

***Natural Harmony Foods*** Update. September 11, 2008

**Retail Progress:** **Target.** Target sales continue to improve, but not at the pace we would like, therefore we will be reducing our price to Target in order to achieve an everyday retail price of \$3.49. We will also replace the Southwest Breakfast Pouch with a Natural Canadian style Turkey Bacon Muffin. This product will also help reach the portion of the market that doesn't eat pork products. These are the only changes we anticipate at Target over the next 6 months. We encourage all shareholders to go to Super Targets in your area, buy the products and help spread the word to friends and family.

**Tree of Life:** Unfortunately the Midwest Show was poorly attended. However, according to Desi, this created an opportunity for him to spend valuable time with Tree's upper management.

**Kehe:** We concluded very productive meetings with the National Category Director of Frozen Foods for Kehe Food Distributors. The new breakfast lineup of SoLean grab-n-go products will be stocked in all Kehe Natural Foods warehouses. The SoLean® brand breakfast products consist of the All-American Stuffed Sandwich, Southwestern Stuffed Sandwich, the Sausage, Egg & Cheese Breakfast Muffin and the newly developed Natural Canadian style Turkey Bacon Muffin. Additionally Natural Harmony previewed the new 200 Calorie Lunch/Snack and the Gluten-Free line scheduled to launch in October.

**Upcoming Shows.** We are very busy getting 7 new items ready to present at Expo East and at the American Dietitian Show in only 5 weeks. Bringing these new products to market entails carton photography, finalizing design and printing, as well as working out all parts of the supply chain. We plan to present all of our new products at the following upcoming shows and commence shipments in January.

Tree of Life 1 on 1 September 25-26 – Arlington, TX  
Natural Products Expo East - October 15-18 - Boston  
Amer. Dietitians Show - October 26-28 - Chicago  
Tree of Life Northeast - November 15-16 - NJ  
SoHo Show - December 6-7 – Orlando

**Stock Sales.** In the June update we outlined our plans to sell discounted blocks of restricted shares directly to accredited investors. The goal of our restricted share sales was to raise \$200-300,000 to properly execute our growth plans and become a fully reporting company without selling free trading shares to those dealers who are only interested in the short term. As part of this effort we have sought to avoid issuing any more shares beyond the present 240 million authorized. We've had three sales for \$35,000. We must raise a minimum of \$70,000 over the next 30 days if we are to properly roll-out our seven new product lines at these key upcoming shows and be ready to ship our 10 skus by January.

We currently have 229,392,741 shares outstanding. The sale of the remaining authorized shares won't net us the needed \$70,000. I believe selling restricted shares to accredited investors is the most desirable way to bring in the needed funds. I will seek board approval to raise the authorized share count to 260 million and hopefully more accredited investors will come on board. Anyone interested may contact me at [sdewar@naturalharmonyfoods.com](mailto:sdewar@naturalharmonyfoods.com).

Thank you for your continued support.

Sam Dewar