



ASX RELEASE

10th November 2017

SHARE CONSOLIDATION - TWENTY FIVE TO ONE CONVERSION

Funtastic Limited (ASX: FUN) (**Company**) proposes to consolidate its share capital by converting every twenty-five (25) existing Shares into one share (**Conversion**). Pursuant to section 254H of the Corporations Act, a company may consolidate its shares if the consolidation is approved by an ordinary resolution of Shareholders at a general meeting.

Following the recent successful debt restructure and capital raise, the Board considers that the consolidation of its share capital through the Conversion is important and necessary as part of its restructuring plans for the Company.

The Board does not believe that any material disadvantage will arise for Shareholders as a result of the proposed consolidation of the Company's Share capital. While the Share consolidation will have no effect on the underlying value of the Company, the effect on the Company's Share price at the time of conversion should (all things being equal) be to trade at twenty-five (25) times the price at which the Shares previously traded. The Share price will continue to be influenced by other factors and there can be no assurances as to the level that the Company's Shares will trade following the consolidation and re-quotations of the Company's securities.

The Conversion will not result in any change to the substantive rights and obligations of Shareholders, and the Company's balance sheet and tax position will also remain unaltered as a result of the Conversion.

Approval for the Conversion is tabled for approval at the AGM (as detailed in the Notice of Meeting) on the 11th December 2017 and if approved, the Conversion will take effect from 15 December 2017.

Grant Mackenzie
Company Secretary

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