



ASX Announcement

3 December 2020

Successful \$4m capital raise to support growth in functional beverage and wellness products

Highlights

- **Successful placement of \$4m to institutional and sophisticated investors to support the rollout of Juice Lab wellness products, build brand awareness of the Original Juice Co and drive further operational efficiencies**
- **The capital raising was well supported by highly regarded institutional investors and existing shareholders on the back of the strong turn-around in financial and operational performance so far in FY21**
- **The successful placement and strong internal operational & financial improvement leave the Company well-funded to deliver profit in FY21**
- **Share Purchase Plan launched to enable shareholders to participate at the same terms as the placement**

The Food Revolution Group Limited (ASX: FOD) (**FOD** or **Company**) is pleased to announce that it has received binding commitments to raise \$4 million before costs under a placement of new shares to a range of institutional and sophisticated investors (**Placement**) and launch a Share Purchase Plan (**SPP**) targeting to raise \$500,000.

Funds raised from the Placement and SPP will be allocated towards:

- Support for roll out of Juice Lab wellness products
- Installation of ERP system
- Original Juice Co and Juice Lab brand awareness and consumer activation strategies
- General working capital requirements

The Food Revolution Group CEO and Managing Director, Tony Rowlinson, commented *"We are very pleased to see the strong level of support shown by new and existing investors. The funds will be used to improve the operational performance and efficiencies of our Mill Park facility as well as increase the profile of our Original Juice Co and Juice Lab products. With the global trend for preventative medicines, foods and beverages impacted by COVID- 19, we are expecting to be a lead player within wellness/ functional beverage market, being first to market with our 'All Natural plant based' range.*

"The strong sales volumes we have experienced YTD reflect the growing demand in the fresh juice market as consumers place a growing importance on vitamin enriched and functional beverages to help build their immune system.

"Having secured higher prices with the National major retailers in September, signed supply agreements with leading orange growers and operational efficiencies activities improving overall margins, we remain confident in building on the excellent 1st quarter results and delivering profitable growth this year."

Placement Details

The Placement will result in the issue of 114,285,714 new fully paid ordinary shares at an issue price of \$0.035 per share to raise \$4 million before costs. The issue price of \$0.035 per share represents a 16% discount to the Company's last closing price of A\$0.042 per share on 30 November 2020 and a 16% discount to the 15-day VWAP of \$0.0416 per share.

The Placement will be conducted in two tranches and includes a \$100,000 investment from FOD director Matt Bailey, subject to shareholder approval. The Company will issue 68,701,179 shares without shareholder approval in accordance with its existing placement capacity under ASX Listing Rule 7.1 (**Tranche 1**). Shareholder approval will be sought under Listing Rule 10.11 for the issue of 2,857,143 shares to Mr Bailey and under Listing Rule 7.1 for the remaining 42,727,392 shares (**Tranche 2**) at the 2020 Annual General Meeting (**AGM**) scheduled for January 2021. Non-related party participants in the Placement will be allocated the new shares pro rata across the two tranches.

Settlement of the Placement is expected to occur on Wednesday, 9 December 2020, with allotment of the new shares under Tranche 1 scheduled for the following day. New shares under Tranche 2 and for Mr Bailey will be issued following and subject to shareholder approval at the AGM.

Aitken Murray Capital Partners and Taylor Collison acted as Joint Lead Managers to the Placement

Share Purchase Plan

The Company will also conduct the SPP Offer to existing shareholders of the Company who have a registered address in Australia and New Zealand as at 7.00pm (AEDT) on 2 December 2020.

Participation in the SPP Offer is optional. It will provide each eligible shareholder with the opportunity to apply for up to \$30,000 worth of new shares at the same issue price as under the Placement, namely \$0.035 per new share.

The Company is targeting to raise \$500,000 under the SPP, subject to its discretion to accept oversubscriptions and/or scaleback applications.

The Placement and SPP (assuming \$500,000 is raised) will result in approximately 128,571,428 new shares being issued, representing approximately 18% of the Company's existing shares on issue. The new shares issued under the SPP Offer will rank equally with existing fully paid ordinary shares on issue.

The SPP offer document containing further details of the SPP Offer will be released to ASX separately and is expected to be mailed to all eligible shareholders in Australia and New Zealand on 7 December 2020, being the date on which the SPP Offer will open.

The proposed timetable for the SPP Offer is set out below however the company reserves the right to vary the dates and times without notice.

Event	Date
Record Date (7.00pm AEDT)	Wednesday, 2 December 2020
Announcement of Offer Lodgement of Appendix 3B with ASX	Thursday, 3 December 2020
Dispatch of Offer documents and personalised application forms to shareholders Offer opens	Monday, 7 December 2020
Offer closes (5.00pm AEDT)	Monday, 21 December 2020
Announcement of results of Offer	Thursday, 24 December 2020
Issue of new shares under the Offer (before noon) Lodgement of Appendix 2A with ASX	Monday, 4 January 2021
Despatch of holding statements and normal trading of new shares issued under Offer	Tuesday, 5 January 2021

This announcement was authorised for release by the FOD Board

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About The Food Revolution Group

The Food Revolution Group Limited (ASX: FOD) is an Australian-based food processing company that uses a combination of conventional juice processing equipment and custom-developed equipment and processes to manufacture a range of high-quality juices, fibres, infused fruits and fruit waters that are sold as branded products or ingredients to customers domestically and overseas.

FOD uses a range of processing technologies, including Current Counter Extraction (CCE) technology which was developed in conjunction with Australia's CSIRO to extract juice from fruit and vegetables. Its processing facilities are located in Mill Park, Victoria.

FOD is aiming to generate shareholder value through exploring opportunities for growth in the functional food, beverage and nutraceutical markets in Australian and key international markets, including China.