

27 July 2016

Adrian Smythe
ASX
20 Bridge Street,
SYDNEY NSW 2000

ASX CODE: BFC

ASX AWARE QUERY

Dear Sir

I refer to the questions set out in your letter of 25 July 2016 regarding article in The Advertiser on 21 July 2016, and the change in price of the ordinary shares of Beston Global Food Company Limited ('BFC' or the 'Company') on 22 July 2016.

The Company's response to each of ASX's questions is as follows:

1. *Does the Entity consider the information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?*

No.

2. *If the answer to question 1 is "no", please advise the basis for that view, including a discussion of the increases in price and volume of trading in the Entity's securities specifically (i) after the Article, but before the release of the Announcement and (ii) following release of the Announcement.*

The Article refers to a proposal received by the Company that is conceptual, broad and general in nature and does not set out any specific arrangements. The Company's business is diverse, and a conceptual, very broad, general proposal in relation to a possible distribution arrangement is, in the Company's opinion not information that is likely to have a material effect on the price of the Company's shares because it is so vague and uncertain. It is noted that the article in question was released on Thursday 21 July and the Company's share price was unchanged on that day. The announcement released on Friday 22 July was in response to a request by the ASX.

The BFC's share price has risen steadily since April 2016. We believe this to be because of increasing investor interest in Australian based food and agri-business companies. We are not aware of any reason why the market should have reacted to the visit by the Korean delegation or why the visit by TFP should be of any more interest to investors than other visits by overseas buying groups.

3. *If the answer to question 1 is "yes", when did the Entity first become aware of the information?*

Not applicable.

4. *If the answer to question 1 is "yes" and the Entity first became aware of the information before the relevant date, did the Entity make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay. The response should also discuss the comments attributed to Dr Sexton in the Article and their impact on confidentiality under Listing Rule 3.1.*

Not applicable.

5. *Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rules 3.1 and 15.7.*

The Company is in compliance with the listing rules and, in particular, Listing Rules 3.1 and 15.7.

Yours faithfully,



Dr Roger Sexton
Chairman



25 July 2016

Mr Richard Wilson
Company Secretary
Beston Global Food Company Limited
72 Sturt Street
Adelaide SA 5000

By email

Dear Mr Wilson

Beston Global Food Company Limited (the “Entity”): ASX aware query

ASX Limited (“ASX”) refers to the following:

1. The article in The Advertiser on Thursday, 21 July 2016 reporting on a visit to the Entity’s facilities by representatives of Korea’s Nongshim Group (the “Article”). The Article quotes the Entity’s Chairman, Dr Roger Sexton, as saying:

“They’re looking to introduce premium food products into Korea through their established distribution networks,” Dr Sexton said.

“They approached us with the view of inspecting our local networks and they particularly loved the nutritious nature of our products – no sugar, no salt, no allergenics, that sort of thing. They’ve submitted a written proposal but I haven’t had time to consider it.

“There’ll be follow-up discussions in the near future and it’s potentially very exciting, but it’s very early days.”
2. The halt in trading of the Entity’s securities, requested by the Entity at approximately 10.40 am on Friday, 22 July 2016.
3. The increase in the Entity’s share price (accompanied by elevated trading volumes) from a close of \$0.44 on Thursday, 21 July to a high of \$0.485 on the morning of Friday, 22 July 2016 prior to the halt in trading.
4. The Entity’s announcement entitled “Proposal from Korean Food Company” lodged on the ASX Market Announcements Platform and released at 12.48 pm on Friday, 22 July 2016 (the “Announcement”), disclosing receipt of a proposal from a wholly owned subsidiary of Korean company Nongshim Group in relation to forming a strategic alliance for the Entity to supply products into the Korean market. The proposal is described as being general in nature and as not setting out any specific arrangements at this point.
5. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.

6. The definition of “aware” in Chapter 19 of the Listing Rules. This definition states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.

7. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

5. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

8. Listing Rule 15.7 which states that an entity must not release information that is for release to the market to any person until it has given the information to ASX and has received an acknowledgement that ASX has released the information to the market.

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

2. If the answer to question 1 is “no”, please advise the basis for that view, including a discussion of the increases in price and volume of trading in the Entity’s securities specifically (i) after the Article, but before the release of the Announcement and (ii) following release of the Announcement.
3. If the answer to question 1 is “yes”, when did the Entity first become aware of the information?
4. If the answer to question 1 is “yes” and the Entity first became aware of the information before the relevant date, did the Entity make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay. The response should also discuss the comments attributed to Dr Sexton in the Article and their impact on confidentiality under Listing Rule 3.1.
5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rules 3.1 and 15.7.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEST on Thursday, 28 July 2016. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity’s securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity’s obligation is to disclose the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at adrian.smythe@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Adrian Smythe
Manager, Listings Compliance