



ASF GROUP LIMITED

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24 November 2014

Dear Shareholder

Non-Renounceable Rights Issue - Notification to Ineligible Shareholders

I refer to the non-renounceable rights issue (**Offer**) announced by ASF Group Ltd (**Company**) on 21 November 2014, under which the Company will raise up to \$9,583,236 (before the costs of the Offer).

Pursuant to the Offer, Eligible Shareholders will be offered the opportunity to acquire additional fully paid ordinary shares (**New Shares**) in the Company on the basis of one (1) new fully paid ordinary shares (**New Shares**) for every ten (10) existing shares held (**Entitlement**) by Eligible Shareholders (defined below) at 7.00pm (Sydney time) on 27 November 2014 (**Record Date**), at a price of \$0.18 per New Share (**Issue Price**).

This letter is to inform you about the Offer and to explain why you will not be able to subscribe for New Shares under the 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.

The Offer is to be implemented under section 708AA of the Corporations Act 2001 (**Act**), as modified by Australian Securities and Investments Commission Class Order 08/35.

The Company has decided that it is unreasonable to make offers under the Rights Issue to shareholders with a registered address outside Australia, New Zealand, Hong Kong, Macau and the People's Republic of China (**Ineligible Shareholders**), having regard to the number of such shareholders, their holdings and the compliance costs required to offer the shares under the Offer to those shareholders.

Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Act, the Company wishes to advise you are an Ineligible Shareholder and that it will not be extending the Offer to you.

If you have any additional questions regarding the Offer, please contact the Company during business hours on +61 2 9251 9088.

Otherwise, on behalf of the Board and management of the Company, we thank you for your continued support of the Company.

Yours sincerely
ASF GROUP LIMITED

A handwritten signature in black ink, appearing to read 'Min Yang', written over a light grey circular stamp.

Min Yang
Chairman