



ASX ANNOUNCEMENT ASX Code BUG

16 February 2017

Renounceable Entitlement Offer

Buderim Group Limited (**BUG** or **Company**) is pleased to announce a renounceable pro-rata entitlement offer (**Entitlement Offer**) to raise approximately \$9 million, before offer costs and expenses.

The Entitlement Offer is fully underwritten by Asia Mark Development Limited (**Underwriter**). The Underwriter currently holds a relevant interest of 13.04% in BUG.

Details of the Entitlement Offer

The Entitlement Offer will be open to each shareholder of the Company as at 7pm (Brisbane time) on 21 February 2017 (**Record Date**) who:

- has a registered address on the BUG share register in Australia or New Zealand or Hong Kong if that registered shareholder is a “professional investor” as defined under the relevant laws of Hong Kong;
- is not in the United States and is not a person (including nominee or custodian) acting for the account or benefit of a person in the United States; and
- is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered,

(**Eligible Shareholder**).

Under the Entitlement Offer, Eligible Shareholders can subscribe for 1 new share (**New Share**) for every 2 shares held at 7pm (Brisbane time) on the Record Date at an issue price of \$0.36 per New Share.

The issue price of \$0.36 per New Share represents a discount of approximately 4% to the closing price of the shares on 15 February 2017 of \$0.375 (being the last trading day before announcement of the Entitlement Offer).

Entitlements trading

Entitlements are renounceable and will be tradeable on the ASX or otherwise transferable. They are expected to be quoted and tradeable on market from 20 February 2017 to 28 February 2017.

Shortfall facility

In the event that Eligible Shareholders do not take up all of their entitlements in full, a shortfall facility will be available to provide an opportunity for those Eligible Shareholders that have taken up their full entitlements to apply for additional New Shares (**Additional Shares**). The allocation of any Additional Shares under the shortfall facility will be at the discretion of the Directors, in consultation with the Underwriter.

Any remaining New Shares not taken up in the shortfall facility will be issued to the Underwriter on the terms of the Underwriting Agreement.

Use of proceeds

The funds raised will provide funds for a substantial reduction of bank debt and to develop the core business segments of Macadamias and Ginger, capitalising on the established brands held by the group including Buderim Ginger, MacFarms, Fresh from Hawaii, Agrimac, and Frespac.

Important dates

Activity	Date
Announcement of the Entitlement Offer	16 February 2017
Ex date and start of Entitlements trading	20 February 2017
Record Date for Entitlement Offer (7.00pm Brisbane time)	21 February 2017
Information Booklet and Entitlement and Acceptance Form dispatched	24 February 2017
Entitlement Offer opens	24 February 2017
Entitlements trading ends	28 February 2017
Closing date for acceptances under Entitlement Offer (5.00pm Brisbane time)	7 March 2017
BUG notifies ASX of under subscriptions	10 March 2017
Allotment of New Shares	14 March 2017
Normal ASX trading for New Shares	15 March 2017
Dispatch of holding statements for New Shares	16 March 2017

All dates are indicative and subject to change. Subject to the requirements of the ASX Listing Rules, BUG and the Underwriter reserve the right to vary or withdraw the timetable without notice.

Potential impact of offer on control and consequences

The potential effect 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 Eligible Shareholders' interest in taking up their entitlements as well as the level of participation of Eligible Shareholders to take up Additional Shares under the shortfall facility.

The potential effect that the Entitlement Offer will have on the control of BUG is set out in the cleansing notice issued on the same date as this announcement.

Information Booklet

The Entitlement Offer is being made under section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). Accordingly, the Company will not prepare a prospectus or other disclosure document. The Company will release a copy of the Entitlement Offer information booklet (**Information Booklet**) to ASX on 16 February 2017 and send a copy (along with a personalised entitlement and acceptance form) to all Eligible Shareholders on 24 February 2017.

Further details of the Entitlement Offer will be included in the Information Booklet.

End.

For further information please contact:
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