



# Market Announcement

14 February 2023

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## Seafarms Group Limited (ASX: SFG) – Suspension from Quotation

### Description

The securities of Seafarms Group Limited ('SFG') will be suspended from quotation immediately under Listing Rule 17.2, at the request of SFG, in connection with the appointment of a voluntary administrator to Project Sea Dragon Pty Ltd.

### Issued by

**Ben Dawson**  
Adviser, Listings Compliance

14 February 2023

**BY EMAIL ONLY**

ASX Listings Compliance  
ASX Limited

**By Email:**

[dale.allen@asx.com.au](mailto:dale.allen@asx.com.au) [ben.dawson@asx.com.au](mailto:ben.dawson@asx.com.au)

Dear Dale and Ben,

**SEAFARMS GROUP LIMITED (ASX:SFG) - REQUEST FOR SUSPENSION FROM QUOTATION UNDER ASX LISTING RULE 17.2**

1. We refer to the market announcement of Seafarms Group Limited (**SFG**) of 3 February 2023 advising that:
  - a. Project Sea Dragon Pty Ltd (a wholly owned entity of SFG) (**Project Sea Dragon**) received a decision of the Royal Institution of Chartered Surveyors adjudicator in respect of a contractual dispute; and
  - b. the adjudicator determined that a total amount of \$13.9 million (excluding GST) is payable by Project Sea Dragon in respect of claims for money owed following suspension of work on Project Sea Dragon in December 2021 and later termination of contracts in April 2022 (**Adjudicated Amount**).
2. Project Sea Dragon relies on SFG for its funding. The board of SFG have resolved that it is no longer in the best interests of the company to continue to fund Project Sea Dragon.
3. As a result of the adjudication and the recent withdrawal of funding from SFG, the directors of Project Sea Dragon have resolved to place Project Sea Dragon into voluntary administration. The result of the voluntary administration will likely be material to the value SFG securities.
4. Given these new circumstances, SFG considers that it will be very challenging to comply with its continuous disclosure obligations in the context of an administrator performing its role and SFG not being able to oblige the administrator to provide any more information to SFG than it provides to all other creditors.
5. The appointment of an administrator to Project Sea Dragon therefore exposes SFG to significant risks that SFG securities would be trading in an uninformed market. SFG considers that it has no choice but to seek a voluntary suspension of its securities during this time.
6. In addition given SFG has no control over the actions of the administrator and the materiality of Project Sea Dragon to SFG, the company considers that the outcome of the voluntary administration may materially impact SFG's financial position. SFG has no way of knowing whether creditors will vote for any proposed Deed of Company Arrangement or for liquidation of Project Sea Dragon. These 2 outcomes will have vastly different outcomes for SFG and its financial position. Continued trading of SFG securities during the voluntary administration is in the opinion of the directors also likely to be materially prejudicial to a normal and efficient administration process.
7. In accordance with ASX Listing Rule 17.2:
  - a. SFG requests that the quotation of its shares be immediately placed in voluntary suspension;

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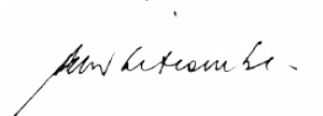
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- b. the reason for the suspension is to allow the progress of the Project Sea Dragon voluntary administration in a manner that will ensure trading of SFG securities does not occur in an uninformed market and due to the financial risks outlined above;
- c. SFG requests that the suspension continue pending the duration of the Project Sea Dragon voluntary administration which is expected to commence on 13 February 2023 and end on 17 April 2023; and
- d. SFG is not aware of any reason why its shares should not be suspended or any other information necessary to inform the market about the suspension.

If you have any questions or require further information please do not hesitate to contact the writer

Yours sincerely,



**Harley Whitcombe**

Director & Company Secretary