

NEW ZEALAND COASTAL SEAFOODS LIMITED

ACN 124 251 396

PROSPECTUS

For the offers of:

- (a) up to 100,000,000 Options, exercisable at \$0.01 each on or before the date that is three years from the date of issue (**Placement Options**) to participants under the Placement (**Placement Options Offer**);
- (b) up to 160,000,000 Shares at an issue price of \$0.005 per Share (**SPP Shares**), together with one free attaching Option for every two SPP Shares subscribed for and issued, exercisable at \$0.01 each on or before the date that is three years from the date of issue (**SPP Options**) to participants under the SPP to raise up to \$800,000 (**SPP Offer**); and
- (c) 30,000,000 Options, exercisable at \$0.01 each on or before the date that is three years from the date of issue (**Lead Manager Options**) to the Lead Manager (or its nominee/s) (**Lead Manager Options Offer**),

together the **Offers**.

SECURITY PURCHASE PLAN INFORMATION

The SPP Offer is currently scheduled to close at 5:00pm (WST) on 6 July 2022. Valid applications must be received by that time. Details of how to apply for Securities are set out in the SPP Application Form accompanying this Prospectus.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as highly speculative.

TABLE OF CONTENTS

1.	CORPORATE DIRECTORY.....	1
2.	TIMETABLE AND IMPORTANT NOTES	2
3.	DETAILS OF THE OFFERS.....	6
4.	PURPOSE AND EFFECT OF THE OFFERS.....	13
5.	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES.....	19
6.	RISK FACTORS	24
7.	ADDITIONAL INFORMATION	36
8.	DIRECTORS' AUTHORISATION	44
9.	DEFINITIONS	45

1. CORPORATE DIRECTORY

Directors

Winton Willesee
Non-Executive Chairman

Cataldo Miccio
Executive Director

Erlyn Dawson
Non-Executive Director

Evan Hayes
Non-Executive Director

Nathan Maxwell-McGinn
Non-Executive Director

Company Secretary

Erlyn Dawson

Share Registry*

Automic Registry Services
Level 5, 191 St Georges Terrace
PERTH WA 6000

Telephone: 1300 992 916
International: +61 2 9698 5414

Email: hello@automic.com.au
Website: www.automicgroup.com.au

ASX Code

NZS
NZSOA

Registered Office

Suite 5 CPC,
145 Stirling Highway
NEDLANDS WA 6009

Telephone: (08) 9389 3170

Email: info@nzcs.co
Website: www.nzcs.co

Lead Manager to the Placement

CoPeak Corporate Pty Ltd
as Trustee for Peak Asset Management
Unit Trust
39/55 Collins St
MELBOURNE VIC 3000

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditor*

Crowe Perth
Level 5, 45 St Georges Terrace
PERTH WA 6000

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE AND IMPORTANT NOTES

2.1 Timetable

Action	Date
Record Date for SPP	5.00pm (WST) on 30 March 2022
Announcement of Placement and SPP and lodgement of Appendix 3B with ASX	31 March 2022
Issue of Shares under Placement, lodgement of Appendix 2A and Cleansing Notice with ASX	6 April 2022
Lodgement of Prospectus for issue of Placement Options, SPP Securities and Lead Manager Options and lodgement of Appendix 3B's with ASX	10 June 2022
Opening date of the Offers	10 June 2022
Date of General Meeting to approve issue of Placement Options, SPP Securities and Lead Manager Options	21 June 2022
Closing Date of the Offers**	6 July 2022
Announcement of the results of the SPP	7 July 2022
Issue of Securities under the Offers, lodge Appendix 2A for the Placement Options, SPP Securities and Lead Manager Options with ASX	8 July 2022
Quotation on ASX of Securities under the Offers	11 July 2022

* The above dates are indicative only and may change without prior notice.

** Subscribers under the SPP Offer should ensure that they have lodged their SPP Application Form by this date.

2.2 Important Notes

This Prospectus is dated 10 June 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.3 ASIC Instrument and ASX Listing Rule 7.2, Exception 5

In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**). The ASIC Instrument allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period.

As the Company is also offering Options under the SPP (subject to obtaining Shareholder approval), the Company is unable to rely on the relief granted by the ASIC Instrument in respect of the Options (as the relief relates to offers of fully paid ordinary shares only) and, therefore, is undertaking the issue of Shares and Options under the SPP pursuant to this Prospectus.

Further to the above, the Company notes that the issue price of Shares to be issued under the SPP does not satisfy the second element of Exception 5 of ASX Listing Rule 7.2, being that the issue price of Shares offered under the SPP must be at least 80% of the volume weighted average price (**VWAP**) of Shares calculated over the last 5 days on which sales in Shares were recorded before the day on which the SPP was announced (with the VWAP of the Shares before the day on which the issue is made obviously not presently known). However, the Company wishes to provide Shareholders with the opportunity to participate on the same terms as the Placement (which was completed by the Company in April 2022) and as such, is seeking Shareholder approval for the issue of Shares under the SPP at the General Meeting.

2.4 Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of SPP Options issued under this Prospectus. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (<https://nzcs.co>). By making an application under the SPP Options Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

2.5 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

2.6 Taxation implications

The Directors do not consider it appropriate to give Shareholder's advice regarding the taxation consequences of applying for Securities under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Securities under this Prospectus.

2.7 Applicants outside Australia and New Zealand

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.8 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and our management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

2.9 Website – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <https://nzcs.co>. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia and New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.10 Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

2.11 Disclaimer

No person is authorised to give information or to make any representation in connection with the offers described in this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offers. You should rely only on information in this Prospectus.

2.12 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for securities under this Prospectus.

3. DETAILS OF THE OFFERS

3.1 Background to the Placement and SPP

On 31 March 2022, the Company announced that it was undertaking a capital raising to raise up to \$1,500,000 comprising:

- (a) a placement to professional and sophisticated investors to raise \$1,000,000 via the issue of 200,000,000 Shares at an issue price of \$0.005 per Share (**Placement**); and
- (b) a share purchase plan to raise \$500,000 (with an ability to accept oversubscriptions of up to a further \$300,000), under which Eligible Shareholders would be given an opportunity to acquire Shares up to the value of \$30,000 at an issue price of \$0.005 per Share (**SPP**).

The Company also announced that, subject to obtaining Shareholder approval, participants in the Placement and the SPP would be issued one (1) free-attaching attaching Option for every two (2) Shares subscribed for and issued to them pursuant to the Placement and SPP. The Options are exercisable at \$0.01 each, on or before the date that is three years from the date of issue of the Options.

In the event that less than \$500,000 is applied for under the SPP Offer by Eligible Shareholders, the Directors may seek to place that number of Shares at an issue price of \$0.005 per Share to raise up to \$500,000 when combined with the amount raised under the SPP Offer (**Shortfall Offer**).

On 6 April 2022, the Company issued 200,000,000 Shares under the Placement pursuant to the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

The issue of the Placement Options, the SPP Shares, SPP Options, (together, the **SPP Securities**) and the Lead Manager Options are subject to the Company obtaining Shareholder approval at the Company's upcoming general meeting to be held on 21 June 2022 (**General Meeting**). Accordingly, no Placement Options, SPP Securities or Lead Manager Options will be issued pursuant to this Prospectus where Shareholder approval is not obtained at the General Meeting.

Copeak Corporate Pty Ltd <The Trustee for Peak Asset Management Unit Trust> (ACN 632 277 144) (**Peak**) has been engaged to act as lead manager and corporate advisor to the Placement (**Lead Manager**). In consideration for the services to be provided to the Company, Peak will receive the following fees:

- (c) a capital raising fee of 6% of the total amount raised the Placement (plus GST); and
- (d) subject to obtaining Shareholder approval, the issue of 30,000,000 Options on the same terms and conditions as the Placement Options (the **Lead Manager Options**). Where Shareholder approval is not obtained for the issue of the Lead Manager Options, the Company will make a cash payment of \$30,000 to Peak in lieu of the issue of the Lead Manager Options.

Further details in relation to the Placement and the SPP are set out in the ASX announcement dated 31 March 2022 (**Announcement**) and the Company's notice of General Meeting released to ASX on 20 May 2022 (**Notice of Meeting**).

3.2 The Placement Options Offer

By the Placement Options Offer under this Prospectus, the Company offers up to 100,000,000 Placement Options, exercisable at \$0.01 each, on or before the date that is three years from the date of issue of the Placement Options, to participants in the Placement.

No funds will be raised from the issue of Placement Options pursuant to the Placement Options Offer as the Placement Options are free attaching to Shares issued under the Placement on a one for two basis. Fractional entitlements will be rounded down to the nearest whole number.

As stated above, the issue of the Placement Options is subject to Shareholder approval to be obtained at the General Meeting.

The Placement Options will be issued on the terms and conditions set out in Section 5.2. All of the Shares issued upon exercise of the Placement Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose and effect of the Placement Options Offer is set out in Section 4.2.

3.3 The SPP Offer

By the SPP Offer under this Prospectus, the Company offers up to 100,000,000 SPP Shares at an issue price of \$0.005 per SPP Share, together with one SPP Option for every two SPP Shares subscribed for and issued, exercisable at \$0.01 per SPP Option on or before the date that is three years from the date of issue of the SPP Options, to Eligible Shareholders.

The SPP Offer is an offer to each Eligible Shareholder to subscribe for new Shares to a maximum value of \$30,000 of at an issue price of \$0.005 per SPP Share, together with one SPP Option for every two SPP Shares subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

The issue of the SPP Shares and SPP Options is subject to Shareholder approval to be obtained at the General Meeting as the Company wishes to offer Eligible Shareholders the opportunity to participate in the Company's capital raising activities at a price equal to the Shares issued under the Placement which does not comply with the requirements of ASX Listing Rule 7.2, Exception 5.

All of the Shares offered under the SPP Offer pursuant to this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The SPP Options offered under the SPP Offer pursuant to this Prospectus will be exercisable at \$0.01 each on or before the date that is three years from the date of issue of the SPP Options and otherwise on the terms set out in Section 5.2. All of the Shares issued upon exercise of the SPP Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the SPP Offer is set out in Section 4.1. The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to any Securities offered under the SPP Offer.

No funds will be raised from the issue of SPP Options pursuant to the SPP Options Offer as the SPP Options are free attaching to Shares issued under the SPP on a one for two basis.

3.4 Eligibility to participate in SPP Offer

Only Eligible Shareholders may participate in the SPP Offer. 'Eligible Shareholders' for the purpose of the SPP Offer are Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address was in Australia or New Zealand.

If you are the only registered Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example because you hold Shares in more than one capacity), you may only apply for one parcel of Shares with a value of up to \$30,000. The Company reserves the right to reject any application for Shares under this Prospectus to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

Participation in the SPP Offer is optional and is subject to the terms and conditions set out in this Prospectus.

3.5 The Lead Manager Options Offer

By the Lead Manager Options Offer under this Prospectus, the Company offers 30,000,000 Lead Manager Options, exercisable at \$0.01 each, on or before the date that is three years from the date of issue of the Lead Manager Options, to the Lead Manager (or its nominee/s).

No funds will be raised from the issue of Lead Manager Options pursuant to the Lead Manager Options Offer as the Lead Manager Options are being issued for nil cash consideration in part consideration for services provided by the Lead Manager to the Company.

As stated above, the issue of the Lead Manager Options is subject to Shareholder approval to be obtained at the General Meeting.

The Lead Manager Options will be issued on the terms and conditions set out in Section 5.2. All of the Shares issued upon exercise of the Placement Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose and effect of the Lead Manager Options Offer is set out in Section 4.2.

3.6 Minimum subscription

There is no minimum subscription to the Offers.

3.7 Oversubscriptions

Oversubscriptions of up to a further 60,000,000 Shares at an issue price of \$0.005 per Share to raise up to a further \$300,000 may be accepted under the SPP Offer, together with one free attaching SPP Option for every two SPP Shares subscribed for and issued, exercisable at \$0.01 per SPP Option on or before the date that is three years from the date of issue of the SPP Options.

3.8 Not underwritten

The Offers are not underwritten.

3.9 Lead Manager

As set out above, the Company has appointed Peak as the Lead Manager to the Placement.

Further details in respect of the appointment of the Lead Manager and the fees payable to the Lead Manager are set out in Section 3.1 above, the Announcement and the Notice of Meeting.

The Company confirms that no lead manager has been appointed in respect of the SPP.

3.10 Applications

Placement Options Offer

Only participants in the Placement will be eligible to apply for Placement Options under the Placement Options Offer. Accordingly, the Placement Options Offer will only be extended to specific parties on invitation from the Directors and the Application Form will be provided by the Company to these parties only.

No subscription monies are payable for the Placement Options offered pursuant to this Prospectus as the Placement Options are being issued on the basis of one free-attaching Option for every two Shares subscribed for and issued under Placement.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

SPP Offer

Eligible Shareholders may apply under the SPP Offer by completing the SPP Application Form accompanying this Prospectus in accordance with the instructions outlined on the SPP Application Form.

Pursuant to the SPP Offer, Eligible Shareholders may apply for Shares with a maximum value of \$30,000. Eligible Shareholders may participate by selecting one of the following options to purchase Shares under the SPP Offer:

	SPP Application Amount	Number of Shares which may be purchased
Offer A	\$1,000	200,000
Offer B	\$2,500	500,000
Offer C	\$5,000	1,000,000
Offer D	\$7,500	1,500,000
Offer E	\$10,000	2,000,000
Offer F	\$15,000	3,000,000
Offer G	\$20,000	4,000,000

	SPP Application Amount	Number of Shares which may be purchased
Offer H	\$30,000	6,000,000

Where the amount applied for results in a fraction of a Security the number of Shares issued will be rounded down to the nearest whole Security.

Completed Application Forms and payment of the application moneys must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

The Company reserves the absolute discretion to scale back applications under the SPP Offer to the extent and in the manner it sees fit. If the Company undertakes a scale back, you will receive the number of SPP Shares determined by the Company in its absolute discretion which may be less than the number of Shares applied for. In this case, the difference between the application moneys received and the number of SPP Shares allocated to you multiplied by the issue price per SPP Share may be refunded to you by direct credit (to your nominated account recorded on the Company's share register) or by cheque as soon as practicable, without interest.

If you require assistance in completing a SPP Application Form, please contact the Company's Share Registry, Automic Group on 1300 288 664.

Lead Manager Options under the Lead Manager Options Offer

Only the Lead Manager (or its nominee/s) will be eligible to apply for Lead Manager Options under the Lead Manager Options Offer. Accordingly, the Lead Manager Options Offer will only be extended to specific parties on invitation from the Directors and the Application Form will be provided by the Company to these parties only.

No subscription monies are payable for the Lead Manager Options offered pursuant to this Prospectus as the Lead Manager Options are being issued in part consideration for services provided to the Company (refer to Section 3.1 for further detail).

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

3.11 Payment – SPP Offer

(a) Payment by EFT or BPAY®

For payment by EFT or BPAY®, please follow the instructions on the SPP Application Form.

You can only make a payment via:

- (i) EFT if you are a holder of an account that supports EFT transactions to an Australian bank account; or
- (ii) BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by EFT or BPAY®:

- (iii) you do not need to submit the SPP Application Form but are taken to have made the declarations on that SPP Application Form; and
- (iv) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your application monies.

It is your responsibility to ensure that your EFT or BPAY® payment is received by the share registry by no later than 5:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Securities (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

3.12 ASX listing

Application for Official Quotation of the Securities offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 2.1. If ASX does not grant Official Quotation of the Securities offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any and will repay all application monies for the Securities offered under this Prospectus within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities now offered.

3.13 Issue

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Application moneys will be held in a separate subscription account until the Securities are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Securities are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Securities. The Directors reserve the right to reject any application or to allocate any Applicant fewer Securities than the number applied for.

Where the number of Securities issued is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no issue of Securities is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

Holding statements for Securities issued under the Offers will be mailed in accordance with the timetable set out at the commencement of this Prospectus.

3.14 Restrictions on the distribution of the Prospectus

The distribution of this Prospectus outside Australia and New Zealand may be restricted by law.

This Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

New Zealand

The Securities offered under the Plan are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of Securities is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

3.15 Enquiries

Any questions concerning the Offers should be directed to the Company on +61 8 9389 3170 or the Company's registry, Automic Group, on 1300 288 664.

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Placement and Offers

Placement and SPP Offer

The primary purpose of the SPP Offer and the Placement is to raise up to \$1,800,000 (before costs and assuming oversubscriptions of \$300,000 are accepted under the SPP Offer). The funds raised from the SPP Offer together with the Placement are planned to be used in accordance with the table set out below:

Proceeds of the SPP Offer and Placement	Full Subscription under SPP (\$1,500,000)	%	Oversubscription under SPP (\$1,800,000)	%
Working capital ¹	\$1,382,487	92.17%	\$1,682,487	93.47%
Expenses of the Offers (including the Lead Manager Fees) ²	\$117,513	7.83%	\$117,513	6.53%
Total	\$1,500,000	100.0%	\$1,800,000	100.0%

Notes:

1. Working capital costs include capital to buy raw seafood materials for processing and the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, Director fees, rent, insurance and other associated costs.
2. Refer to Sections 3.1 and 7.8 for further details relating to the fees payable to the Lead Manager and the estimated expenses of the Offers (respectively).

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

In the event the Company raises more than the Full Subscription of \$1,500,000 under the Placement and SPP Offer but less than the oversubscription of \$1,800,000, the additional funds raised will be first applied towards the expenses of the Offers and then towards working capital and towards bolstering the Company balance sheet as it seeks strategic acquisition opportunities.

If there is a shortfall under the SPP Offer, the Directors have reserved the right to place the shortfall pursuant to the Shortfall Offer.

On completion of the Placement and SPP Offer, the Board believes the Company will have sufficient working capital to achieve the above objectives. However, to the extent the SPP Offer is not fully subscribed, the Company will seek to appropriately scale back and or delay its discretionary spending, while it seeks alternative sources of funding (as required).

Placement Options Offer

The Placement Options Offer is being made to participants in the Placement such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Placement Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Placement Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Placement Options Offer (other than funds raised if the Placement Options are subsequently exercised) as the Placement Options are free-attaching to Shares issued under the Placement on a one for two basis.

Lead Manager Options Offer

The Lead Manager Options Offer is being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Lead Manager Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Lead Manager Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Lead Manager Options Offer as the Lead Manager Options are being issued for nil cash consideration in part consideration for services provided to the Company by the Lead Manager.

4.2 Effect of the Offers

The principal effect of the Placement and Offers (assuming the Company accepts oversubscriptions and issues the maximum number of Securities under the Offers) will be to:

- (a) increase the cash reserves by \$1,800,000 (before deducting the estimated expenses of the Placement and the Offers) immediately after completion of the Placement and the Offers; and
- (b) increase the number of Shares on issue from 1,027,005,031 to 1,187,005,031 Shares following completion of the Placement and the Offers; and
- (c) increase the number of Options on issue from 298,085,428 to 508,085,428 Options following completion of the Placement and the Offers.

4.3 Effect of the Offers on capital structure

The effect of the Offers on the Company's capital structure (assuming the Company accepts oversubscriptions and issues the maximum number of Securities under the Offers) is set out below.

Shares	Number
Shares currently on issue ^{1, 2}	1,027,005,031
Shares to be issued under the Offers	160,000,000
Total Shares on issue on completion of the Offers	1,187,005,031

Notes:

1. The rights and liabilities attaching to the Options are summarised in Section 5.1.
2. This includes 200,000,000 Shares issued under the Placement on 6 April 2022.

Options	Number
Options currently on issue ¹	298,085,428
Options to be issued under the Placements Options Offer ²	100,000,000
Options to be issued under the SPP Options Offer ²	80,000,000
Options to be issued under the Lead Manager Options Offer ²	30,000,000
Total Options on issue on completion of the Offer	508,085,428

Notes:

- Comprising:
 - 134,585,426 quoted Options exercisable at \$0.0275 each on or before 25 July 2022;
 - 5,833,333 unquoted Options exercisable at \$0.02 each on or before 30 June 2023;
 - 11,666,667 unquoted Options exercisable at \$0.04 each on or before 30 June 2023;
 - 5,000,000 unquoted Options exercisable at \$0.035 each on or before 9 March 2023;
 - 106,000,002 unquoted Options exercisable at \$0.06 on or before 5 February 2023
 - 30,000,000 unquoted Options exercisable at \$0.275 on or before 25 July 2022
 - 1,650,000 unquoted Options exercisable at \$0.02 each on or before 30 June 2024; and
 - 3,350,000 unquoted Options exercisable at \$0.04 each on or before 30 June 2024.
- The rights and liabilities attaching to the Options are summarised in Section 5.2.

Options	Number
Performance Rights currently on issue ¹	33,500,000
Performance Rights to be issued under the Offers	Nil
Total Performance Rights on issue on completion of the Offer	33,500,000

Notes:

- Comprising 31,500,000 performance rights (the terms of which are set out in the Company's notice of annual general meeting dated 29 October 2020) and 2,000,000 performance rights (the terms of which are set out in the Company's notice of annual general meeting dated 27 October 2021).

4.4 Pro-forma balance sheet

The reviewed balance sheet as at 31 December 2021 and the pro-forma balance sheet as at 31 December 2021 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

New Zealand Coastal Seafoods Limited

Pro-Forma Balance Sheet as at 31 December 2021

		Adjustments				Pro-Forma
	31-Dec-21	Share	Share	Capital Raise	Lead Manager	
	(\$)	Placement	Purchase Plan	Expenses	Options	(\$)
Current Assets						
Cash and cash equivalents	1,225,386	1,000,000	800,000	(117,513)	0	2,907,873
Trade and other receivables	157,468	0	0	0	0	157,468
Term deposits	89,269	0	0	0	0	89,269
Inventories	729,294	0	0	0	0	729,294
Total Current Assets	2,201,417	1,000,000	800,000	(117,513)	0	3,883,904
Non-Current Assets						
Property, Plant & Equipment	847,710	0	0	0	0	847,710
Right of Use Asset	1,150,235	0	0	0	0	1,150,235
Total Non-Current Assets	1,997,945	0	0	0	0	1,997,945
Current Liabilities						
Trade and other payables	280,423	0	0	0	0	280,423
Lease Liability	127,187	0	0	0	0	127,187
Total Current Liabilities	407,610	0	0	0	0	407,610
Non-Current Liabilities						
Lease Liability	1,122,168	0	0	0	0	1,122,168
Total Non-Current Liabilities	1,122,168	0	0	0	0	1,122,168
Net Assets	2,669,584	1,000,000	800,000	(117,513)	0	4,352,071

Equity						
Issued Capital	13,307,868	1,000,000	800,000	(117,513)	0	14,990,355
Reserves	1,429,247	0	0	0	73,442	1,502,689
Retained Earnings	(12,067,531)	0	0	0	(73,442)	(12,140,973)
Shareholders Equity	2,669,584	1,000,000	800,000	(117,513)	0	4,352,071

The pro-forma balance sheet has been prepared assuming the maximum number of Securities offered under this Prospectus are issued (i.e. \$800,000 is raised under the SPP), no existing Options are exercised and including expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted above. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Rights and liabilities attaching to Shares

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5.2 Terms and Conditions of the Options

The terms and conditions of the SPP Options, Placement Options and Lead Manager Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.01 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on the date that is three years from the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Quotation**

The Company will apply for quotation of the Options on ASX.

6. RISK FACTORS

6.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company specific

(a) Potential for dilution

Assuming all Securities to be issued under this Prospectus are issued and no Options are exercised prior to the date of issue, the number of Shares will increase from 1,027,005,031 Shares currently on issue to 1,187,005,031 Shares. This means that each Share will represent a lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters. The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.005 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offers.

(b) Going concern

The Company's reviewed financial statements for the half year ended 31 December 2021 (**Half Year Report**) were prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. COVID-19 and the related measures imposed by Governments to slow the spread of the virus have had a significant impact on the New Zealand and global economies, supply chains and financial markets, and has resulted in increased levels of volatility and uncertainty. The ultimate extent of the economic impacts worldwide and on the Company's business activities are unknown.

For the half year ended 31 December 2021, the Company incurred an operating cash outflow of \$1,297,719. The total comprehensive loss for the same period was \$1,549,380. The Half Year Report stated that there is a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern, and therefore whether the Company will realise its assets and settle its liabilities in the ordinary course of business at the amounts recorded in the financial statements.

The Half Year Report did not include any adjustments relating to the recoverability and classification of assets carrying amount or the amount of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

The Half Year Report stated that the Directors have prepared forecast cash flow information for the twelve months from the date of the Half Year Report taking into account an estimation of the continued business impacts of COVID-19. The forecasts are based on limited trading history and include material revenue items relating to new products and markets. In the Directors' opinion, the inclusion of these material revenue items is based on events that they reasonably expect to take place and actions that they reasonably expect to occur. Key to the forecasts are relevant assumptions regarding the business, business model, growth strategy and any legal or regulatory restrictions. The forecasts and projections indicate that, taking account of reasonably possible downsides that the Company will continue to operate with headroom within available cash levels. Should the timing of operating cash flows be significantly different to those forecast, the Company may need to seek alternative financing to enable it to settle its liabilities as they fall due. The Directors have historically been successful in obtaining financing through equity raises and are confident that should the need arise, further funding can be raised through either debt or equity.

Notwithstanding the 'going concern' note included in the Half Year Report, the Directors believe that upon the successful completion of the Offers, the Company will have sufficient funds to adequately meet the Company's current commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company.

(c) **Growth risk**

The achievement of the Company's objectives will depend on the Board's and the executive team's ability to successfully implement its growth strategy. The management of the Company has successfully implemented the Company's growth strategy.

However, the capacity of the management to properly manage the strategic direction of the Company will affect the Company's financial performance.

(d) **Product pricing risk**

The Company's revenue is largely dependent upon the sale of dried seafood processed from its operations, namely ling maw. The Company's earnings are therefore closely related to the sale price of ling maw and other dried seafood products.

The financial performance of the Company will be influenced by the price it can obtain for its products, in both domestic and export markets. The Company does not have any long-term or guaranteed customer supply contracts. The Company negotiates prices based on measures of supply and demand and the exchange rate position and it is therefore not able to guarantee the prices and terms of future transactions.

There is a risk that a reduction in the prices received by the Company for its products could have material adverse impact on the operational results and financial performance of the Company.

(e) **Consumer demand risk**

The Company sells premium seafood products. Therefore, there is a risk that changing economic conditions could cause consumers to reduce their consumption of the Company's products or substitute with cheaper seafood products.

Demand for the Company's main product, ling maw, is in part due to the perceived health benefits of the product in the minds of consumers, and in particular consumers in Asian and Asian expatriate markets. Should events occur to diminish that perception demand for ling maw may fall.

Changes in consumer dietary preference and/or consumer preference generally for the products that the Company offers could change in a way that lowers demand for the Company's products and results in reduced prices. This could impact the Company's operating and financial performance.

The Company looks to implement measures to mitigate consumer demand risk through product and market diversification, as well as new business acquisitions such as the recently completed acquisition of Kiwi Dreams International Limited.

(f) **Supply risk**

The Company relies on the supply of high quality seafood from a number of local New Zealand suppliers in order to process its products. The cost of seafood could increase substantially due to local or international market events. In recent years, the availability of certain types of seafood has fluctuated, which has resulted in a corresponding fluctuation in prices.

The Company currently does not have contracts with its suppliers; therefore, the Company is subject to the risk of an unstable supply of seafood at favourable prices. Further, there is a risk that the supply of fresh seafood could be materially disrupted due to the occurrence of a natural disaster or disease that affects the Company's suppliers' ability to catch and/or deliver seafood to the Company as well as changes in the regulation of the suppliers' fishing operations and/or reductions in the allowable catch limits applying to those suppliers.

If the Company is unable to purchase fresh seafood at favourable prices or any event occurs which disrupts the supply of fresh seafood, the Company's business, operational results and financial performance would be adversely affected.

A material supply disruption could result in the Company being unable to procure raw seafood at competitive prices, if at all. The Company has implemented measures to mitigate supply risk and has, for example, increased its freezer capacity to 70mt thereby increasing its holding capacity to approximately 3 months of supply.

(g) **Key customers risk**

The Company's revenues are dependent on the sales of its products to a limited number of customers. The loss of any significant customer, whether through its bankruptcy, failure to secure/maintain the relationship, breach of any terms of trade or other factors may impact the Company's, sales volumes and/or operating and financial performance.

(h) **Reputation risk**

There is a risk that some incident or development beyond the control of the Company could occur which would have the effect of reducing consumer confidence or preferences for the Company's products. Such incidents could include:

- (i) a widespread loss of consumer confidence in seafood, in particular ling maw;
- (ii) health concerns associated with the consumption of seafood products, in particular ling maw;
- (iii) a widespread loss of consumer confidence in the food safety procedures in the seafood industry as a whole; and
- (iv) concerns about fishing practices and the sustainability of wild caught fisheries.

The consequences of such an incident or development could be very significant for the Company, with impacts potentially including reduced revenues, loss of consumer trust in the Company's products, and reduced prominence of the Company's brands or reputation in customers' minds, all of which may adversely impact the Company's operating or financial performance.

The Company considers that its product diversification assists in mitigating reputation risk.

(i) **Commercialisation risk**

There is a risk that the Company will not be able to successfully commercialise or sell anticipated products or be unable to sell products at significantly higher volumes, as contemplated by its growth strategy.

The Company's ability to generate revenue depends on the sales it makes across its product offerings. As with any business, there is a risk that the marketing strategies may not be effective in generating the increased production scale that the Company is targeting.

The price point of some of the Company's existing or proposed products may be too high compared to other solutions or may not be able to stay at the same or at competitive prices for an extended period. This may lead to difficulties in market acceptance and, if reductions in price are necessary to achieve market penetration, the potential for profit margins will be reduced.

(j) **Marketing risk**

The Company's ability to broaden its customer base and achieve broader market acceptance of its products will depend to a significant

extent on the ability of its sales and marketing team to drive its sales pipeline and cultivate relationships to drive revenue growth.

The Company has invested in, and plans to continue, expanding its sales and marketing activities. Identifying, recruiting, and training sales personnel will require significant time, expense, and attention. The Company also plans to dedicate significant resources to sales and marketing programs. If the Company is unable to hire, develop, and retain talented sales or marketing personnel, if the Company's new sales or marketing personnel are unable to achieve desired productivity levels in a reasonable period of time, or if the Company's sales and marketing programs are not effective, its ability to broaden its customer base and achieve broader market acceptance of its products could be harmed. In addition, the investments the Company makes in its sales and marketing team will occur in advance of experiencing benefits from such investments, making it difficult to determine in a timely manner if it is efficiently allocating resources in these areas.

(k) **Contract risk**

The operations of the Company require it to engage with a number of third parties, including suppliers, contractors and customers. With respect to these third parties, and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:

- (i) financial failure or default by a participant in any joint venture to which the Company may become a party;
- (ii) insolvency, default on performance or delivery, or any managerial failure by any of the operators and contractors used by the Company in its activities; or
- (iii) insolvency, default on performance or delivery, or any managerial failure by any other service providers used by the Company or operators for any activity.

Financial failure, insolvency, default on performance or delivery, or any managerial failure by such third parties may have a material impact on the operations and performance of the Company, and it is not possible for the Company to predict or protect itself completely against all such contract risks.

(l) **Insurance risk**

The Company faces various risks in conducting its business and may lack adequate insurance coverage or may not have the relevant insurance coverage. The Company believes it will have reasonably adequate coverage for third-party liability insurance, product liability insurance and business interruption insurance. However, the Company's insurance coverage may not be adequate. If the Company incurs substantial losses or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, the Company's financial position and financial performance may be adversely affected.

(m) **Credit risks**

The Company will be exposed to credit risks relating to delayed or non-payments from its customers. A failure by the Company to adequately assess and manage credit risk may result in credit losses potentially resulting in a material adverse effect on the Company's business, operating and financial performance, including decreased operating cash flows.

(n) **Reliance on Key Management Personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and the Board. There can be no assurance that there will be no detrimental impact on the performance of the Company or its growth potential if one or more of these employees or officers cease their employment and suitable replacements are not identified and engaged in a timely manner.

If such contracts with key management personnel are terminated or breached, or if the relevant personnel were no longer to continue in their current roles, the Company would need to engage alternative staff, and the operations and business of the Company may be adversely affected.

(o) **Litigation**

The Company is not currently involved in any litigation. However, the Company may in the ordinary course of business become involved in litigation and disputes, for example with its contractors or clients over a broad range of matters including its products. Any such litigation or dispute could involve significant economic costs and damage to relationships with contractors, clients or other stakeholders. Any such outcomes may have an adverse impact on the Company's business, market reputation and financial condition and financial performance.

(p) **Future Funding Needs**

The funds raised under the Offer are considered sufficient to meet the immediate growth objectives of the Company. Further funding may be required by the Company in the event costs exceed estimates or revenues do not meet estimates, to support its ongoing operations and implement its growth strategies. For example, funding may be needed to develop new and existing products or acquire complementary businesses and assets. Accordingly, the Company may need to engage in equity or debt financings to secure additional funds.

There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Company's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Company.

(q) **Acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, companies, products and/or businesses that are complementary to the Company's business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies, products and/or businesses, such as integrating cultures and systems of operation, relocation of operations,

short term strain on working capital requirements, achieving the sales and margins anticipated and retaining key staff and user and supplier relationships.

(r) **Risk of adverse events, product liability or other safety issues**

The Company supplies seafood based nutraceutical products. As with all nutraceutical products, there is a risk that the products sold by the Company could cause serious or unexpected side effects, including risk or injury to consumers. Should any of the Company's products be associated with safety risks such as misuse or abuse, inadvertent mislabelling, tampering by unauthorised third parties or product contamination or spoilage, a number of materially adverse outcomes could occur, including:

Litigation or claims by the parties affected;

- regulatory authorities may revoke any approvals that have been granted, impose more onerous facility standards or product labelling requirements or force the Company to conduct a product recall;
- the Company could be subject to regulatory action or be sued and held liable for any harm caused to customers; or
- the Company's brand and reputation could be damaged.

Additionally, material risks to the health and safety of customers may force the Company to voluntarily suspend or terminate sales and/or operations.

The Company will endeavour to secure appropriate insurance coverage to mitigate these risks to the greatest extent possible. Additionally, the Company will maintain rigorous standards in respect of product safety. Regardless of insurance and quality standards applied by the Company, as in any manufacturing concern, there is still the potential for the products to contain defects. These defects or problems could result in the loss or delay in generating revenue, loss of market share, failure to achieve market acceptance, diversion of development resources, and damage to the company's reputation or increased insurance costs.

The Company cannot guarantee that all such risks will be adequately managed through imposing standards or its insurance policies, and may have an adverse impact on the Company's financial performance and prospects.

6.3 Industry specific

(a) **Food safety, handling and product quality risks**

As with all seafood processors, the Company is exposed to the risk of product contamination and product recalls. There is also a risk that the Company's products could cause a serious food poisoning incident as a result of an operational lapse in food safety or sanitation procedures or malicious tampering.

The occurrence of a serious food poisoning incident could have significant consequences for the Company and may involve:

- (i) a loss of consumer trust in the products that may result in reduced revenues; or
- (ii) payment to affected consumers of some form of compensation and to the relevant food authorities of some form of penalty or fine.

Seafood in particular is a highly perishable product unless handled with strict processing, packing, storage and transport protocols. Further, the Company's operations involve the drying and handling of seafood. Food safety concerns associated with drying seafood, including improper storage or drying techniques, could result in product contamination. A reduction in product quality has a material impact on the recoverable price for the end product and may adversely impact the Company's operating or financial performance.

The implementation of strict quality control policies, high levels of training for all staff handling and processing product, and regular detailed sampling programs will be required to monitor food safety or sanitation procedures and product quality and mitigate this risk.

As a secondary producer of seafood, the Company operates under a Risk Management Programme (RMP) that is registered with local authorities in Christchurch, New Zealand. Under the RMP, the Company is required to adhere to procedures for ensuring food safety.

(b) **Export and import risks**

The Company may be required to obtain additional authorisations and permits in New Zealand and other jurisdictions to which it exports its products. However, there is a risk that the relevant regulatory authorities will not issue these authorisations and permits to the Company on acceptable terms, in a timely manner or at all. Failure or delay in obtaining any required authorisations and permits for export and import could have a materially negative impact on the Company's ability to achieve its growth plans.

Further, in order to remain export eligible, fish and fish products must only be transported between, and prepared and stored at, registered export establishments. In order to export any of its seafood products, the Company will be reliant on the third parties that provide transport and storage services to it being appropriately registered. As these services are not currently the subject of written supply agreements it is not possible to guarantee consistency and availability of such arrangements.

Failure or difficulties in obtaining transport or storage services with registered export establishments will materially restrict the Company's ability to export its product and this could have a materially negative impact on the Company's business operations and financial performance.

(c) **Seasonal and environmental risks**

As a seafood processor, the Company is exposed to volatility in supply caused by seasonal weather and environmental conditions which impact the availability and cost of raw seafood from its suppliers. There is a risk that factors such as changes in temperatures, storms, floods, together with natural variations and external shocks in marine ecosystems

and other environmental conditions could disrupt supply of New Zealand seafood. However, the Company's secondary processed product is predominantly frozen which assists in mitigating seasonal and environmental risks.

(d) **Regulatory risks and approvals generally**

The Company is required to adhere to numerous legislative and regulatory requirements when undertaking its business. Regulatory areas which are of particular significance to the Company include food safety, export, import, occupational health and safety and tariff and taxation laws. These and other regulations give rise to significant requirements and compliance costs for the Company.

There is a risk that non-compliance with such regulations, changes in the current regulations (or their interpretation) or the introduction of new laws or regulations could lead to fines being imposed, the revocation of approvals, permits or authorisations, increased compliance costs and/or damage to the Company's reputation. Further, changes to the Company's business, such as the processing and handling of raw fish, could result in additional regulations being applicable to the Company. These events could have a material adverse effect on the Company's costs, business model or competitive environment and in turn its operating or financial performance.

Various approvals, permits or other government authorisations will be required for the Company's operations on and from completion of the Acquisition and for future operations. Obtaining approvals, permits or authorisations can be a time consuming and costly process and there is a risk that the Company may not obtain such approvals, permits or authorisations on acceptable terms, in a timely manner or at all. Failure or delay in obtaining any required approvals, permits or authorisations may have a material adverse effect on the Company's business model or competitive environment and in turn its operating or financial performance.

(e) **Occupational health and safety risks**

The seafood manufacturing industry is a high-risk industry. Given the nature of the industry that the Company operates in, its employees and contractors are at risk of workplace accidents and incidents.

In the event that an employee of the Company is injured, during the course of their employment, the Company may be liable for penalties or damages under the relevant occupation health and safety regulations. This risk has the potential to adversely impact the operating and financial performance of the Company.

(f) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition, and the Company is subject to competition from direct competitors operating domestically and in its export markets. Small manufacturers and exporters such as the Company face increasing competition from larger participants, due to the ongoing consolidation of seafood sector. The Company does not have any influence or control over the activities or actions of its competitors, which activities or actions

may, positively or negatively, affect the operating and financial performance of the Company.

(g) **Foreign exchange risk**

The Company has customers that operate in a variety of jurisdictions, including New Zealand, Australia and throughout Asia, and as such, expects to generate revenue and incur costs and expenses in more than one currency. Accordingly, the depreciation of the Australian dollar, New Zealand dollar and/or the appreciation of the foreign currency relative to the Australian dollar or New Zealand dollar could result in a translation loss on consolidation which is taken directly to shareholder equity.

Any depreciation of the foreign currency relative to the Australian or New Zealand currency may result in lower than anticipated revenue. The Company will be affected on an ongoing basis by foreign exchange risks between the Australian dollar or the New Zealand dollar and the other foreign currencies and will have to monitor this risk.

6.4 General risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Force Majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Ukraine Conflict**

The current evolving conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.

The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

(f) **Coronavirus (COVID-19)**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The COVID-19 pandemic may also give rise to issues, delays or restrictions in product processing and packaging and the Company's ability to deliver products to customers, which may result in cost increases or adverse impacts on sales. In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders. The effects of COVID -19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

(g) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

6.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
20 May 2022	Notice of General Meeting/Proxy Form
2 May 2022	Quarterly Activities/Appendix 4C Cash Flow Report
6 April 2022	Secondary Trading Notice
6 April 2022	Application for quotation of securities – NZS
31 March 2022	Proposed issue of securities – NZS
31 March 2022	Proposed issue of securities – NZS
31 March 2022	Capital Raising
29 March 2022	Trading Halt
28 February 2022	Half Yearly Report and Accounts
31 January 2022	Quarterly Activities/Appendix 4C Cash Flow Report
13 December 2021	Change of Director's Interest Notice x2
9 December 2021	Notification regarding unquoted securities – NZS
25 November 2021	Results of Meeting
4 November 2021	Final Director's Interest Notice
29 October 2021	Quarterly Update and Appendix 4C

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website (<https://nzcs.co>).

The Company notes that it is currently in the process of undertaking due diligence on an Australian based seafood wholesale exporter (**Target**) in respect of a potential acquisition transaction. While the due diligence is being undertaken with the co-operation of the Target, there is no executed agreement in respect of the

transaction and negotiations between the parties remain incomplete. The Company will update the market upon any binding acquisition agreement being executed.

7.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.007	24 March 2022
Lowest	\$0.004	2 June 2022
Last	\$0.005	10 June 2022

7.4 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, the following persons (together with their associates) have a relevant interest in 5% or more of the Shares on issue in the Company:

Shareholder	Shares	%
Peter James Win ¹	66,506,080	6.47%
Cataldo (Aldo) Miccio ¹	52,918,240	5.15%
Alexander Trading Corporation Limited ¹	52,786,730	5.14%

Notes:

1. These parties may all participate in the SPP Offer up to an amount of \$30,000.

The Company confirms that no existing Shareholder will increase its Shareholding to above 19.9% as a result of the Placement or the Offers.

7.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or
- the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or

director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus and following completion of the Offers is set out in the table below.

Date of this Prospectus

Director	Shares	Options	Performance Rights
Winton Willesee	2,500,000	100,834 ¹	13,500,000 ²
Aldo Miccio	52,918,240	13,566,000 ³	9,000,000 ⁴
Erlyn Dawson	Nil	8,000,000 ⁵	9,000,000 ⁶
Evan Hayes	Nil	5,500,000 ⁷	Nil
Nathan Maxwell-McGinn	Nil	5,500,000 ⁷	Nil

Completion of the Offers

Director	Shares	Options	Performance Rights
Winton Willesee	8,500,000 ⁸	3,100,834 ^{1,8}	13,500,000 ²
Aldo Miccio	58,918,240 ⁹	16,566,000 ^{3,9}	9,000,000 ⁴
Erlyn Dawson	Nil	8,000,000 ⁵	9,000,000 ⁶
Evan Hayes	Nil	5,500,000 ⁷	Nil
Nathan Maxwell-McGinn	Nil	5,500,000 ⁷	Nil

Notes:

1. Comprising 100,834 quoted Options exercisable at \$0.0275 expiring 25 July 2022.
2. Comprising 6,750,000 Class A Performance Rights and 6,750,000 Class B Performance Rights.
3. Comprising 13,566,000 Options exercisable at \$0.06 expiring 5 February 2023.
4. Comprising 4,500,000 Class A Performance Rights and 4,500,000 Class B Performance Rights.
5. Comprising 8,000,000 Options exercisable at \$0.06 expiring 5 February 2023.
6. Comprising 4,500,000 Class A Performance Rights and 4,500,000 Class B Performance Rights.
7. Comprising 3,000,000 Options exercisable at \$0.06 expiring 5 February 2023 and 2,500,000 Options exercisable at \$0.035 expiring 9 March 2023.
8. Assuming Mr Willesee participates in the SPP Offer in the amount of \$30,000 and Mr Willesee is issued 6,000,000 Shares and 3,000,000 SPP Options, exercisable at \$0.01 each on or before the date that is three years from the date of issue of the SPP Options.
9. Assuming Mr Miccio participates in the SPP Offer in the amount of \$30,000 and Mr Miccio is issued 6,000,000 Shares and 3,000,000 SPP Options, exercisable at \$0.01 each on or before the date that is three years from the date of issue of the SPP Options.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Proposed Remuneration for Current Financial Year (30 June 2022)	Remuneration for Previous Financial Year (30 June 2021)	Remuneration for Previous Financial Year (30 June 2020)
Winton Willesee	60,000	100,170 ¹	59,000
Aldo Miccio	95,000	121,780 ²	87,083
Eryln Dawson	42,000	73,442 ³	48,326
Evan Hayes	45,520 ⁴	18,375	Nil
Nathan Maxwell-McGinn	45,520 ⁵	15,150	Nil

Notes:

1. Comprising of salary of \$60,000 and equity based payments of \$40,170.
2. Comprising of salary of \$95,000 and equity based payments of \$26,780.
3. Comprising of salary of \$46,662 and equity based payments of \$26,780.
4. Comprising of salary of \$42,000 and equity based payments of \$3,320.
5. Comprising of salary of \$42,000 and equity based payments of \$3,320.

NB: Excludes company secretarial and accounting fees paid to entities associated with Eryln Dawson and Winton Willesee.

7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Peak has acted as the Lead Manager to the Company in relation to the Placement. Peak will receive the fees set out in Section 3.1 from the Company in consideration for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Peak has been paid fees totalling \$60,000 (excluding GST and disbursements) for services provided to the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$89,746.95 (excluding GST and disbursements) for legal services provided to the Company.

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus, Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Peak has given its written consent to being named as the Lead Manager to the Placement in this Prospectus. Peak has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.8 Estimated expenses of Offers

The total expenses of the Placement and Offers are estimated to be approximately \$117,513 as follows:

Expense	(\$)
ASIC Fees	3,206
ASX Fees	15,412
Lead Manager Fees (Placement only)	60,000
Legal Fees	15,000
Miscellaneous, printing and other expenses	23,895
Total	117,513

7.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 8 9389 3170 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

7.10 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Option certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker.

Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.11 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the *Corporations Act* and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Winton Willesee
Chairman
For and on behalf of
NEW ZEALAND COASTAL SEAFOODS LIMITED

9. DEFINITIONS

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESSE.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

Company means New Zealand Coastal Seafoods Limited (ACN 124 251 396).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholders are Shareholders with a registered address in Australia and New Zealand, who were registered holders of Shares on the Record Date.

General Meeting or **Meeting** means the general meeting of Shareholders of the Company to be held on 21 June 2022.

Lead Manager means CoPeak Corporate Pty Ltd as trustee for Peak Asset Management Unit Trust (ACN 632 277 144), an authorised representative of Dayton Way Securities Pty Ltd (ACN 124 327 064) (AFSL No. 382585).

Lead Manager Options means the Options to be offered to the Lead Manager in part consideration for services provided to the Company, with an exercise price of \$0.01 each, expiring on the date that is three years from the date of issue of the Options.

Offers means the Placement Options Offer, the SPP Offer and the Lead Manager Options Offer.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offers as specified in the timetable set out in Section 2.1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Placement means the placement undertaken by the Company, details of which are set out in the Company's announcement dated 31 March 2022.

Placement Options means the Options to be offered to participants under the Placement, with an exercise price of \$0.01 each, expiring on the date that is three years from the date of issue of the Options.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out in Section 2.1.

Section means a section of this Prospectus.

Securities means Shares and/or Options.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

SPP means the Company's share purchase plan, whereby the Company has offered Eligible Shareholder an opportunity to subscribe for Shares up to the value of \$30,000 at an issue price of \$0.005 per Share to raise up to \$500,000, with the ability to accept oversubscriptions of a further \$300,000.

SPP Options means the Options to be offered to Eligible Shareholders who subscribe for Shares under the SPP, with an exercise price of \$0.01 each, expiring on the date that is three years from the date of issue of the Options.

WST means western standard time as observed in Perth, Western Australia.