

ASX Circular

Date: 25 June 2012

Key topics

1. Funtastic Limited
2. ASX Code: FUN
3. Accelerated Non-Renounceable Entitlement Offer

Reading List

Client Advisers
Compliance Managers
Corporate Advisory
DTR Operators
Institutions
ASX Settlement Participants
Office Managers
Operations Managers (back office)
Share Registries
Research Analysts
ASX Clear Participants
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FUNTAISTIC LIMITED – ACCELERATED NON-RENOUNCEABLE PRO RATA ENTITLEMENT OFFER AND PLACEMENT TO RAISE APPROXIMATELY \$24.6 MILLION.

Participating Organisations are advised that Funtastic Limited (the “Company”) has announced a 1 for 3 accelerated non-renounceable pro rata entitlement offer (the “Entitlement Offer”), at an offer price of \$0.145 per new ordinary share to raise up to approximately \$17.8 million. The Company will also undertake a placement to institutional and sophisticated investors to raise approximately \$6.8 million (“Placement”).

The Entitlement Offer has two components:

- An institutional entitlement offer, where offers have been made to qualifying institutional securityholders for them to apply for their pro-rata entitlement to raise approximately \$13.4 million (the “Institutional Entitlement Offer”).
- A retail entitlement offer, where an offer will be made to qualifying retail securityholders for them to apply for their pro-rata entitlement to raise approximately \$4.4 million (the “Retail Entitlement Offer”).

The Record Date for the Entitlement Offer is Tuesday, 26 June 2012.

The Retail Entitlement Offer is expected to close on Wednesday, 25 July 2012.

The Entitlement Offer is not underwritten.

Securities issued under the Entitlement Offer will rank equally with existing securities on issue.

The indicative timetable in relation to the Entitlement Offer and Placement is as follows:

Event	Date
Trading halt, Institutional Placement and Institutional Entitlement Offer opens	Thursday, 21 June 2012
Institutional shortfall and Institutional Placement bookbuild	Thursday, 21 June 2012
Shares recommence trading on ASX	Monday, 25 June 2012
Record date	Tuesday, 26 June 2012
Retail Offer Booklet to be dispatched to eligible retail shareholders	Friday, 29 June 2012
Retail Entitlement Offer opens	Friday, 29 June 2012
Settlement and allotment of New Shares under Institutional Entitlement Offer and Institutional Placement	Friday, 29 June 2012
Normal Trading of New Shares issued under Institutional Entitlement Offer and Institutional Placement	Monday, 2 July 2012
Retail Entitlement Offer closes	Wednesday, 25 July 2012
Retail shortfall bookbuild (if required)	Monday, 30 July 2012
Settlement of Retail Entitlement Offer	Tuesday, 31 July 2012
Allotment of New Shares under Retail Entitlement Offer	Wednesday, 1 August 2012
Normal Trading of New Shares issued under the Retail Entitlement Offer	Thursday, 2 August 2012

Settlement Issues

Despite the fact that securities are trading "ex entitlement" on ASX Trade, CHESS will not recognise for settlement purposes the "ex entitlement" or the "cum entitlement" tag on CHESS messages and CHESS will not maintain cum balances during the deemed "CHESS ex-period", i.e. the period commencing on the deemed CHESS Ex-Date up to and including the record date. However, a record date cum balance will be available the business day following the record date, which will be equal to the registered holding balance at CHESS end of day on the record date. As a result any transfer that occurs prior to record date will be effectively transferred on a "cum" basis.

Therefore, Participants must ensure that any transfer, including the priming of Broker Entrepot Accounts, is conducted in accordance with the basis of quote. For example, a transfer in relation to a transaction conducted on an ex-basis should ordinarily only occur post record date.

CHESS will perform automatic diary adjustments to "cum entitlement" settlement obligations outstanding as at the record date.

Trading issues

ASX will not price a "cum" market with respect to trading in the Company's ordinary securities. Persons who acquire the Company's ordinary securities after the commencement of the trading halt on Thursday, 21 June 2012 are not entitled to participate in the Entitlement Offer.

Further information

For further details, please refer to the Company's announcements or contact the Company.