



30 October 2015

Previous Share Issues to Executive Directors

On 31 July 2015 and on 19 October 2015, Funtastic issued the following fully paid ordinary shares (**Shares**) to its executive Directors, as part of their long term remuneration, pursuant to the company's Employee Share Loan Plan (**ESLP**):

Name of Director	Date of Grant	Number of Shares
Nir Pizmony	19 October 2015	3,500,000
	31 July 2015	12,000,000
Grant Mackenzie	19 October 2015	1,800,000
	31 July 2015	1,500,000

The issue of these Shares was announced to the market through the Appendix 3Bs lodged on 31 July 2015 and 22 October 2015 (respectively) as well as through the Appendix 3Ys lodged in respect of each of Mr Nir Pizmony and Mr Grant Mackenzie on 31 July 2015 and 22 October 2015 (respectively).

The Board approved the issue of these Shares, but due to an unintentional oversight, they were issued to Mr Nir Pizmony and Mr Grant Mackenzie without obtaining prior shareholder approval, as required under Listing Rule 10.14.

With ASX approval, Funtastic will seek to remedy this breach by obtaining shareholder approval:

1. to cancel these Shares; and
2. for the re-issue of these Shares to Mr Nir Pizmony and Mr Grant Mackenzie, as part of their long term remuneration under the ESLP, and pursuant to the requirements of Listing Rule 10.14.

Funtastic will hold its Annual General Meeting on Friday, 4 December 2015 (**AGM**) which will include shareholder resolutions to this effect. Shareholders should refer to the Notice of Meeting for the AGM, which will be despatched shortly, for further details.

This breach of the Listing Rules was inadvertent. Funtastic brought the breach to the attention of the ASX and has co-operated fully with the ASX in respect of the rectification of the breach. Funtastic has also taken steps to ensure that such a breach is not repeated in the future.

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