



14 March 2014

NZX Market Announcement

Extension of SPP and Acquisition Update

Cooks Global Foods (CGF) is pleased to advise that it has finalised terms with Esquires Coffee Houses, Inc. of Canada (**ECH**) to acquire the Canadian intellectual property rights associated with Esquires Coffee Houses. The rights will be purchased for (CAN)\$225,000.

On acquiring these intellectual property rights, CGF will license back to ECH the right to use these marks with respect to their existing nine Esquires Coffee Houses stores located in British Columbia, Canada and also for the purpose of a Master Franchise Agreement, they have issued for the state of Alberta in Canada. The head franchise rights to these stores and the Master Franchise Agreement will remain with ECH on a royalty free basis.

Legal documentation recording the above terms is expected to be executed in the next few days with the acquisition closing in early April.

This acquisition enables CGF to consolidate the Canadian intellectual property rights with the other intellectual property rights around the world that CGF acquired last year. The licensing arrangement allows ECH to continue its existing business but not increase that business to further stores. The strategic objective for CGF in entering this arrangement is to expand into Canada on its own account building a presence across that market, including in new states and territories. As ECH was founded in Canada, it does have a brand recognition already in that market which CGF looks forward to capitalising on with further growth.

CGF has a constructive relationship with ECH and looks forward to working with them in maximising the value of the Esquires Coffee Houses brand in the Canadian market for the mutual benefit of both parties.

Further Acquisitions

As previously advised to the market, Cooks continues to work on a number of acquisition opportunities and organic growth initiatives.

In particular, CGF is in the process of negotiating an offshore acquisition. Connected with that acquisition is a potentially substantial placement to introduce new capital. At present, this proposed transaction is still subject to legal documentation which is delayed while a valuation is conducted on the relevant assets proposed to be acquired.

Should progress in the valuation and negotiations be successful, full details of this proposed transaction will then be able to be announced. CGF anticipates this to occur within the next three weeks.

Share Purchase Plan

CGF still has its share purchase plan offer open to shareholders following an extension last month.

The board of CGF is conscious of concluding the above acquisition and capital raising opportunity in particular and providing full details to the market of that transaction if it is successful in securing it. The board is also very conscious to ensure that pricing (which is yet to be agreed) for the potential placement is consistent with the pricing under the share purchase plan. This cannot be assured at this time and it is considered critical that shareholders investing in CGF invest on the same pricing as may be secured under this proposed placement. The proposed transaction may accordingly result in the offer price under the share purchase plan being reduced or staying the same - it will not be increased.

On this basis the CGF board has resolved to extend the closing date of the share purchase plan to 30 April 2014. This should enable sufficient time for certainty to be established on this potential transaction and enable that information to be given to the market and shareholders for their consideration and whether to participate in the share purchase plan or not.

We look forward to updating the market further as soon as possible.

For and on behalf of the Board

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Chairman

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