



December 5, 2011

Dear Valued Customer:

RE: CONSUMER REPORTS ARTICLE: FISH-OIL PILLS VS. CLAIMS

In the January issue of *Consumer Reports*, in circulation now, an article claims to reveal test results for 15 top-selling fish oil brands. The article claims that test results reveal that 6 fell short on quality. Specifically, Consumer Reports asserts that there is evidence that Nordic Naturals® award-winning Ultimate Omega® 180 count naturally-flavored lemon soft gels contained “elevated levels of compounds that indicate spoilage.” Because Consumer Reports’s conclusion may be uninformed and incomplete, customers could be led to question our product even though it passed all other tests for quality that Consumer Reports included in their review.

This letter will help identify the important issues surrounding fish oil testing and help clarify confusion that has ensued in the media and with customers as a result of this article. Although we have not identified the exact testing method used by Consumer Reports, there are extremely complex testing issues that need to be addressed regardless of what Consumer Reports did. Given the nature of Consumer Reports’s assertion, we believe the issue may surround a test for oxidation that measures anisidine levels and the false positive that results when naturally-flavored oil is used. If this is the case, the testing results for “spoilage” may be skewed and inaccurate because of the chemical composition of the natural lemon flavoring used in Nordic Naturals Ultimate Omega.

The fish oil industry acknowledges the need for testing methodologies for flavored oils that are more sophisticated. Because of this, it is common practice for a fish oil manufacturer to report test results on pre-flavored oil rather than on finished product. The reason for this is because natural citrus flavors, including lemon, can create a false positive for oxidation that then suggests the finished product is not as fresh as it really is.

Trade organizations, such as the Global Organization for EPA and DHA Omega-3 (GOED) and the Council for Responsible Nutrition (CRN), are addressing the industry’s voluntary guidelines that Nordic Naturals has long complied with. They are working on clarifying these guidelines to account for the technical issues related to testing finished flavored product so that this long known issue can be resolved and new quality standards around flavored fish oil can be established. Adam Ismail, Executive Director of GOED states, “GOED’s global quality standards are applicable to both refined fish oils and encapsulated and bottled fish oil products, but not to flavored oils and other formulated products. The addition of flavoring to fish oils changes the final product as a new ingredient is introduced, and it is no longer possible to determine the freshness or rancidity of the product using current methods.”

Further, many independent labs, including Nutrasource Diagnostics Inc. of Canada, one of the most well respected independent labs for fatty acids in North America, understands and acknowledges that natural citrus flavoring skews freshness values. William J. Rowe, President of Nutrasource Diagnostics, states, “When flavored products are tested using this method, flavorings, in particular lemon or other citrus-based flavorings (as well as Vitamin D to a lesser extent), have been reported to cause false elevated anisidine values because their chemical structure interferes with the spectrophotometric method used.”

Nordic Naturals has a corporate commitment and long established history of meeting every challenge we face regarding environmental contaminants and product freshness, so that our customers may rely on us to provide the highest-quality omega oils available. This is because we are, and always have been, committed to delivering the world’s safest, most effective omega oils.

Following are important facts about Nordic Naturals quality standards:

1. **FACT:** All of Nordic Naturals fish oils are third-party tested and meet our strict internal standards, as well as all international and national standards, for purity and freshness, which meet GMP requirements.

Nordic Naturals products start with exceptionally fresh and pure fish oil that is processed using cutting edge technology and manufacturing processes that are specially designed to preserve that freshness and purity. Nordic Naturals has invested heavily in processing patents and manufacturing technology that have helped shape standards for a country and industry that had few guidelines in place.

Nordic Naturals is GMP certified by NSF International (“NSF”), the leading third-party certification organization, and an accredited certifier of dietary supplements, functional foods, and dietary supplement raw ingredients. The NSF audits each registered facility annually following an extensive guidance document that closely follows the cGMP requirements outlined in 21 CFR 111. Nordic Naturals confirms that all products are manufactured in compliance with cGMPs.

2. **FACT:** TOTOX testing results are skewed by including natural lemon flavoring, and currently there is a need for new industry standards for testing naturally-flavored fish oil products.

Nordic Naturals uses a patented manufacturing process to produce fresh and great-tasting flavored oils. The natural citrus flavors in some of our oils contain aldehydes. Aldehydes are a type of chemical bond that also exists in fish oil. Aldehydes in fish oil can increase when a fish oil product is oxidized and goes rancid. Aldehydes found in flavoring agents such as the natural citrus flavors used by Nordic Naturals, help maintain a specific flavor profile and scent. In summary, the presence of aldehydes due to flavoring may cause an artificially high anisidine value that is not related to oxidation and does not represent the freshness of the oil.

Freshness is measured by anisidine values (AV) and peroxide values (PV), which are combined to reflect a TOTOX or total oxidation value. It is true that TOTOX

testing results are skewed by the natural lemon flavoring. However, it does not mean that the oil is oxidized.

Jerry Atwood, PhD, Curators' Professor and Chairman of the Department of Chemistry at the University of Missouri-Columbia, was retained on behalf of Nordic Naturals to provide an independent analysis of our products and to report on the results of his findings. Atwood states, "After analyzing the Nordic products and the processes used to manufacture them, it is my expert opinion that the testing protocols adopted by Nordic are appropriate, and that Nordic's lemon-flavored fish oil products are, in fact, fresh and pure." Atwood goes on to state, "I conclude that because the AV value stayed the same, the entire difference between the AV of the Flavored Sample and the AV of the Unflavored Sample is attributable to the presence of citral in the flavoring and not to any aldehyde that might oxidize the fish oil. Because it is chemically impossible for citral to oxidize fish oil, I conclude that the Flavored Sample is just as fresh and pure as the Unflavored Sample."

All Nordic Naturals' non-flavored oils are tested for AV after encapsulation, and all flavored oils are tested for AV based on our pre-flavored oils, as only flavored products need to be tested for AV prior to flavoring and encapsulation. All other freshness tests, including peroxide value (PV) and acid, are completed after encapsulation. PV is the best indication of current oil freshness, and is tested after flavoring and encapsulation.

3. **FACT:** The human nose is one of the most sensitive detectors of oxidized oil, and Nordic Naturals has always encouraged its customers to "Taste the Freshness" in our omega-3 products. It is the uniquely fresh, clean taste of our oils that continues to garner acclaim and the loyal support of our customer base. Nordic Naturals uses sophisticated and patented natural flavoring techniques to enhance the taste experience. No amount of flavoring can cover up rancid or spoiled fish oil.

As the industry leader of omega-3 fish oil, Nordic Naturals is leading the research initiative to establish a new testing method for naturally-flavored fish oils. This will solve a long known industry problem of inaccurate and misleading test results with regards to freshness. This technology is important not only for Nordic Naturals, but for the entire industry.

If you have additional questions, please feel free to contact Nordic Naturals.

Thank you for your continued support of the Nordic Naturals brand.

In Health,

A handwritten signature in blue ink, reading "Joar Opheim". The signature is fluid and cursive, with a long horizontal stroke at the end.

Joar Opheim
CEO and Founder