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By ASX Online

ASX Market Announcements Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Acquisition of Shima Wasabi business

TasFoods Limited (**Company**) is pleased to announce it has entered into an agreement to acquire Shima Wasabi Pty Ltd (**Shima Wasabi**). Shima Wasabi owns and operates a business producing and distributing wasabi, Japanese pepper, Japanese turnip and Japanese parsley in Northdown on the north west coast of Tasmania.

The acquisition is a further step in implementing the Company's strategy of developing and acquiring premium branded food products and businesses primarily sourced from Tasmania.

Under the terms of the agreement, the Company will acquire all of the issued shares in Shima Wasabi for consideration of \$2,750,000 (plus any GST), subject to the following adjustments:

1. The consideration will be increased by the total amount or value of the stock and accounts receivable of Shima Wasabi at completion of the acquisition.
2. The consideration will be reduced by the total amount or value of liabilities of Shima Wasabi owing to third parties at completion of the acquisition.

Of the consideration, \$300,000 is to be satisfied by the issue of 1.2 million new fully paid ordinary shares in the Company to the vendors of Shima Wasabi, Stephen and Karen Welsh, at a notional issue price of \$0.25 each. The shares will rank equally from the date of their issue with the existing fully paid ordinary shares in the Company. Shareholder approval for the issue (and acquisition) is not required and no funds will be raised by the Company from the issue. The balance of the consideration is to be paid in cash from the Company's existing cash reserves.

The acquisition is subject to conditions for completion, including that ASX Limited approves the Company's re-compliance with chapters 1 and 2 of the ASX Listing Rules and reinstates the Company's shares to quotation (following suspension in connection with the Company's proposed acquisition of Nichols Poultry Pty Ltd and associated assets).

Completion is scheduled to occur on 28 June 2016 (but may be changed by agreement between the parties).

Further details about the Shima Wasabi acquisition will be set out in the prospectus for the Company's proposed capital raising, which is expected to be issued shortly.

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Chairman

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