



ASX Release

TPI Enterprises signs significant UK Codeine Phosphate supply agreement.

Melbourne, Australia, 30 June 2017

TPI Enterprises Ltd (ASX: TPE) is pleased to announce it has signed its first contract in the United Kingdom to manufacture and sell Codeine Phosphate to a leading established distributor of opioid pharmaceuticals.

The UK is the largest closed market for Codeine Phosphate in the world with 60 tonnes of Codeine Phosphate (wholesale value of circa AUD 40 million) consumed annually. UK government regulations governing the supply of Codeine Phosphate limit the market to material produced in the UK.

Under this five-year agreement, TPI Enterprises will supply the equivalent of just under 10% of the UK market annual demand for Codeine Phosphate; a market which has to date had few alternative supply options. TPI Enterprises will provide Narcotic Raw Material from its Australian operations and Sterling Pharma will manufacture Codeine Phosphate under a tolling arrangement entered into and announced to the market earlier this year.

The contract is fixed in price and volume and is subject to receipt of a Certificate of Suitability (CEP) from the European Directorate for the Quality of Medicines and Health Care (EDQM), as required by European Union legislation. The application process for the CEP will commence immediately and certification is expected to be received by Q4 Calendar 2018. Receipt of the CEP will facilitate entering into further contracts in Europe as well as other geographic markets that accept European certification.

TPI Enterprises CEO, Jarrod Ritchie, said: "This contract provides TPI Enterprises with the prospect of NRM volume growth and strong downstream value-added product margins. It represents a significant step in the development of the company as a leader in the global opioid pharmaceuticals sector. By supplying Active Pharmaceutical Ingredients (API), such as Codeine Phosphate, in addition to its core Narcotic Raw Material, TPI Enterprises is able to leverage its manufacturing cost advantage to open up new markets for its NRM production as the potential target customer base for Opioid API is nearly five times as large as that for NRM alone.

TPI Enterprises has the stated goal of growing its output to 100 tonnes per year of Narcotic Raw Material by 2019 and the move up the supply chain into the production of APIs, such as Codeine Phosphate, will allow us to increase production volumes while increasing profitability."

Further information:

Investors

Jarrod Ritchie
Managing Director
TPI Enterprises Ltd
+613 9301 0800

Media

David Paterson, Michael Cave

Hintons
+613 9600 1979 ; +61 409 517 399



About TPI Enterprises Limited

TPI Enterprises Limited (ASX:TPE) is one of three licensed poppy processors in Australia, and the only Australian-owned company. It is one of eight processors worldwide producing Narcotic Raw Material for the international pharmaceutical industry. TPI Enterprises has developed an innovative, efficient and environmentally-sustainable extraction and purification manufacturing process which allows the company to deliver a highly competitive pricing platform. The company's strategy is to secure access to regulated downstream narcotics markets to leverage its reliable, cost-competitive upstream raw material capability.