

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Capilano Honey Limited (the Company)

ACN/ARSN 009 686 435

1. Details of substantial holder (1)

Name Wroxby Pty Ltd (ACN 061 621 921) (**Wroxby**), Australian Capital Equity Pty Ltd (ACN 009 412 328) (**ACE**), each of the entities listed in Annexure A (**ACE Group Entities**) Clabon Pty Ltd (ACN 008 451 601) (**Clabon**) and Kerry Matthew Stokes (**Stokes**), collectively, the "**Substantial Holders**", and Ashblue Holdings Pty Ltd (ACN 068 180 898) (**Ashblue**) and Kemast Investments Pty Ltd ACN 091 977 847 (**Kemast**).

ACN/ARSN (if applicable) See above

The holder became a substantial holder on 25/6/2014

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

| Class of securities (4) | Number of securities | Person's votes (5) | Voting power (6) |
|-------------------------|----------------------|--------------------|------------------------------------|
| Ordinary | 1,065 025 | 1,065 025 | 12.50% (8,520,198 shares on issue) |

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

| Holder of relevant interest | Nature of relevant interest (7) | Class and number of securities |
|-----------------------------|--|--------------------------------|
| Substantial Holders | <p>Wroxby's relevant interest arises under s608(8) of the Corporations Act as it has entered into an unconditional agreement to buy shares through a crossing on ASX and on settlement of that agreement will hold a relevant interest in those shares under s608(1)</p> <p>The relevant interest of ACE arises under s608(3)(a) and (b) of the Corporations Act, being a relevant interest held through a body corporate (Wroxby) in which its voting power is above 20%, and that ACE controls.</p> <p>The relevant interest of the ACE Group Entities arises under s608(3)(a) of the Corporations Act, being a relevant interest held through a body corporate (Wroxby) in which their voting power is above 20%</p> <p>The relevant interest of Clabon, arises under s608(3)(a) of the Corporations Act, being a relevant interest held through a body corporate (ACE) in which its voting power is above 20%.</p> <p>The relevant interest of Stokes arises under s608(3)(b) of the Corporations Act, being a relevant interest held through a body corporate (Wroxby) that person controls.</p> <p>As each Substantial Holder is not the registered holder of the securities, and is not presently entitled to be registered as the holder of the securities, their ability to vote or dispose is qualified accordingly.</p> | 1,065 025 ordinary |

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

| Holder of relevant interest | Registered holder of securities | Person entitled to be registered as holder (8) | Class and number of securities |
|-----------------------------|---------------------------------|--|--------------------------------|
| Substantial Holders | Unknown | Wroxby (upon settlement of the agreement) | 1,065 025 ordinary |

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

| Holder of relevant interest | Date of acquisition | Consideration (9) | | Class and number of securities |
|-----------------------------|---------------------|-------------------|----------|--------------------------------|
| | | Cash | Non-cash | |
| Substantial Holders | 25 June 2014 | \$5.75 per share | | 1,065 025 ordinary |

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|--|
| ACE Group Entities | The ACE Group Entities are associates of ACE pursuant to section 12(2)(a)(ii) of the Corporations Act because they are indirect or direct wholly owned subsidiaries of ACE and the ACE Group Entities are associates of North Aston and Wroxby under s12(2)(a)(iii) of the Corporations Act because each is controlled by ACE. |
| Ashblue and Kemast | Ashblue and Kemast are associates of Wroxby pursuant to section 12(2)(a)(iii) of the Corporations Act because each is controlled by Stokes who also controls Wroxby. |

7. Addresses

The addresses of persons named in this form are as follows:

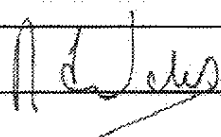
| Name | Address |
|--|--|
| Wroxby, ACE, ACE Group Entities, Clabon, Ashblue, Kemast | Level 3, 30 Kings Park Road, West Perth, WA 6005 |
| Stokes | c/- Level 3, 30 Kings Park Road, West Perth, WA 6005 |

Signature

print name Robin Frederick Waters

capacity Director/ Attorney

sign here



date 26/6/2014

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Robin Frederick Waters

Robin Frederick Waters, Director/Attorney

ANNEXURE A

ACE Group Entities

| ENTITY | ACN |
|--|-------------|
| 149 Castlereagh St Investments Pty Ltd | 154 698 807 |
| Acetic Pty Ltd | 062 307 087 |
| ACE (Industrial Property) Holdings Pty Ltd | 071 106 800 |
| ACE Property Finance Pty Ltd | 009 352 318 |
| ACN 009 268 124 Pty Ltd | 009 268 124 |
| Arrium Pty Ltd | 008 292 622 |
| Australian Capital Equity (Developments) Pty Ltd | 067 567 679 |
| Australian Capital Finance Pty Ltd | 005 560 067 |
| Australian Capital Markets Pty Ltd | 005 320 041 |
| Binalong Pty Ltd | 009 288 099 |
| Buckland Minerals Transport Pty Ltd | 152 574 082 |
| Burgard South Pty Ltd | 152 574 528 |
| Cape Preston Logistics Pty Ltd | 152 574 233 |
| Cassio Pty Ltd | 061 131 959 |
| Comserv (No 1669) Pty Ltd | 009 450 482 |
| Enviro Research Pty Ltd | 060 553 664 |
| Farburn Nominees Pty Limited | 065 330 748 |
| FCP Investments Pty Ltd | 065 320 185 |
| Garden Park Pty Ltd | 065 339 924 |
| Io Research Pty Ltd | 057 711 305 |
| Iron Ore Holdings Ltd | 107 492 517 |
| Iron Valley Pty Ltd | 152 574 813 |
| Landfill Gas & Power Pty Ltd | 053 619 430 |
| Landfill Gas and Power Holdings Pty Ltd | 058 563 478 |
| Maitland River Pty Ltd | 152 574 644 |
| Mel's Ridge Pty Ltd | 152 573 905 |
| Martie Minerals Pty Ltd | 152 574 467 |
| Mercury Endeavour Pty Ltd | 008 817 693 |
| Metal Holdings Pty Ltd | 152 574 359 |
| Nariga Pty Ltd | 008 630 135 |
| North Aston Pty Ltd | 008 387 606 |
| North Aston Operations Pty Ltd | 008 388 489 |
| Pel Iron Ore Pty Ltd | 115 382 763 |
| Remorex Pty Ltd | 061 621 878 |
| TracerLock Pty Ltd | 008 860 663 |
| Wave length Nominees Pty Ltd | 065 342 307 |
| West Australian Property Management Pty Ltd | 008 727 277 |
| White Corsair Pty Ltd | 008 330 545 |