



20 July 2012

Funtastic Underwrites Retail Component of Capital Raising

Funtastic Limited ("Funtastic" or the "Company") is pleased to announce the \$4.46 million retail component of its 1 for 3 non-renounceable entitlement issue at 14.5 cents per share has been fully underwritten thus securing the company's debt reduction plan and growth strategy.

Bell Potter Securities has underwritten the Retail Entitlement Offer and a private company associated with Mr Gerry Harvey has fully sub underwritten it.

The underwriting ensures the Company will receive the full \$4.46 million from the Retail Entitlement Offer as part of Funtastic's \$24.6 million capital raising (before expenses). Funtastic previously announced a successful Institutional Placement and Institutional Entitlement Offer raising \$20.2 million.

"The success of the retail component of the offer is now assured and this gives us great confidence as we implement our debt reduction plan and growth strategy," Funtastic Chairman Mr Shane Tanner said.

"The capital raising plan has met our objectives. We were very pleased with the support shown by a number of leading institutions through the institutional component of the capital raising; and we are now delighted that Gerry Harvey, undoubtedly one of the country's leading retailers, has chosen to support our company," Mr Tanner said.

"We now have a strong and sustainable base from which to grow and drive shareholder returns. As previously announced, it's the Board's intention to resume fully franked dividend payments during FY2013."

The Retail Entitlement Offer closes Wednesday, 25 July 2012.

Details of the offer and entitlement and acceptance forms have been sent to all entitled shareholders.

For further information regarding the Retail Entitlement Offer, please contact Funtastic's share registry, Boardroom Pty Ltd, on +61 2 9290 9600.

About Funtastic

Funtastic is a publicly listed Australian company. With our head office in Melbourne and offices in Hong Kong and China, we supply retailers and customers across the country, and the world, with an array of leading products for kids of all ages.

For more information on Funtastic visit the web site at www.funtastic.com.au and for comment contact Stewart Downs (CEO) or Shane Tanner (Chairman) on 03 8531 0002.