



13 September 2018

The Manager
Market Announcements Office
ASX Limited

Dear Sir/Madam

FUNTASTIC LIMITED - NOTICE UNDER SECTION 708AA OF THE CORPORATIONS ACT

This notice is given by Funtastic Limited ACN 063 886 199 (**Funtastic**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

Funtastic has announced an underwritten pro rata non-renounceable entitlement offer (**Entitlement Offer**) to raise approximately \$7 million. Under the Entitlement Offer, eligible shareholders with a registered address in Australia or New Zealand are invited to subscribe for 1 new share (**New Share**) for each existing ordinary share held (**Entitlement**) as at the record date, being 7.00pm (Melbourne time) on Tuesday, 18 September 2018.

Funtastic has also announced a placement of New Shares to institutional investors to raise a further approximately \$1.23 million.

It is expected that the offer booklet for the Entitlement Offer will be despatched to eligible shareholders on Friday, 21 September 2018.

Funtastic advises that:

- 1 The New Shares will be offered without disclosure to investors under Part 6D.2 of the Corporations Act.
- 2 This notice is being given under section 708AA(2)(f) of the Corporations Act.
- 3 As at the date of this notice, Funtastic has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to Funtastic; and
 - (b) section 674 of the Corporations Act.
- 4 As at the date of this notice, there is no "excluded information" of the type referred to in sections 708AA(8) and 708AA(9) of the Corporation Act which is required to be disclosed under section 708AA(7)(d) of the Corporation Act.
- 5 The potential effect that the issue of the New Shares under the Entitlement Offer will have on the control of Funtastic, and the consequences of that effect, will depend on a number of factors, including investor demand. There are various possible scenarios in relation to the Entitlement Offer that may arise each with varying impacts on the control of Funtastic.



However, given the structure of the Entitlement Offer as a pro rata issue, and subject to paragraph 6 below, the Entitlement Offer is not expected to have any material effect or consequence on the control of Funtastic.

- 6 The Entitlement Offer is underwritten by Bell Potter Securities Limited to \$2.1 million and by JASZAC Investments Pty Ltd to \$4.9 million.

Yours sincerely

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Company Secretary
Funtastic Limited

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Important Information

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of any person in the United States, or in any other jurisdiction in which such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit an offering of the New Shares in any jurisdiction outside Australia or New Zealand. In particular, neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933 (**Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered, sold or resold to, persons in the United States or to persons who are acting for the account or benefit of a person in the United States, unless such Entitlements or New Shares have been registered under the Securities Act or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, lawyer, tax adviser, stockbroker, financial adviser or other professional adviser.