Freedom Foods Group Limited
ABN 41 002 814 235
80 Box Road
Taren Point NSW 2229

10 April 2013

The Manager
ASX Market Announcements
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Notice under sections 708AA(2)(f) of the Corporations Act

This notice is given by Freedom Foods Group Limited (ASX: FNP) (**FNP**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by Australian Securities and Investments Commission Class Order [08/35] (**CO 08/35**).

Where applicable, references in this notice to sections of the Corporations Act are to those sections as modified by CO 08/35.

FNP has announced today a non-renounceable pro rata Entitlement Offer of 1 ordinary share in FNP (**New Shares**) for every 42 ordinary shares in FNP as at 7.00pm (Sydney time) on 19 April 2013 to eligible shareholders with an address in Australia and New Zealand recorded on the share register, at an offer price of $1.04 per New Share (the **Entitlement Offer**). Eligible shareholders may also apply for New Shares in excess of their entitlement (**Additional New Shares**). Applications for Additional New Shares will be satisfied to the extent there is a shortfall in the Entitlement Offer. Any such Additional New Shares will be allocated at the discretion of the FNP. FNP intends to scale back applications on a pro rata basis in the event of excess demand for such Additional New Shares.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable on the ASX or otherwise transferable.

If fully subscribed, the Entitlement Offer will raise up to approximately $2.7 million and result in the issue of up to 2,637,849 new fully paid ordinary shares in FNP.

FNP advises that:

(a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Corporations Act;

(b) this notice is being given under section 708AA(2)(f) of the Corporations Act as modified by CO 08/35;

(c) as at the date of this notice, FNP has complied with:

(i) the provisions of Chapter 2M of the Corporations Act as they apply to FNP; and

(ii) section 674 of the Corporations Act;

(d) as at the date of this notice, there is no excluded information of the type referred to in section 708AA(8) or section 708AA(a) of the Corporations Act; and

(e) the potential effect of the issue of New Shares pursuant to the Entitlement Offer on control of FNP and the consequences of that effect largely depend on the extent to which eligible shareholders take up their entitlements.

Further to paragraph (e) above, FNP notes that:

1 It has today announced that it has successfully placed approximately 14,150,825 new FNP fully paid ordinary shares with certain institutional and sophisticated investors (**Placement Shareholders**) which, when finalised and shares are allotted on 18 April 2013, will give the Placement Shareholders voting power of 12.77% in FNP on the terms and conditions set out in the announcement (**Placement**).

2 The Placement Shareholders will be shareholders of FNP on the record date for the Entitlement Offer and therefore entitled to participate in the Entitlement Offer.

An outline of certain scenarios are:

- if all eligible shareholders take up their full entitlements then each eligible shareholder’s percentage ownership interest (and voting power) in FNP will remain the same and there will be no effect on the control of FNP;

- if an eligible shareholder does not take up all of their entitlement, their percentage ownership interest (and voting power) in FNP will be diluted; or

- if only Arrovest Pty Limited (**Arrovest**) takes up its entitlement, Arrovest's ownership interest (and voting power) will increase by 0.56% to 61.59%.

Ownership of FNP following the Entitlement Offer

The table below illustrates the effect of the Placement and Entitlement Offer on the control of FNP where all Eligible Shareholders take up their Entitlements.

Shareholder	% of total ordinary FNP shares on issue (pre-Placement)	% of total ordinary FNP shares on issue (post-Placement	Number of ordinary FNP Shares held (pre-Entitlement Offer)*	Number of ordinary FNP Shares held (post-Entitlement Offer)	% of total ordinary FNP shares on issue (post-Entitlement Offer)
Arrovest Pty Limited	69.97%	61.03%	67,615,236	69,225,125	61.03%
Other shareholders	30.03%	38.97%	43,174,425	44,202,387	38.97%
Shares on issue	**100%**	**100%**	**110,789,661**	**113,427,510**	**100%**

The table below illustrates the effect of the Placement and Entitlement Offer on the control of FNP where only Arrovest participates in the Entitlement Offer.

Shareholder	% of total ordinary FNP shares on issue (pre-Placement)	% of total ordinary FNP shares on issue (pos-Placement	Number of ordinary FNP Shares held (pre-Entitlement Offer)*	Number of ordinary FNP Shares held (post-Entitlement Offer)	% of total ordinary FNP shares on issue (post-Entitlement Offer)
Arrovest Pty Limited	69.97%	61.03%	67,615,236	69,225,123	61.59%
Other shareholders	30.03%	38.97%	43,174,425	43,174,425	38.41%
Shares on issue	**100.00%**	**100.00%**	**110,789,661**	**112,399,548**	**100.00%**

Yours Sincerely

Rory J F Macleod
Managing Director
Freedom Foods Group Limited