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

26 April 2013

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Freedom Foods Group Limited
Entitlement Offer Letter to Ineligible Shareholders

Please find attached a copy of a letter which was dispatched to Ineiligble Shareholders today.

Rory J F Macleod
Managing Director
Freedom Foods Group Limited

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NOTICE TO INELIGIBLE SHAREHOLDERS

Dear Shareholder

Freedom Foods Group Limited – Entitlement Offer

On 10 April 2013, Freedom Foods Group Limited (**FNP**) announced a non-renounceable entitlement offer (**Entitlement Offer**) of 1 fully paid ordinary share in FNP (**New Share**) for every 42 FNP shares held at the Record Date at an issue price of A$1.04 per New Share. The Record Date for the Entitlement Offer is 7pm (Sydney time) on 19 April 2013 (**Record Date**).

This letter is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You are not required to do anything in response to this letter.

Documents relating to the Entitlement Offer were lodged with the ASX on 26 April 2013 and are being mailed to Eligible Shareholders (as defined below in the section headed "Eligibility Criteria").

Details of the Entitlement Offer

The Entitlement Offer is to be implemented under section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**), as modified by ASIC Class Order CO08/35. The Entitlement Offer will raise up to approximately A$2.7 million.

The Entitlement Offer is being made to Eligible Shareholders, on the basis of 1 New Share for every 42 FNP shares held.

The funds raised under the Entitlement Offer will be applied to fund the Company's growth strategy including acceleration of capital projects within Freedom Foods and Pactum Australia, new product initiatives, acceleration and expansion of international sales activities and additional working capital requirements.

Eligibility Criteria

FNP has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A of the Corporations Act, that it would be unreasonable to make offers to shareholders in all countries in connection with the Entitlement Offer. This determination was made due to legal limitations on making or extending an offer of New Shares in some countries, the relatively small number of shareholders in those countries, the small number of shares they hold and the potential cost of complying with regulatory requirements in those countries.

Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, FNP wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Shares under the Entitlement Offer.

Shareholders who are eligible to participate in the Entitlement Offer (**Eligible Shareholders**) are shareholders who:

(a) bought shares before 15 April 2013 and are still are registered as holders of those shares as at 7:00pm (Melbourne time) on the Record Date; and

(b) as at the Record Date, have a registered address in Australia or New Zealand; and

(c) are not in the United States and are not acting for the account or benefit of a person in the United States; and

(d) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

All other shareholders are not eligible to participate in the Entitlement Offer (**Ineligible Shareholders**).

Unfortunately, as you do not satisfy the eligibility criteria for an Eligible Shareholder stated above, you will not be able to subscribe for New Shares under the Entitlement Offer. You will not be sent documents relating to the Entitlement Offer.

On behalf of the Board and management of FNP, thank you for your continued support.

Yours Sincerely

Rory J F Macleod
Managing Director
Freedom Foods Group Limited