

27 February 2025

ASX RELEASE

ASX: RFA

OPERATIONAL UPDATE

KEY POINTS

- Decline in international seafood market conditions in key markets, adversely affecting sales demand
- Immediate pause on the deployment of juvenile abalone to the ranch
- The Board and Management are actively exploring strategies to further reduce operational expenses

DETAILS

Rare Foods Australia Ltd (**ASX: RFA, the Company**) advises that in response to challenging international market conditions for seafood sales and demand, the Company is assessing strategic alternatives and further restructuring to reduce the cost base of the business and mitigate the evolving risk.

Following extensive negotiations with our juvenile abalone provider, a sustainably affordable supply arrangement has not been able to be reached. As a result, the Board has resolved to pause the deployment of any new juvenile abalone on the Flinders Bay reef, representing a significant cost saving to the business.

Further operational changes within the business will be implemented over the coming weeks associated with this temporary shift in strategy, aimed at further reducing the operating cost base of the business.

In addition, the Company remains focused on diversifying abalone sales opportunities, continuing to harvest the existing biomass and attaining the highest possible sales prices to generate positive cashflows for the Company.

The Board and Management will continue to actively monitor the operations of the Company and will keep the market informed of any material developments.

END

This announcement was authorised to be given to the ASX by **The Board of Rare Foods Australia Limited**.

For investor and media enquiries, please contact:

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About the Company

Rare Foods Australia Limited (ASX: RFA) has developed the world's first commercial greenlip abalone sea ranching business in the pristine waters of Flinders Bay, Western Australia. With the construction of proprietary, purpose-built artificial abalone reefs (called "ABITATS™") now complete, OGA is supplying commercial quantities of its premium, 'wild-harvested', greenlip abalone to local and overseas customers.

For more information visit www.rarefoodsaustralia.com.au