



**November 11, 2012:**

**Qponics Limited partners with Nutrition Care Pharmaceuticals Pty Ltd.**

Brisbane-based Qponics Limited has signed a memorandum of understanding with Melbourne-based Nutrition Care Pharmaceuticals Pty Ltd (NCP).

"This secures a route to market for Qponics' Australian-made organic and vegetarian omega-3 oils," said **Dr Graeme Barnett**, the company's CEO and Managing Director.

"Qponics' DHA and EPA omega-3 oils will be supplied to Nutrition Care Pharmaceuticals to make a range of

capsules and micro-encapsulated formats. These will be marketed and distributed through NCP's established Australian and international networks, Dr Barnett said.

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

"NCP is a company with expertise in complementary and nutritional medicine, and in the development, manufacture and distribution of alternative medications known as nutraceuticals.

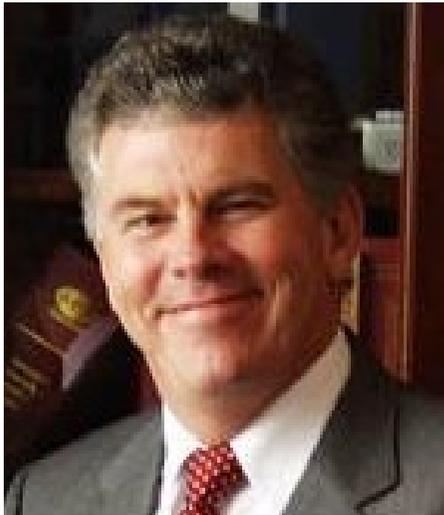


***Dr Graeme Barnett.***

"The agreement with NCP finalises a major part of our business plan, and takes us a step closer to the making and distribution of a unique Australian food supplement product.

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

NCP makes nutraceutical and complementary medicine products under its "Nutrition Care" label, and markets them to medical and nutritional practitioners. NCP also contract-manufactures products for sale in Australia and overseas.



**Professor Ian Brighthope**

“Qponics is preparing to produce algal omega-3 oil that will be **organic, vegetarian and Australian made,**” said **Professor Ian Brighthope**, CEO and Managing Director of Nutrition Care Pharmaceuticals Pty Ltd.

“These are three significant competitive advantages, and NCP is pleased to partner with Qponics Limited to secure future supply of this valuable and health-giving commodity,” he 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 regulatory processes,” he said. The agreement between Qponics and NCP provides for the formation of a long-term strategic partnership for the collaborative development of new products from algae. “NCP will develop formulations and their specifications and will scale up production of therapeutic products containing Qponics’ omega-3 oils from algae,” Professor Brighthope said.

## **US Defense Dept studies omega-3 ability to reduce suicides**

**October 26, 2012:** The United States Defense Department is funding a new study to determine if something as simple as a drink with high concentrations of omega-3 fatty acids can help to reduce suicides among veterans.

Starting in January, 2013 the study will assess omega-3 fatty acids on 350 volunteer participants who have attempted suicide or are considered to be at risk of doing so, said **Professor Bernadette Marriott**, of the Medical University of South Carolina, who is the study’s principal investigator.

The university is collaborating in the clinical trial with researchers from the

Ralph H. Johnson VA Medical Center in Charleston, S.C., and the National Institute on Alcohol Abuse and Alcoholism, part of the National Institutes of Health. Partnering Professor Marriott will be **Professor Ronald Acierno** of the Department of Psychiatry at the Medical University of South Carolina. Professor Acierno, is director of the post-traumatic stress disorder clinic at Charleston, Virginia. The US Military Operational Medicine Joint Program Committee is funding the study, and the US Army Medical Research and Materiel Command’s Congressional Directed Medical Research Programs Office manages it. “Test subjects, to be recruited over the next three years from the Charleston center and the local veteran population, will drink two child-size juice boxes of commercially available, smoothie-type drinks each day for six months,” Professor Marriott said..

“Half the veterans will receive about 4 grams of omega-3 fatty acids in their drinks each day, said **Dr Joseph Hibbeln**, acting chief of NIAA’s nutritional neurosciences section. This, he said, should elevate the concentration of Omega 3s in the experimental group’s blood to levels commonly found among populations of fish-eating countries such as Japan and Iceland.



**Professor Bernadette Marriott**

The other half of the test subjects, the control group, will receive placebos.

Both groups would continue to receive the same mental health care services as before the study.

"Meanwhile, researchers would evaluate them as they begin the study and periodically over its course to assess their depression and anxiety levels and performance on cognitive tests," Professor Marriott said. They also would take blood samples to measure omega-3 levels.

"The investigators will have no idea until after the study which test subjects received omega-3 doses and which were in the control," she said. Based on previous studies in both animals and humans, Professor

Marriott said she expected to see much higher omega-3 levels in the experimental group, with corresponding improvements in their mood and performance levels. Dr Hibbeln has been a pioneer in linking omega-3 deficiencies with depression and violent or impulsive disorders. For the past 20 years he has advanced the theory that the brain, made up of fats and oils, depends on omega-3 nutrients to operate properly. He uses the analogy of a tree that grows deep roots, a sturdy trunk and abundance of leaves only if it's properly fertilized and gets the nutrients it needs.

The problem, he explained, is that the human body gets omega-3s only through food and nutritional supplements. A typical American diet is extremely low in omega-3 fatty acids -- with military populations consuming even fewer.

"Exacerbating the problem," Dr Hibbeln said, "is that their diets tended to be high in omega-6s, the oils commonly found in French fries, chips and other processed foods.

Within red blood cells, Omega 6s were like "insurgents" crowding out the few good-guy Omega 3s, he explained. That double-whammy, he said, put people at increased risk of suicide and other emotional distress.

Assessing the blood of 800 active-duty military members who committed suicide between 2002 and 2008, Dr Hibbeln said all had "profoundly low levels of omega-3 fatty acids, by evolutionary and world standards."

The suicide victims had particularly low levels of docosahexaenoic acid or DHA, an omega-3 fatty acid concentrated in the brain. The levels were so low that, based on other studies, it could have elevated the service members' risk of suicide by 75 percent, Dr Hibbeln said.

But equally troubling was that the control group in that study, which consisted of 800 active-duty service members, had similarly low levels of omega-3s in their blood.

Dr Hibbeln recalled another era in military history when a nutritional deficiency caused an operational challenge.

Only when the British navy began feeding lemons and limes -- a great source of Vitamin C -- to its sailors did they stop suffering from debilitating cases of scurvy.

Recognizing the potential benefits of omega-3s, the Army Natick Soldier Systems Center in Massachusetts, had already begun infusing them into combat rations.

Professor Marriott said she saw the new study as a way to give new hope

to military members and veterans struggling with depression and suicidal tendencies.

## **Dietary changes will greatly help older people.**

Many elderly Australians are currently suffering from unintended malnutrition that adversely affects their lives.

This was a strong point at a symposium in Melbourne on October 24, 2012, where more than 80 of Australia's senior medical and nutritional experts moved closer to advocating a much better diet for older Australians.

The symposium was attended by Qponics' Media and Communications Consultant, **Geoff Wilson.**



**Geoff Wilson.**

The symposium was organised by two leading Australian groups -- the **Omega-3 Centre**, and the local branch of the **International Life Sciences Institute (ILSI).**

Some of Geoff's observations from the presentations at the symposium were:

- Recent research has strengthened the case for use of medicinal doses of omega-3 oils in the management of rheumatoid arthritis.
- Coronary heart disease patients should have at least one gram a day of EPA /DHA omega-3 oils – rising to 4 gm/day to reduce blood triglyceride levels.
- Dementia is now the second leading cause of disease in the over-65 age group, and is the leading cause of elderly disability.
- Evidence mounts that the onset and progression of dementia can be slowed with EPA and DHA dietary supplements.

## **Qponics has changed its address**

During October, 2012 Qponics changed its physical address to 88 Brandl Street, Brisbane Technology Park, Eight Mile Plains. The new address is literally

across the road from the Company's previous address.

Qponics could expand office space as needs grew.

**Graham Willett**, Director of the Start Innovations Centre, from where Qponics previously operated, said:

"I am pleased to see Qponics has moved its registered office into the corporate building across the road. This is an important milestone in the development of Qponics."

Mr Willett is Chairman of the Qponics Advisory Board, and the Start Innovation Centre and is a founding shareholder in the Company.

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