



10 March 2011

ASX ANNOUNCEMENT

Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (Act)

On 10 March 2011, Buderim Ginger Limited ACN 010 978 800 (**Company**) announced a non-renounceable pro rata entitlement offer of one new share for each existing share held to raise up to approximately \$4.96 million if fully subscribed (**Entitlement Offer**).

The Entitlement Offer will be open to shareholders on the record date of 6.00pm (Brisbane time) on 21 March 2011 with a registered address in Australia or New Zealand (**Eligible Shareholders**).

The Company gives notice under section 708AA(2)(f) of the Act as modified by Australian Securities and Investments Commission Class Order 08/35 (CO 08/35) that:

- 1 The Company will offer the shares under the Entitlement Offer without disclosure to Eligible Shareholders under Part 6D.2 of the Act.
- 2 The Company is providing this notice under paragraph 708AA(2)(f) of the Act as notionally modified by CO 08/35.
- 3 As at the date of this notice, the Company has complied with:
 - 3.1 the provisions of Chapter 2M of the Act as they apply to the Company; and
 - 3.2 section 674 of the Act.
- 4 As at the date of this notice, there is no excluded information as defined in section 708AA(8) and section 708AA(9) of the Act which is required to be disclosed by the Company.
- 5 The effect the issue of shares under the Entitlement Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand.

Full participation

If each Eligible Shareholder applies for their full entitlement under the Entitlement Offer, the Entitlement Offer will not have an effect on the control of the Company.

Partial participation

If each Eligible Shareholder does not apply for their full entitlement under the Entitlement Offer, the shareholding percentage of each participating Eligible Shareholder will increase, and the shareholding percentage of each non-participating Eligible Shareholder will decrease.

Eligible Shareholders who also apply for additional shares under the shortfall facility will increase their shareholding percentage in the Company.

BUDERIM GINGER LIMITED
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Substantial shareholders

The Company has applied for, and received, relief from ASIC to permit Eligible Shareholders to acquire voting power in the Company in excess of 20% (or to increase their voting power if they already have at least 20% of the voting power in the Company) as a result of those Eligible Shareholders subscribing for their full entitlement of shares and applying for, and receiving, additional shares.

While the Company has not received firm commitments that any Eligible Shareholder will apply for additional shares, if a shareholder was to subscribe for additional shares and increase its interest in the Company to more than 25%, that Eligible Shareholder would be in a position to prevent the Company from passing special resolutions.

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