

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

PACIFIC BRANDS LIMITED

ABN

64 106 773 059

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued Fully paid ordinary shares ('Shares').

+ See chapter 19 for defined terms.

<p>2 Number of +securities issued or to be issued (if known) or maximum number which may be issued</p>	<p>Approximately 426,708,389 Shares pursuant to the Placement and the Entitlement Offer (as described in documents lodged with the ASX in respect of the Placement and Entitlement Offer on 11 May 2009 (the 'Offer Documents').</p> <p>Approximately 50,000,000 Shares will be issued pursuant to the Placement.</p> <p>Approximately 376,708,389 Shares will be issued pursuant to the Entitlement Offer. The precise breakdown of Shares to be issued pursuant to each of the Institutional Entitlement Offer and the Retail Entitlement Offer is to be finalised and is subject to the reconciliation of shareholder entitlements.</p>
<p>3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p>	<p>Fully paid ordinary shares.</p>
<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes.</p>
<p>5 Issue price or consideration</p>	<p>\$0.60 per Share.</p>

- 6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)
- The proceeds of the issue will be used to reduce existing debt and for working capital purposes.
- 7 Dates of entering +securities into uncertificated holdings or despatch of certificates
- 25 May 2009 for Shares issued under the Placement and Institutional Entitlement Offer.
- 12 June 2009 for Shares issued under the Retail Entitlement Offer.
- 8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)
- | Number | +Class |
|-------------|----------------------------|
| 928,986,241 | Ordinary fully paid shares |
- 9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)
- | Number | +Class |
|-----------|--------------------|
| 1,188,082 | Performance rights |
| 1,930,000 | Reward rights |
- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)
- There has been no change to Pacific Brands Limited's dividend policy.

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

- 11 Is security holder approval required? No.
- 12 Is the issue renounceable or non-renounceable? Non-renounceable and will not be tradeable on ASX or otherwise transferable.
- 13 Ratio in which the +securities will be offered 3 new Shares for every 4 Shares held as at the Record Date.
- 14 +Class of +securities to which the offer relates Fully paid ordinary shares.
- 15 +Record date to determine entitlements Thursday, 14 May 2009, 7.00pm (AEST).
- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? No.
- 17 Policy for deciding entitlements in relation to fractions Where fractions arise in the calculation of shareholders' entitlements under the Entitlement Offer they will be rounded up to the next whole number of the new shares.
- 18 Names of countries in which the entity has +security holders who will not be sent new issue documents
All countries other than Australia and New Zealand and any other jurisdictions into which it is decided to make offers.
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations 12 May 2009 for the Institutional Entitlement Offer.
4 June 2009 for the Retail Entitlement Offer.

20	Names of any underwriters	UBS AG, Australia Branch.
21	Amount of any underwriting fee or commission	Pacific Brands must pay to the underwriter an underwriting, managing and arranging fee equal to 3% of the proceeds of the Institutional Entitlement Offer and Placement. Pacific Brands must pay to the underwriter a managing and arranging fee equal to 1% of the proceeds from the Retail Entitlement Offer. Pacific Brands must pay the underwriter a co-lead manager fee equal to \$200,000.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable.
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	No prospectus or Product Disclosure Statement is being produced. However, the Retail Entitlement Offer documents will be sent to Eligible Retail Shareholders on Tuesday 19 May 2009.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.

+ See chapter 19 for defined terms.

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| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | Not applicable. |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not applicable. |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | Not applicable. |
| 33 | +Despatch date | Institutional Entitlement Offer and Placement – 27 May 2009 (approximately)
Retail Entitlement Offer – 16 June 2009 |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000

+ See chapter 19 for defined terms.

1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

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39 Class of +securities for which
quotation is sought

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40 Do the +securities rank equally in
all respects from the date of
allotment with an existing +class
of quoted +securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next
dividend, (in the case of a
trust, distribution) or interest
payment
- the extent to which they do
not rank equally, other than in
relation to the next dividend,
distribution or interest
payment

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41 Reason for request for quotation
now

Example: In the case of restricted securities, end
of restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

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42 Number and +class of all
+securities quoted on ASX
(including the securities in clause
38)

Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


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(Director/Company secretary)

Date: 11/05/09

Print name: John Grover

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+ See chapter 19 for defined terms.