaceuticals holds degrees in Agricultural Science and Medicine. The Brighthope Clinic and Biocentre was the first Integrative Medicine Clinic in Australia in which modalities such as herbal medicine, acupuncture, chiropractic, intravenous nutritional therapies and others were integrated with mainstream and hospital medicine in the 1970's. Professor Brighthope pioneered the first post-graduate medical course in nutrition in Australia (Australasian) and remained on the faculty of ACNEM (Australasian College of Nutritional and Environmental Medicine), as one of its principle lecturers from 1980 until 2007. In August 2007 he was awarded the Inaugural ACNEM award in recognition of more than 25 years of outstanding service in the field of Nutritional and Environmental Medicine including 25 years as founding President of the College. He initiated the ACNEM fellowship program and examinations and plays a pivotal role

in maintaining, as an official ambassador, ACNEM as the peak body in Nutritional and Environmental Medicine in Australia and Asia. In addition, Professor Brighthope also consults for the manufacturing industry in nutrition and micronutrient supplementation and supervises and consults for various health resorts and specialist clinics, preventive medicine programs and sporting concerns. The research programs have included the study of Vitamin E in Cancer, the Risk Factors in Breast Cancer, the attitudes of Medical Practitioners to Complementary Therapies, the Antioxidant Activity of Polyphenols in Grapeseeds, Post-Antibiotic use of Probiotics and the use of SAME in fibromyalgia and Depression. The most recent double-blind placebo controlled study proved the effectiveness of a specially prepared extract of Tumeric in the fast-acting relief of osteoarthritis. Research into the benefits of probiotics, trace elements, essential fatty acids and nutrient delivery systems continues as a result of Professor Brighthope's interests in these areas. Professor Brighthope has acted as an advocate of doctors practicing Complementary Medicine for over 25 years.

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