



25 August 2016

ASX BOOKBUILD FACILITY FOR BROO IPO (ASX Ticker code for the Bookbuild: BEEEXBB)

Broo IPO and ASX Bookbuild Facility

Broo Limited, ACN 060793099 recently announced an initial public offer (**IPO** or **Offer**) of shares in Broo to raise up to A\$15 million.

The IPO is being undertaken pursuant to a prospectus (**Prospectus**) lodged with ASIC on 18 August 2016, which offers up to 75 million shares at an issue price of A\$0.20 per Share to raise up to A\$15 million, with a minimum raising of A\$10.5 million. The Offer is not underwritten.

The proceeds of the Offer will be used to:

- provide the Company with further funding to pursue its commercial objectives in Australia, including:
 - the increased production, distribution and sale of Broo Premium Lager in the Australian Market;
 - the increased production, distribution and sale of Australia Draught Beer in the Australian Market; and
 - if a suitable and commercially attractive opportunity arises, purchasing or leasing equipment to establish its own brewing facility at a leased site;
- to enable the Company to expand into the Chinese market, by providing the funding necessary to enable production, packaging, marketing and distribution of Broo Premium Lager in China;

Investors can bid for shares in the IPO by instructing their broker to bid into the ASX Code: BEEEXBB. Investors should read the Prospectus prior to making a decision to invest. The minimum investment for each investor is A\$2,000 at an issue price of A\$0.20 per Share.

The amount available to the market via the ASX BookBuild facility will be \$1 million of Broo shares. The Prospectus can be located on the Broo website (along with the Application Form) at www.broo.com.au. The Company reserves the right to increase or decrease this amount during the offer.

Beer & Co. Pty Ltd is Lead Manager to the Offer and d2mx has been appointed as Technical Lead Manager to arrange and coordinate the ASX Bookbuild Facility.

About Broo

Broo is currently focused on the production, marketing and sale of two beer products. The Company's Broo Premium Lager brand was launched in September 2009, while the company's subsidiary, Australia Draught Pty Ltd (Australia Draught) launched the Australia Draught Beer brand in 2014 as a pilot product under a limited retail release.

The Company has strategically positioned its brands and products taste profiles as a traditional but premium independent offering in the mainstream beer market. The mainstream beer market accounts for more than 90% of domestic beer consumption in Australia.

The company is currently producing Broo Premium Lager and Australia Draught Beer products through Icon Brewing Company Pty Ltd a third party contract brewing company based in New South Wales, Australia.

Following the completion of the Offer, the Company will also look to identify suitable equipment to purchase or lease in order to establish its own brewing facility in Australia. If suitable equipment becomes available to purchase or lease, then the Company would look to establish brewing operations at a site that would be leased by the Company. Importantly, such purchase or lease will enable the Company to develop independent brewing capacity in relation to the Products.



Production of the Company's products in China

The Company has entered into a beer supply and packaging agreement with Jinxing Beer Group Co Ltd (Jinxing), a major brewer incorporated in China which produces and packages alcoholic beverages. Pursuant to the China Supply Agreement, Jinxing has agreed to brew and package Broo Premium Lager in China for the Company.

Jinxing has an annual production capacity of 2 million tonnes of beer (equivalent to approximately 200 million cases of beer per annum), employs 6,000 staff, and has won numerous awards for its contribution to China's national beverage industry. This relationship will enable the Company to capitalise on the efficiencies of this large scale brewery and the ability to produce a large volume of beer products as required in order to meet demand for Broo Premium Lager in China.

Distribution of the Company's Products in China

The Company has also entered into a distribution agreement with Henan Liquorstore Commercial Chain Management Co Ltd (Henan Liquor), a company incorporated in China which has a large distribution network that includes its own retail outlets. Pursuant to the distribution agreement, with Henan Liquor has been appointed as the Company's non-exclusive distributor for Broo Premium Lager in China, and is incentivised through sales rebates to sell large volumes of Broo Premium Lager in the China market.

These two Production and Distribution Agreements with 2 major Chinese beer groups is a significant event for Broo.

Broo's Chairman Kent Grogan commented

"We are striving to build a unique Australian Beer company that distinguishes itself from our competitors through our strong brands, company ethos, unique marketing platform and quality beer products."

ASX BookBuild Offer Overview

ASX BookBuild Ticker Code	BEEEXBB
Offer Price	A\$0.20
Minimum Allocation	\$2,000
Amount available via ASX BookBuild	\$1,000,000 The Company reserves the right to increase (or decrease) this amount.
ASX BookBuild Opens	11.00am, Thursday 25th August 2016
Close Date	3pm, Monday, 19th September 2016 The Company reserves the right to close the ASX BookBuild facility earlier.
Anticipated settlement date	23 September 2016 (via Chess PMF)
Anticipated Date of trading of Shares listed for quotation on ASX	3 October 2016
Stamping Fee	4%
Lead Manager	Beer & Co. Pty Ltd



Technical Lead Manager

D2MX Pty Limited

Eligible Investors

The Offer is available to all retail and wholesale investors having a registered address in Australia.

In addition, investors must have signed a once off client agreement to participate in the ASX BookBuild Facility through their broker or adviser and must satisfy the terms and conditions of the offer and the ASX BookBuild rules and procedures which are available on the ASX website.

Participating in the Offer

Any persons interested in applying for shares pursuant to the Offer should contact their broker or contact Luke Robinson of D2MX on 03 8548 3310 or Mark Steer of D2MX on 03 8548 3312 or Michael Beer at Beer & Co. on 03 9600 3599. People can participate in the Offer either by lodging an application form in accordance with the instructions contained in the Prospectus, through the ASX BookBuild Facility or via OnMarket.

Applications for Shares under the offer must be made by brokers on behalf of their clients by submitting a bid on behalf of an eligible applicant via the ASX BookBuild Facility using the ASX Code BEEEXBB prior to the close of the BookBuild.

An allocation of shares resulting from a bid made through the ASX BookBuild Facility will be binding on the applicant.

Broker Fee

The Lead Manager will pay a fee of 4% (ex GST) of the dollar value of each allocation to the participant broker identified by the Participant Identification Number (PID) associated with each successful allocation of Shares via the ASX Bookbuild Facility. Payment will be subject to the receipt of a proper tax invoice from the relevant participant broker.

Settlement

Settlement for shares allocated to successful applicants via the ASX BookBuild Facility will occur on the expected allotment date of 28 September 2016. Settlement will be via the Chess Primary Market Facility (on Delivery versus Payment basis) at the issue price of A\$0.20 per share.

Important Notice

This Announcement is subject to the Prospectus of Broo Limited dated 23 August 2016 which has been lodged with Australian Securities and Investments Commission (ASIC) and is available electronically on the Broo website: at www.broo.com.au.

Unless otherwise stated, capitalised terms in this Announcement have the same meaning as in the Prospectus.

A Person who wishes to invest should consider the Prospectus in its entirety before deciding whether to acquire the shares. To apply for shares an application form must be completed in accordance with the instructions set out in the Prospectus.

By applying for shares in the Broo Offer via ASX BookBuild, each applicant will be deemed to represent, warrant and agree for the benefit of Broo Limited, and Beer & Co. Pty Ltd and their respective related bodies corporate, and the directors, officers, employees, or agents of any of them (affiliates) that they are in compliance with the investor obligations detailed in the Prospectus dated 23 August 2016.

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