

31 August 2016

ASX CODE: BFC

NOTICE UNDER LISTING RULE 3.10.5A SECURITIES ISSUED UNDER LISTING RULE 7.1A

Beston Global Food Company Limited ('BFC' or the 'Company') provides the following information in accordance with ASX Listing Rule 7.1A.4(b) and Listing Rule 3.10.5A with reference to the Appendix 3B lodged by the Company on 31 August 2016 regarding the issue of 64,051,111 ordinary shares to Kunteng Pte Ltd, a wholly owned subsidiary of the China based private company, Dalian Hairunlai Group Co., Ltd.

(a) Details of the dilution to existing holders of ordinary securities caused by the issue:

The Company issued 9,564,954 ordinary shares under Listing Rule 7.1A, resulting in the following dilution to existing holders of ordinary securities:

- Number of fully paid ordinary shares on issue prior to the issue of securities: 363,241,052
- Add: Number of shares issued as part of this issue under LR7.1: 54,486,157
- Total number of fully paid ordinary shares on issue prior to LR7.1A securities issue: 417,727,209
- Ordinary shares issued under LR7.1A: 9,564,954
- Percentage of voting dilution to existing holders of ordinary security holders prior to the issue under LR7.1A: **2.3%**

(b) Where the equity securities are issued for cash consideration, a statement of the reasons why the eligible entity issued the equity securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing ordinary security holders would have been eligible to participate:

BFC has formed the view that the share placement to Kunteng and the Dalian Hairunlai Group is of strategic significance to the business and brings with it a number of important attributes and benefits for other shareholders, including in terms of the implementation of the next stage of growth of BFC, the ability to capture greater returns from the company's existing assets through application of the placement proceeds, and the value add to BFC from the synergies with the existing investments of Kunteng and DHG in Singapore, Korea and China.

As a general rule, it is the intention of the Board of BFC to undertake any requirements for additional capital in the future by way of a rights issue through which all shareholders would be invited to subscribe for additional capital.

(c) Details of any underwriting arrangements including any fees payable to the underwriter:

No underwriting arrangements were entered into.

(d) Any fees or costs incurred in connection with the issue:

Fees of \$79,628 have been incurred in connection with the issue of shares under LR7.1A.



Richard Willson
Company Secretary
+61 411 411 485