



Murray Cod Australia Ltd

ASX:MCA

ASX ANNOUNCEMENT

12 November 2021

Not for release to US wire services or distribution in the United States

CAPITAL RAISING TO ACCELERATE GROWTH OPPORTUNITIES

Murray Cod Australia Ltd (MCA:ASX) (**'MCA'** or **'the Company'**) is pleased to announce the launch of a fully underwritten institutional placement to raise approximately \$30 million (**'Placement'**), and a non-underwritten Share Purchase Plan (**'SPP'**) that aims to raise a further \$3 million, in order to accelerate growth in production, drive further production efficiencies and capture global export opportunities.

Commenting on the Placement and SPP, Ross Anderson, Chairman of Murray Cod Australia, says: *"This capital raising significantly accelerates our path towards establishing Aquana Murray Cod as a global leader in premium branded seafood. The proceeds of the raise will support the expansion of our production and processing capacity and allow for greater margin capture as we continue to grow domestically and build our export business."*

RATIONALE AND USE OF PROCEEDS

Proceeds from the Placement will be used to accelerate Murray Cod Australia's growth opportunities and strengthen its leadership position in the premium Murray Cod industry.

Specifically, the proceeds will be used to:

- fund the construction of a new hatchery and c. 26 new ponds over the next 2 years that will increase aggregate capacity by c. 2.3 million adult fish;
- accelerate growth in production such that we now expect to exceed our target of producing 10,000 tonnes per annum by 2030;
- build a new state of the art processing plant and increase investment in feed technology to grow revenue per kilogram and drive cost efficiencies, representing an opportunity to increase gross margins to 63-66%;
- fund a breeding program with the CSIRO aimed at increasing fish growth rates, flesh quality and fillet recovery, to extend Murray Cod Australia's position as the leading producer of premium Murray Cod; and
- capitalise on the excess demand for premium Aquana Murray Cod in three key global Hotel Restaurant and Catering (HORECA) markets (US, EU and Japan).

TRADING UPDATE

The Board of Murray Cod Australia in the Company's quarterly activities report released to ASX on 29 October 2021 provided an update on the Company's operational and sales progress, including the following highlights:

- annual cash revenue growth of 13% on the prior corresponding period;
- significant pickup in sales in recent weeks with European and UK exports having re-commenced;
- agreement with renowned chef Josh Niland to produce value added products with the objective of increasing recovered price per kilogram;
- supermarket growth is on track with an increase in the number of Woolworths stores stocking premium Aquana branded product and Coles expected to commence stocking for an initial trial in the coming weeks;
- stage three of Whitton site under construction with capital expenditure brought forward to gain pricing benefits; and
- spawning underway for planned stocking of 2.8 million fish.

CAPITAL RAISING

FULLY UNDERWRITTEN INSTITUTIONAL PLACEMENT

The Placement to raise approximately \$30 million has been fully underwritten by Barrenjoey Markets Pty Ltd (**'Barrenjoey'** or **'Lead Manager'**) and comprises the issue of ~90 million New Shares (representing 15.5% of the total shares of the Company prior to the issue of New Shares (as defined below)).

The Placement shares (**'New Shares'**) will be issued at a fixed price of \$0.335, representing a 11.8% discount to MCA's last closing price of \$0.38 on Thursday, 11 November 2021.

New Shares to be issued under the Placement will rank equally with existing fully paid ordinary shares of MCA.

No shareholder approval is required for the Placement, as the Company will utilise a portion of its existing placement capacity under ASX Listing Rules 7.1 and 7.1A.

MCA shares will remain in a trading halt today while the Placement is conducted. Normal trading in MCA shares is expected to resume on Monday, 15 November 2021 or such other time as the completion of the Placement is announced to the market.

SHARE PURCHASE PLAN

Murray Cod Australia will also undertake a Share Purchase Plan ('SPP') to raise approximately \$3 million. However, the Company may decide to accept applications (in whole or in part) that result in the SPP raising more or less than that target amount at its absolute discretion, subject to the limit prescribed in the ASX Listing Rules. The SPP will provide eligible shareholders resident in Australia and New Zealand with the opportunity to acquire additional shares at the Placement price of \$0.335 per share.

The SPP will not be underwritten.

Eligible shareholders resident in Australia and New Zealand who are registered as MCA shareholders as at 7:00pm (AEDT) on 11 November 2021 will be invited to subscribe for up to a maximum of \$30,000 of additional shares per eligible shareholder, free of brokerage.

The SPP is subject to the terms set out in the SPP offer booklet, which will be dispatched to eligible shareholders in due course.

Shares issued under the SPP will rank equally with existing shares of MCA.

DIRECTOR TRANSACTIONS

Directors holding unlisted options with an exercise price of 7.5 cents and expiring 16 January 2022 ('**Director Options**') also announce their intention to exercise the Director Options. This is expected to generate further proceeds of approximately \$5 million by mid-January 2022.

In addition, contemporaneously with settlement of the Placement, Chairman Ross Anderson will purchase 10m shares from Managing Director Mr. Mat Ryan at the Placement price. Mr. Ryan confirms he will not dispose of any further MCA shares until the release of MCA's 1H22 results at the earliest.

TIMETABLE

The timetable below is indicative only and subject to change. The Company and the Lead Manager reserve the right to alter the below dates at their full discretion and without prior notice, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and any other applicable laws. The quotation of New Shares is subject to confirmation from the ASX. All references to time in this announcement are to Sydney time.

Event	Date
Placement	
Trading halt and announcement of Placement	Friday, 12 Nov. 2021
Placement Bookbuild opens	Friday, 12 Nov. 2021
Placement Bookbuild closes	Friday, 12 Nov. 2021
Announcement of completion of Placement and trading halt lifted	Monday, 15 Nov. 2021
Settlement of New Shares under the Placement	Wednesday, 17 Nov. 2021
Allotment of New Shares under the Placement	Thursday, 18 Nov. 2021
SPP	
Record date for determining eligibility for SPP	7:00pm Thursday 11 Nov. 2021
Despatch of SPP Booklet and SPP opens	Friday, 19 Nov. 2021
SPP closes	Friday, 10 Dec. 2021
Allotment of new shares under the SPP	Friday, 17 Dec. 2021
Normal trading of new shares under the SPP	Monday, 20 Dec. 2021
Despatch of holding statements	Monday, 20 Dec. 2021

ABOUT THE COMPANY

Murray Cod Australia is a vertically integrated producer, involved in the breeding, growing and supply of premium “Aquna” branded Murray Cod to domestic and export markets. The production process produces a unique fish with some of the best culinary qualities in the world. Murray Cod Australia uses an innovative farming technique with market-leading bio-security techniques whilst being environmentally friendly and sustainable. The Company has developed a land-based aquaculture model, using dams and irrigation water, allowing control of the breeding, feeding, water conditions and biological inputs throughout the entire lifecycle of the fish. This provides confidence for customers in the quality and sustainability of the produce. The business’ operations are located in the Riverina region of New South Wales, Australia.

ADDITIONAL INFORMATION

Additional information regarding the capital raising is contained within the Investor Presentation released to the ASX today. All dollar amounts are in Australian dollar unless otherwise indicated.

For more information contact: Mr. Ross Anderson (Chairman), +61 269 625 470

IMPORTANT NOTICES

The release of this announcement was authorised by the Board of Murray Cod Australia Ltd.

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This announcement includes forward-looking statements. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.

The information contained in this announcement does not constitute investment or financial product advice (nor taxation, accounting or legal advice), is not a recommendation to acquire MCA shares and is not intended to be used or relied upon as the basis for making an investment decision. This announcement has been prepared without taking into account the investment objectives, financial situation or needs of any individuals. Before making any investment decisions, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and should seek legal, accounting and taxation advice appropriate to their jurisdiction. MCA is not licensed to provide investment or financial product advice in respect of MCA shares. Cooling off rights do not apply to the acquisition of MCA shares pursuant to the Placement or SPP.

LEAD MANAGER DISCLAIMER

Barrenjoey Markets Pty Ltd (**'Barrenjoey'** or **'the Lead Manager'**), together with its related bodies corporate, shareholders and affiliates, and each of their respective officers, directors, employees, affiliates, agents and advisers (each a **'Limited Party'**) have not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this announcement and there is no statement in this announcement which is based on any statement made by the Lead Manager or any other Limited Party. To the maximum extent permitted by law, the Lead Manager and each other Limited Party expressly disclaim all liabilities (including for negligence) in respect of, and take no responsibility for, any part of this announcement, including as to the currency, accuracy, reliability or completeness of any information in this announcement.

Neither the Lead Manager nor any other Limited Party makes any recommendation as to whether any potential investor should participate in the Placement. Further, neither the Lead Manager nor any other Limited Party accepts any fiduciary obligations to or relationship with

any investor or potential investor in connection with the Placement or otherwise, and by accessing this announcement each recipient expressly disclaims any such fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Placement and any other transaction or other matter arising in connection with this announcement. The Lead Manager and other Limited Parties may have securities or associated derivatives as principal or agent. Such persons may receive fees or other benefits for engaging in these activities.

Determination of eligibility of investors for the purposes of the Placement and SPP is determined by reference to a number of matters, including legal requirements and the discretion of MCA and the Lead Manager. To the maximum extent permitted by law, MCA and the Lead Manager each disclaim any liability in respect of the exercise of that discretion or otherwise. The Lead Manager may rely on information provided by or on behalf of institutional investors in connection with managing, conducting or underwriting the Placement without having independently verified that information and the Lead Manager does not assume responsibility for the accuracy or completeness of the information.

ENDS

Authorised for release by Ross Anderson, Chairman