12 September 2016

Barrel & Stone Limited

("Barrel & Stone" or the "Company")

Investor Update

The management team of Barrel & Stone are pleased to report a surge in progress in the early part of the FY16/17 financial year.

Building on the 11 sites opened in the first year of operation (FY15/16), the team are seeking to open 40 more in this financial year. In the first quarter the business has already rolled out a further nine sites into operation and secured contract signatures for a further five to be rolled out in the next few weeks. Further, there have been verbal commitments to proceed from another 18 Greene King sites and a separate initiative to drive sales into eight sites in Scotland.

As a result of increased sales and marketing efforts the team is also pleased to report that the current average pizza sales per week has risen to 71, in line with the FY17/18 projected averages and thus ahead of target.

The increased pace of roll-out and improved averages gives the team confidence that it will outperform this year's forecast of site roll-outs and improve profitability.

-- ENDS --