



**ASX ANNOUNCEMENT**  
ASX Code BUG

**Market Announcement**

**8 March 2018**

**ASX waiver**

Buderim Group Limited (**Buderim**) refers to its announcement of 28 February 2018 in relation to the agreement to acquire Royal Hawaiian Orchards, LP's (**RHO**) brand through the acquisition of assets held by a subsidiary of RHO (**Acquisition**).

As previously announced, under the Acquisition and subject to the receipt of a waiver from ASX, RHO (or its wholly owned subsidiary) will have the right to maintain, by way of a right to participate in any issue of shares or to subscribe for shares, 13.04% of Buderim's issued share capital if a diluting event occurs or is announced following completion of the Acquisition (**Top-Up Right**).

The Company is pleased to advise that ASX has granted a waiver from ASX Listing Rule 6.18 to enable the Company to grant the Top-Up Right to RHO. A summary of the terms of the waiver is set out in the Annexure.

Buderim notes that the Top-Up Right will only be granted if the Acquisition completes.

**ENDS**

## **Annexure**

### **Terms of the ASX Listing Rule 6.18 waiver**

Based solely on the information provided, ASX Limited (**ASX**) grants Buderim Group Limited (**Company**) a waiver from listing rule 6.18 to the extent necessary to permit Royal Hawaiian Orchards, L.P. and its related bodies corporate (**RHO**) to maintain, by way of a right to participate in any issue of shares or to subscribe for shares, its percentage interest in the issued share capital of the Company (**Top-Up Right**) in respect of a diluting event based on the following conditions:

- 1.1 The Top-Up Right lapses on the earlier of:
  - 1.1.1 the date on which RHO ceases to hold in aggregate at least a 10% relevant interest in the Company for more than 30 consecutive days (other than as a result of shares, or other equity securities, to which the Top-Up Right applies and in respect of which RHO is still entitled to exercise, or has exercised, the Top-Up Right);
  - 1.1.2 the date on which RHO's relevant interest in the Company exceeds 19.9%; or
  - 1.1.3 the date on which the strategic relationship between the Company and RHO ceasing or changing in such a way that it effectively ceases.
- 1.2 The Top-Up Right may only be transferred to an entity which is a wholly owned subsidiary of RHO;
- 1.3 Any securities issued under the Top-Up Right must be issued to RHO for cash consideration that is:
  - 1.3.1 no more favourable than cash consideration paid by third parties (in the case of issues of securities to third parties for cash consideration); or
  - 1.3.2 equivalent in value to non-cash consideration offered by third parties (in the case of issues of securities to third parties for non-cash consideration).
- 1.4 The number of securities that may be issued to RHO under the Top-Up Right in the case of any diluting event must not be greater than the number required in order for RHO to maintain its percentage holding in the issued share capital of the Company immediately before the diluting event.
- 1.5 The Company discloses a summary of the Top-Up Right to persons who may subscribe for securities under a prospectus, and undertakes to include in each annual report a summary of the Top-Up Right.
- 1.6 The Company immediately releases the terms of the waiver to the market.