



29 January 2015

ANNOUNCEMENT

CAPILANO'S ACQUISITION OF CHANDLERS HONEY ASSETS

The Directors are pleased to announce that Capilano Honey Limited (ASX code: CZZ) has entered into a conditional contract to acquire the assets of Victorian honey packer, Yellow Pty Ltd ACN 108 195 160 (trading as Chandlers Honey).

The contract is subject to certain conditions precedent, however it is expected that these will be satisfied and the contract will become unconditional on 30 January 2015 and that the transaction will complete simultaneously. Part of the consideration pursuant to the contract will be settled by issuing 76,923 shares in CZZ to the Vendor's nominee.

The assets acquired will be deployed to recommission Capilano's Maryborough, Victoria facility, thereby expanding Capilano's operational capacity to meet a larger sales demand.

Capilano anticipates that its packing volumes will increase in the magnitude of 1,000 tonnes as a consequence of the integration of this acquisition. It is envisaged that increased access to honey supply will be achieved through establishing renewed relationships with beekeepers in south-east Australia, whilst delivering a local regional base for honey delivery and packing.

For further information, please contact:

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