



ASX RELEASE

14 March 2016

MEMORANDUM OF UNDERSTANDING

Cannindah Resources Limited enters into Memorandum of Understanding with Little Treasure Infant Formula

Cannindah Resources Limited has executed a Memorandum of Understanding (**MoU**) with Snap Powder Pty Ltd and Little Treasure Investments Pty Ltd (LTI). LTI as part of a 50/50 joint venture with Camperdown dairy is the licensed distributor of products from Little Treasure Australia Pty Ltd (LTA) the owner of the Little Treasure infant formula brand. LTI currently holds a 50% interest in LTA.

The MoU provides for a period of exclusivity to Cannindah Resources Limited of 60 days (**Exclusivity Period**) to conduct due diligence investigations into both companies and the joint venture between LTI and Camperdown Dairy. LTI is currently exporting products to China through a licensing arrangement and this arrangement will be the initial focus of Cannindah's due diligence enquiries. The MoU does not form the basis of a binding agreement and therefore there is no certainty that a deal will be entered into or completed. Cannindah anticipates formalising transaction documentation, subject to it being satisfied with its due diligence investigations, within the Exclusivity Period.

Cannindah will provide an update regarding the contemplated transaction as due diligence progresses.

Cannindah Resources Limited stated its intention to pursue a diversification plan at the November 2015 Annual General Meeting. The company is pleased that these plans are progressing and will keep the market informed of the progress.

For further information, please contact:

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