



ASX ANNOUNCEMENT
ASX Code BUG

Market Announcement

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Sale of Agrimac Macadamias

Buderim Group Limited (BUG) announces that its wholly-owned subsidiary, Agrimac Macadamias Pty Ltd, has entered into an agreement for the sale of its macadamia business and plant & equipment to Macadamia Processing Company Ltd (MPC). A copy of the joint statement between BUG and MPC is attached. The agreed sale price is \$1.4 million dollars.

The sale proceeds will be used to continue with BUG's strategic focus areas of Buderim Ginger, MacFarms and tourism.

BUG Interim CEO, Andrew Bond said "This is an important milestone as we focus our energy and passion on key strategic priorities of the business. With a world leading ginger brand of Buderim Ginger, a major macadamia brand MacFarms supported by Hawaii's single largest macadamia orchard that we own, together with the longstanding tourism business based in the beautiful Sunshine Coast. We look forward to executing our strategies with precision in delivering shareholder returns."

End.

For further information please contact:

Steve Morrow, Chairman on 0408 363 161

Andrew Bond, Interim CEO on 0400 912 023

MPC and Buderim Group Limited reach a deal on Agrimac Macadamias

The Macadamia Processing Company Ltd (MPC), Australia's largest macadamia processor has reached an agreement with Buderim Group Limited for the purchase of Agrimac Macadamias plant and equipment and brands.

MPC chairman Chris Ford said " This agreement provides a very positive outcome for all stakeholders. Growers are assured of ongoing industry leading returns for their crop, permanent staff will be offered new positions and customers will continue to receive the high quality macadamias they need. "

Agrimac has found it difficult to maintain adequate nut supply into their factory in recent times due to extremely competitive market conditions.

Chris Ford said "Consolidation and rationalisation is positive for the Australian macadamia industry as it helps provide long term price stability for growers along with consistency of quality and supply for our customers and consumers."

Buderim Group Chairman Steve Morrow stated that "This is a positive for Agrimac suppliers with the grower owned MPC having a strong focus on delivering first class Agronomic services, Industry leading payments to its suppliers and a professional approach to marketing its products".

MPC is a 100% grower owned business that has been operating since 1983. It's on going multi-million dollar investment in plant, equipment and marketing see it set to continue as a world leader.

MPC CEO Larry McHugh commented that "As supply from other origins is rapidly increasing, It is important that our industry concentrate on market expansion, our marketing company, Macadamia Marketing International, will use the extra supply to continue opening new markets and developing new products which will benefit the whole industry."

Background: MPC is owned by more than 180 Australian macadamia growers and was established in 1983, it is the world's largest processor and supplier of bulk macadamia kernel and its nut quality is highly regarded. MPC is supplied by 275 growers in QLD and NSW which represents approximately 25% of the Australian crop. The company actively develops new macadamia products and new markets for macadamias on the global stage. It employs 170 staff and operates around the clock during its busy processing season which runs from April to November each year.

MMI is the largest marketer of macadamias in the world and is responsible for the marketing of all products manufactured at MPC and Pacific Gold Macadamias in Bundaberg (which together process 45% of the Australian crop) along with approved processors in South Africa and Kenya. MMI supplies macadamia kernel for many products including roasted and salted macadamia snacks, biscuits, confectionary and ice cream. Their supply chain partners range from major food manufacturers whose brands are household names down to small businesses with a niche, gourmet market.

Buderim Group Limited (BUG) is an ASX listed company with a long history in the ginger industry both on Queensland's Sunshine Coast and in Fiji and the macadamia industry in Hawaii. In addition to operating the iconic Ginger Factory Tourism park, the Company has a portfolio of strong brands including Buderim Ginger, Frespac, MacFarms and The Ginger Factory Tourism park.

For more information contact :-

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