

Forbidden Foods Limited ASX: FFF

ASX Announcement

7 June 2023

Forbidden Foods finalises placement

Forbidden Foods Ltd (ASX: FFF) (“Forbidden Foods” or “the Company”) is pleased to advise that it has secured firm commitments from a range of new and existing professional, sophisticated and institutional investors to raise \$300,000 (before costs) through the issue of 15 million new fully paid ordinary shares (“Shares”) at an issue price of \$0.02 per Share (the “Placement”).

Highlights

- \$300,000 (before costs) in new funding to be used towards ongoing promotion of Blue Dinosaur in Australia and the USA
- Placement supported by a range of new and existing professional, sophisticated and institutional investors
- Multiple near-term opportunities identified domestically and internationally with increased ranging and ongoing sales growth anticipated over coming months

Forbidden Foods’ Chief Executive Officer, Marcus Brown said: “The completion of this new funding round follows a period of strong execution in the Company’s stated strategy to grow sales of its Blue Dinosaur product range in Australia and the United States.

“With an established US distribution footprint that includes national retailers and convenience store chains along with over 150 independent supermarkets, the placement comes at a pivotal time for Forbidden Foods as it aims to convert its current market opportunity into sustainable long-term growth for the Blue Dinosaur brand in our key markets.

“The Company continues to make strong progress in its core target markets, and expects more significant sales growth to materialise over the coming months. We are very pleased to have received support for this placement and I would like to welcome a range of new investors to the register. I would also like to thank our existing investors for their ongoing support.”

Placement details:

Forbidden Foods has secured firm commitments from a range of new and existing professional, sophisticated and institutional investors to raise \$300,000 through the issue of 15 million new fully paid ordinary shares at an issue price of \$0.02 per share (“issue price”), comprising approximately 1.8 million shares under existing Listing Rule 7.1 capacity and approximately 13.2 million shares under existing Listing Rule 7.1A capacity.

Funds raised from the Placement will be used towards marketing and sales campaigns in the US and Australia, ongoing product promotion to expand local and international sales channels, building up inventory holdings to fulfil future purchase orders and payment of costs incurred in relation to the Placement.

The issue price represents a 23% discount to discount to the last closing price of the Shares on ASX on Friday, 2 June 2023 of \$0.026 and an 18.5% discount to the 15-day volume weighted average price of the Shares on ASX up to and including Friday, 2 June 2023 of \$0.0246.

The Placement will be undertaken in a single tranche, utilising existing capacity under ASX Listing Rule 7.1 and 7.1A as noted above.

Subject to approval by the Company's shareholders, investors who participate in the Placement will also receive one free attaching option for each new share subscribed for ("**Placement Options**"). The Placement Options will have a strike price of \$0.04 and an expiry date two years following the date of issue. Approval from the Company's shareholders to the issue of the Placement Options is proposed to be obtained at a General Meeting which is expected to be held on or about Wednesday, 19 July 2023 ("**EGM**"), with the Placement Options to be issued to investors shortly thereafter provided the approval is obtained.

Lead manager:

EverBlu Capital Corporate Pty Ltd ("**EverBlu**") is acting as lead manager and bookrunner to the Placement and is entitled to a fee of 6% on the gross proceeds of the Placement. In addition, subject to approval by the Company's shareholders at the EGM, EverBlu will receive 2.4 million Shares (to be escrowed for a period of 6 months from the date of shareholder approval) ("**Broker Shares**"), and 6 million options ("**Broker Options**"), which will have a strike price of \$0.04 per option and an expiry date two years following the date of issue.

Indicative timetable (subject to change):

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| Announcement of results of Placement, lodge investor presentation, lodge Appendix 3B | Wednesday, 7 June 2023 |
| Settlement of Placement | Friday, 9 June 2023 |
| Issue and allotment of Placement Shares Lodge cleansing notice and Appendix 2A (Placement Shares) | Before noon, Tuesday 13 June 2023 |
| Placement Shares commence trading on ASX on a normal settlement basis | Wednesday, 14 June 2023 |

| Indicative timetable (subject to change) | |
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| Dispatch of EGM Notice for shareholder approval of Placement Options, Broker Shares and Broker Options | Monday, 19 June 2023 |
| EGM to approve issue of Placement Options, Broker Shares and Broker Options | 10:00am, Wednesday 19 July 2023 |
| Issue and allotment of Placement Options and Broker Options (subject to shareholder approval at EGM) Lodgment of Appendix 3G (Placement Options and Broker Options) | Before noon, Monday 24 July 2023 |
| Issue of Broker Shares (to be escrowed for six months from the date of shareholder approval) Lodgement of cleansing notice and Appendix 2A (Broker Shares) | One business day after the release of the Company's preliminary financial statements for FY23 |

ENDS

This ASX announcement has been approved for release by the Board of Directors of Forbidden Foods Ltd.

For further information, please contact:

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About Forbidden Foods Ltd

Forbidden Foods Ltd (ASX: FFF) is a multi-brand premium food company focusing on the infant & toddler and health & wellness plant-based markets. The Company was established with a vision to provide the very best foods to meet consumer demand for clean, sustainable, plant-based and healthy products. The business sells products via its three brands – Blue Dinosaur®, FUNCH® and Sensory Mill®