

29 April 2024

Ben Dawson
Adviser, Listings Compliance
ASX Limited

cc: ListingsCompliancePerth@asx.com.au

Dear Ben

Response to ASX Query Letter

New Zealand Coastal Seafoods Limited (ASX:NZS) (**Company**) refers to your query letter of 18 April 2024 (**Query Letter**) and responds as follows (adopting your numbering):

1. No, neither NZS nor anyone representing NZS knowingly provided a statement to the author of the Article concerning the information quoted in the Article.
2. Not applicable.
3. Peter Chai, Director, believes the information may have appeared in the Article following a telephone call he received around March 2024 from a third party who introduced himself as a shareholder of the Company and who queried why the Company's Christchurch Production Facility was closed. Mr Chai recalls that the operations and financial performance of the Company's wholly owned subsidiary (NZCS Operations Pty Ltd (**NZ Sub**)) were discussed generally on the telephone call.
4. The Company ensures compliance with Listing Rule 15.7 by following the framework and processes set out in the Continuous Disclosure Policy which is contained in the Company's adopted Corporate Governance Plan.
5. While the Company believes adequate arrangements are in place, and are being enforced, to ensure compliance with Listing Rule 15.7, the Company's Board of Directors is in the process of updating and improving its Continuous Disclosure Policy with the target of increasing vigilance to ensure that continuous disclosure issues are carefully considered at each Board meeting. The Board will also regularly review its Continuous Disclosure Policy in future to ensure it complies with Listing Rule 15.7.
6. The Company notes that there are no longer any New Zealand based directors of the Company and that the Board has encountered some difficulties in obtaining full access to the financial, banking, and operational records of NZ Sub since around December 2023. The Board is continuing to vigorously attempt to obtain access to such records with progress recently being made. The Company hopes to be in a position to provide a further update to ASX shortly.
7. No, as noted above, the Board is continuing to vigorously attempt to obtain access to the financial, banking, and operational records of NZ Sub and hopes to be in a position to provide a further update to ASX shortly.
8. Not applicable.
9. Yes, please refer to the Company's announcement dated 26 April 2024 in respect of the appointment of a liquidator to NZ Sub.

10. Please refer to the Company's response at point 9 above.
11. The Company was a party to the CIAL Lease via NZ Sub. The Company understands that a liquidator of NZ Sub was appointed on 18 April 2024. The landlord under the CIAL Lease has advised the Company that the CIAL Lease was terminated on 4 April 2024. Therefore, the Company is not still a party to the CIAL Lease.
12. Not applicable.
13. Please refer to the Company's response at point 11 above. The Company has been advised that the CIAL Lease was terminated on 4 April 2024.
14. No, the Board was of the opinion that the termination of the CIAL Lease was unlikely to have any material impact on the overall operations and performance of the Company or on the price or value of its securities given the poor financial performance and diminishing operations of NZ Sub meant that it was no longer considered a material part of the overall business of the Company. Notwithstanding this, please refer to the Company's announcement dated 26 April 2024 which disclosed that operations at the Christchurch Production Facility had ceased.
15. Please refer to the Company's response at point 14 above. While the Company's announcement dated 26 April 2024 disclosed the ceasing of operations at the Christchurch Production Facility, it did not specifically disclose that the Company (via NZ Sub) was no longer a party to the CIAL Lease. The Company now confirms that fact to ASX and will release an updated announcement confirming this if ASX requires.
16. No, the Company does not have any employees working at the Christchurch Production Facility.
17. Not applicable.
18. The Board understands that the majority of staff at the Christchurch Production Facility were temporary or casual workers and were gradually laid-off over a period up to March 2024 as a part of the restructuring process of NZ Sub.
19. No, the Board was of the opinion that the laying off of the staff at the Christchurch Production Facility was unlikely to have any material impact on the overall operations and performance of the Company or on the price or value of its securities given the poor financial performance and diminishing operations of NZ Sub meant that it was no longer considered a material part of the overall business of the Company. Notwithstanding this, please refer to the Company's announcement dated 26 April 2024 which disclosed that the Company no longer has any employees at the Christchurch Production Facility.
20. Not applicable.
21. No, the Board understands that the Christchurch Production Facility is no longer in operation.
22. Not applicable.
23. The Company understands that operations at the Christchurch Production Facility ceased around March 2024.
24. No, the Board was of the opinion that the ceasing of operations at the Christchurch Production Facility was unlikely to have any material impact on the overall operations and performance of

the Company or on the price or value of its securities given the poor financial performance and diminishing operations of the Christchurch Production Facility meant that it was no longer considered a material part of the overall business of the Company. Notwithstanding this, please refer to the Company's announcement dated 26 April 2024 which disclosed that operations at the Christchurch Production Facility had ceased.

25. Please refer to the Company's response at point 24 above.
26. One delivery of 19,808.85 kilograms of frozen HGT Ling Fish was made by the Company under the Gold Saint Supply Agreement on 19 September 2023 which delivery was valued at \$154,509.03.
27. No further deliveries were made under the Gold Saint Supply Agreement as the quality of the product was considered not entirely satisfactory by the receiving party. Discussions are ongoing, however, to ensure future deliveries will comply with the specifications contained in, and otherwise be in accordance with, the Gold Saint Supply Agreement.
28. No, the Company does not consider its response to question 27 to be information that a reasonable person would expect to have a material effect on the price or value of its securities given the Gold Saint Supply Agreement remains on foot and discussions are ongoing with the counterparty to ensure future deliveries will comply with the specifications contained in, and otherwise be in accordance with, the Gold Saint Supply Agreement.
29. Not applicable.
30. The Company was a party to the Aquadev Manufacturing Agreement via NZ Sub. As announced on 25 July 2023, the Aquadev Manufacturing Agreement had an initial term of only 6 months and is no longer on foot. The Company is therefore no longer a party to the Aquadev Manufacturing Agreement.
31. Not applicable.
32. Please refer to the Company's response at point 30 above. The term of the Aquadev Manufacturing Agreement expired around 1 January 2024.
33. No, the Company does not consider its response to question 32 to be information that a reasonable person would expect to have a material effect on the price or value of its securities given the Aquadev Manufacturing Agreement was not considered material to the operations or financial performance of the Company.
34. Not applicable.
35. The Company confirms that it continues to comply with Listing Rules and, in particular, Listing Rule 3.1 and refers to its announcement dated 26 April 2024 which addresses certain of the issues raised in the Query Letter.
36. The Company confirms the above responses have been authorised and approved by its Board of Directors.



Yours sincerely

Peter Chai
Director

New Zealand Coastal Seafoods Limited

ABN 16 124 251 396

Suite 5 CPC, 145 Stirling Highway

Nedlands WA 6009

www.nzcs.co

P: +61 8 9389 3170

F: +61 8 9389 3199

E: info@nzcs.co



18 April 2024

Reference: 92437

Ms Melinda Orrock
Company Secretary
New Zealand Coastal Seafoods Limited

By email: melorrock@tpg.com.au

Dear Ms Orrock

New Zealand Coastal Seafoods Limited ('NZS'): General – Aware Query

ASX refers to the following:

Control of NZCS Operations Pty Ltd

- A. An article published on the National Business Review titled “Shareholders oceans apart in trans-Tasman dispute published online on Thursday, 7 March 2024 (the ‘Article’), which stated, in relation to NZS’ wholly owned subsidiary, NZCS Operations Ltd (‘NZCS’):

A trans-Tasman dispute has broken out between the New Zealand and Australian operations of ASX-listed company New Zealand Coastal Seafoods as the company’s shares remain suspended from trading amid boardroom upheavals.

Australia-based managing director Peter Chai told NBR the New Zealand operation, which is a subsidiary of the ASX-listed entity and has its own board, were “cowboys” who had survived on funding from Australia but this had now been cut off.

“I have never been a board member in New Zealand, and I was never invited to a board meeting,” said Chai, who is also a substantial shareholder in the company.

“We have no access to company records and I can’t even get into the bank accounts”

- B. The notification on the New Zealand Companies Office register on 18 April 2024 indicating that a liquidator has been appointed to NZCS.

The Christchurch Production Facility

- C. NZS’ announcement entitled “NZS Secures Premises for its New Production Facility” lodged on the ASX Market Announcements Platform (‘MAP’) on 1 October 2019, disclosing, among other things, that “NZS has entered into a commercial lease agreement for the premises of its new, upgraded seafood processing and production facility in Christchurch” (the ‘CIAL Lease’).
- D. NZS’ Appendix 4D and Half Year report for the period ended 31 December 2019 (‘Half Year Report 2019’), disclosing, among other things, that on 16 September 2019, NZCS Operations Ltd (‘NZCS Ops’), NZS’ wholly owned subsidiary, signed a 6-year lease with Christchurch International Airport Limited (‘CIAL’) at a rental of NZ\$165,000 per annum (the ‘CIAL Lease’) for a new factory to facilitate the expansion of its operation (the ‘Christchurch Production Facility’).

The Gold Saint Supply Agreement

- E. NZS’ announcement entitled “NZ\$2.5M purchase order secured” lodged on MAP on 12 May 2023 and marked price sensitive (the ‘Gold Saint Announcement’), disclosing, among other things, that NZS had received an “~NZ\$2.5m purchase order from Gold Saint International Resources Group, a leading distributor

for consumer products in China” which was “for the supply of premium New Zealand Ling fish, with monthly deliveries over a 12-month term” (the ‘Gold Saint Supply Agreement’).

The Aquadev Agreements

- F. NZS’ announcement entitled “Supply Agreement signed for NZ\$793,000 of Dried Ling Maw” lodged on MAP on 15 June 2022 and marked price sensitive, disclosing, among other things, that “*NZCS Ops has received a binding contract agreement from Aquadev Pty Ltd for NZ\$793,000 (AU\$715,000) of Ling Maw, with NZ\$317,500 (AU\$286,000) of Ling Maw scheduled for delivery in July 2022, with an additional order worth NZ\$475,500 (AU\$429,000) planned for delivery in November 2022*”.
- G. NZS’ announcement entitled “Supply Agreement NZ\$1.7m in dried ling maw” lodged on MAP on 19 April 2023 and not marked price sensitive disclosing, among other things, that “*Supply contract with Aquadev for product up to \$1.7M extended for 12-months*”.
- H. NZS’ announcement entitled “Manufacturing Agreement” lodged on MAP on 25 July 2023 and not marked price sensitive, disclosing, among other things, that:

New Zealand Coastal Seafoods Limited (ASX: NZS) is pleased to advise that it has entered into a toll manufacturing agreement (Manufacturing Agreement) with Aquadev to process and package Aquadev’s seafood products at the Company’s Christchurch facility [the “Aquadev Manufacturing Agreement”].

The Manufacturing Agreement replaces the previous arrangement for the supply to Aquadev as disclosed in the ASX announcement on 19 April 2023. The previous arrangement required the Company to provide Aquadev with seafood products under a supply agreement (Supply Agreement). Aquadev is a leading Victoria-based distributor of meat and seafood products. Aquadev has been supplying food businesses across Australia for over a decade, including Costco Australia.

The Nine Ocean Fishery

- I. NZS’ announcement entitled “Transformational and Earnings Accretive Acquisition” lodged on MAP on 5 October 2022, disclosing, among other things, that NZS had entered into a binding share purchase agreement binding share purchase agreement with PXY Pty Ltd and Nine Ocean Fishery Pty Ltd (together ‘Nine Ocean’) and Investment Advisers Alliance Pty Limited, a founding shareholder of Nine Ocean to offer to acquire 100% of the issued share capital of the Nine Ocean Group (the ‘Nine Ocean Transaction’).

Voluntary Suspension

- J. NZS’ request for voluntary suspension from trading in its securities received by ASX on 15 December 2023 and subsequently lodged on MAP on 18 December 2023.

Listing Rules

- K. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.
- L. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:
- an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity” and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information.*

- M. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

3.1A *Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

3.1A.1 *One or more of the following applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.*

N. ASX's policy position on the continuous disclosure obligations of suspended entities, which is set out in section 4.23 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* ('Guidance Note 8'). In particular, Guidance Note 8 states that

Entities whose securities have been suspended from trading continue to be subject to the Listing Rules, including their continuous disclosure obligations under Listing Rule 3.1.

O. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8. In particular, Guidance Note 8 states that:

Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.

Request for information

Having regard to the above, ASX asks NZS to respond separately to each of the following questions and requests for information:

NZCS Operations Pty Ltd

1. Did NZS, or anyone representing NZS, provide a statement to the author of the Article concerning the information quoted in the Article?
2. If the answer to question 1 is "yes":
 - 2.1 Please provide a copy of that correspondence (not for release to the market);
 - 2.2 At what date and time was the information provided to the author of the Article;
 - 2.3 Please identify the member(s) of the Board who authorised providing the statement to the author of the Article; and
 - 2.4 Does NZS consider this to be compliant with Listing Rule 15.7? If so, please explain the basis for that view.
3. If the answer to question 1 is "no":

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- 3.1 please explain how the information appeared in the Article; and
 - 3.2 please explain why the article attributes the relevant information to comments made by NZS' managing director, Peter Chai.
 4. What arrangements does NZS have in place to ensure compliance with Listing Rule 15.7?
 5. If current arrangements are inadequate or not being enforced, what additional steps will NZS take to ensure compliance with Listing Rule 15.7?
 6. Is the statement in the Article "[NZS] *have no access to [NZCS'] records and [Peter Chai] can't even get into [NZCS'] bank accounts*" correct? If so, please specify how long NZS has not had access to NZCS' records and bank accounts.
 7. Does NZS consider its response to question 6 above to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If not, please explain the basis for that view.
 8. If the answer to question 7 is "yes", did NZS make any announcement prior to the relevant date which disclosed that it did not have access to the records and bank accounts of NZCS? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe NZS was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NZS took to ensure that the information was released promptly and without delay.
 9. Does NZS consider the appointment of a liquidator to NZCS to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If not, please explain the basis for that view.
 10. If the answer to question 9 is "yes", did NZS make any announcement prior to the relevant date which disclosed that it did not have access to the records and bank accounts of NZCS? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe NZS was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NZS took to ensure that the information was released promptly and without delay.

The Christchurch Processing Plant

11. Is the NZS still a party to the CIAL Lease?
12. If the answer to question 11 is "yes", please explain the basis for that view.
13. If the answer to question 11 is "no", please explain what has happened to the CIAL Lease including the exact date that NZS was no longer a party to the CIAL Lease.
14. Does NZS consider its response to question 13 above to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If not, please explain the basis for that view.
15. If the answer to question 14 is "yes", did NZS make any announcement which disclosed that it was no longer a party to the CIAL Lease? If so, please provide details. If not, please explain why this information was not released to the market, commenting specifically on when you believe NZS was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NZS took to ensure the information was released promptly and without delay.
16. Does NZS still have employees working at the Christchurch Production Facility?
17. If the answer to question 16 is "yes", please explain the basis for that view.

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18. If the answer to question 16 is “no”, please explain what happened to employees working at the Christchurch Production Facility including the exact date that employees ceased working at the Christchurch Production Facility.
 19. Does NZS consider its response to question 18 above to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If not, please explain the basis for that view.
 20. If the answer to question 19 is “yes”, did NZS make any announcement which disclosed that it no longer had employees working at the Christchurch Production Facility? If so, please provide details. If not, please explain why this information was not released to the market, commenting specifically on when you believe NZS was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NZS took to ensure the information was released promptly and without delay.
 21. Is the Christchurch Production Facility still in operation?
 22. If the answer to question 21 is “yes”, please explain the basis for that view.
 23. If the answer to question 21 is “no”, please explain what happened to operations at the Christchurch Production Facility including the exact date that operations ceased at the Christchurch Production Facility.
 24. Does NZS consider its response to question 23 above to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If not, please explain the basis for that view.
 25. If the answer to question 23 is “yes”, did NZS make any announcement which disclosed that operations had ceased at the Christchurch Production Facility? If so, please provide details. If not, please explain why this information was not released to the market, commenting specifically on when you believe NZS was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NZS took to ensure the information was released promptly and without delay.

The Gold Saint Supply Agreement

26. How many deliveries have been made by NZS under the Gold Saint Supply Agreement? In answering this question, please specify the exact dates the deliveries were made by NZS under the Gold Saint Supply Agreement and the value of each delivery.
27. If only one delivery was made by NZS under the Gold Saint Supply Agreement, please explain why no further deliveries were made under the Gold Saint Supply agreement, commenting specifically on the fact that the Gold Saint Announcement stated that NZS would make monthly deliveries over a 12-month term.
28. Does NZS consider its response to question 27 to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If not, please explain the basis for that view, commenting specifically on the fact that the Gold Saint Announcement was marked as price sensitive by NZS.
29. If the answer to question 28 is “yes”, did NZS make any announcement which disclosed the information contained in its response to question 27? If so, please provide details. If not, please explain why this information was not released to the market, commenting specifically on when you believe NZS was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NZS took to ensure the information was released promptly and without delay.

The Aquadev Agreements

30. Is NZS still a party to the Aquadev Manufacturing Agreement?
31. If the answer to question 30 is “yes”, please explain the basis for that view.

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32. If the answer to question 30 is “no”, please explain what has happened to the Aquadev Manufacturing Agreement including the exact date that NZS was no longer a party to the Aquadev Manufacturing Agreement.
33. Does NZS consider its response to question 32 above to be information that a reasonable person would expect to have a material effect on the price or value of its securities? If not, please explain the basis for that view.
34. If the answer to question 33 is “yes”, did NZS make any announcement which disclosed that it was no longer a party to the Aquadev Manufacturing Agreement? If so, please provide details. If not, please explain why this information was not released to the market, commenting specifically on when you believe NZS was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps NZS took to ensure the information was released promptly and without delay.

The Listing Rules

35. Please confirm that NZS is complying with the Listing Rules and, in particular, Listing Rule 3.1, commenting specifically on section 4.23 of Guidance Note 8 which states that “*Entities whose securities have been suspended from trading continue to be subject to the Listing Rules, including their continuous disclosure obligations under Listing Rule 3.1.*”
36. Please confirm that NZS’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of NZS with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1.00 PM AWST Friday, 26 April 2024**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, NZS’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require NZS to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to NZS’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that NZS’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Kind regards

ASX Compliance