



Freedom Nutritional Products Limited

FREEDOM NUTRITIONAL PRODUCTS LIMITED Chairman's Address to Shareholders 25 October 2007

Freedom Nutritional Products reported a profit before tax of \$1,789,000 which represented a 12% improvement on last years result. Geoff Babidge our CEO and Managing Director shall provide comment on operations for the 2007 year in his following presentation.

This good financial performance has continued for the first months of trading for the 2008 financial year.

FNP paid a 1 cent fully franked dividend during the year. The Board has declared a 1 cent fully franked interim dividend to be paid on 18 December to shareholders on the Register of Members on 3 December 2007.

To summarise the year since our last Annual General Meeting:-

November 2006 saw:

- Deloitte Touche Tohmatsu ("Deloitte") was appointed auditors of FNP for the 2007 financial year and beyond. Deloitte is one of the world's foremost international accounting and advisory firms,
- The approval of a long term Employee Share Option Plan to assist in the retention of key employees,
- The issue of options to key executive to align their interests with those of shareholders, and
- The appointment of Mr Mel Miles as a non-executive director of FNP. Mel joins the board with extensive domestic and international senior management experience in a number of major Australian public and private companies.

February 2007 saw:

- The change of the company name to "Freedom Nutritional Products Limited" to more appropriately reflect the Company's vision to broaden its activities focused on special nutrition, and

- The sale of the land and buildings at 80 Box Road, Taren Point to its beverage manufacturing joint venture Contract Beverage Packers of Australia Pty Limited for \$3.5m. This sale allowed FNP to pay down debt, provide additional working capital for new potential business acquisitions.

April 2007 saw the issue of options to additional key executive to align their interests with those of shareholders.

May 2007 saw the acquisition of the biscuit manufacturing assets previously operated by Cookie Man Pty Limited at Hornsby. Following the acquisition our existing Cheltenham biscuit manufacturing operations were consolidated into the Hornsby site.

June 2007 saw the formation with A2 Corporation Limited of New Zealand, a joint venture company A2 Dairy Products Australia Pty Ltd. which has been granted the exclusive rights for the production and sale of a2 milk™ products in Australia and Japan.

Today we announce:

- That Mr Stephen Higgs has decided to step down as a director of FNP. We thank Stephen for his contribution over the years,
- The formation of our new International Advisory Board (“IAB”) to provide input to the Board of Directors on key strategic issues. Mr Stephen Higgs has accepted my invitation to join the IAB. In addition Mr Chris Lischewski, President/CEO of Connors Bros has also agreed to join the IAB. Connors Bros. is the largest branded seafood company in North America and our procurement partner for our canned seafood brands “Paramount” and “Brunswick”, and
- That an agreement has been reached to acquire the business of Norganic Foods. This is a leading brand in health foods and consolidates Freedom Foods as the leading supplier to the health food category in grocery.

During the year our largest shareholder Arrovest has been supportive of Management and the Board and is assisting in planning our next phase of growth.

I would like to congratulate Geoff Babidge and his team on the successes of 2007 as we look forward to building on this in 2008,



Perry Gunner
Chairman - 25 October 2007