



5 April 2016

Funtastic Successfully Completes \$1.05 million Placement

Funtastic Limited (ASX: FUN) (**Company**) is pleased to announce that it has successfully completed a placement to raise \$1.05 million through the issue of 52.5 million new shares to new and existing investors (**Placement**).

The Placement was priced at A\$0.02 per share, which represents a 10.7% discount to the volume-weighted trading price of the Company's shares during the 5 trading days on which share trades were recorded immediately prior to 31 March 2016.

The new shares (except those subject to shareholder approval) are expected to be issued on 15 April 2016 and will rank equally with existing fully paid ordinary shares on issue.

Two of the Company's directors, namely Mr Nir Pizmony and Mr Grant Mackenzie have applied to participate in the Placement to the order of \$0.55m in total (subject to shareholder approval). The Company will convene a general meeting to seek shareholder approval for the participation of these directors in the Placement. It is expected that the general meeting will be held on 17 May 2016. Placement Shares will only be issued to these directors (or their respective nominees) following shareholder approval being obtained at the general meeting.

Funtastic Chairman Shane Tanner commented: "The capital raising and the increased flexibility in our banking facilities are expected to provide the company with a pathway to sustainable profitability, building on our strong improvement in first half earnings."

Share Purchase Plan

As announced on 1 April 2016, the Company will undertake a Share Purchase Plan (**SPP**) pursuant to which holders of existing shares in the Company as recorded on the share register as at 7.00pm (Melbourne time) on the record date of 31 March 2016, and who are eligible shareholders in Australia and New Zealand, will be invited to subscribe for up to A\$15,000 of new fully paid ordinary shares in the Company per eligible shareholder.

Further information in relation to the SPP, including the terms and conditions subject to which the SPP will be conducted, will be outlined in a separate SPP Booklet which will be despatched to eligible shareholders on or around 8 April 2016.

Proceeds from the Placement and SPP will be used by the Company to continue the development and global distribution of its own brands.

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For more information, please contact:

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