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ANNOUNCEMENT 461

Market Announcements Office
Australian Securities Exchange
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20 Bridge Street
SYDNEY NSW 2000

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Dear Sir

Media Release

North Atlantic Seafood Forum Project Sea Dragon Presentation

Seafarms Group Limited (ASX: SFG) (**Seafarms** or **Company**) will give a presentation on Project Sea Dragon, its US\$1.5 billion 100,000 tonne per annum prawn production project to the North Atlantic Seafood Forum in Bergen, Norway today.

Seafarms will be the only Australian company represented at the North Atlantic Seafood Forum (**NASF**), which is the world's largest seafood business conference, and a leading investor meeting place for the seafood industry. About 900 delegates from more than 35 countries and 300 companies are attending this year's NASF.

NASF is a large annual industry event covering all major facets of the seafood sectors. NASF focuses on establishing key networks between cutting edge innovation, technology, research, policy, finance, trade and commercialisation. The Forum gives Seafarms the opportunity to meet and interact with leading international seafood operators and other key players, including financial institutions from the world's largest seafood capital market. Approximately 110 speakers will present papers in 12 seminars over three days.

Seafarms Chief Operating Officer, Dallas Donovan, will present Project Sea Dragon on behalf of the Company; his presentation is attached.

Project Sea Dragon will be the world's largest aquaculture project and at full scale will create around 1500 jobs in north Australia, with the capacity of producing over 100 000 tonnes of Black Tiger prawns a year for export. Project Sea Dragon's farms will be constructed in stages on Legune Station, which is in the Northern Territory's Victoria River District near the border with Western Australia, and about 110 kilometres from Kununurra.

Seafarms Group Limited
ABN 50 009 317 846

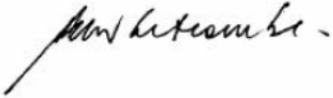
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Please telephone Dr Chris Mitchell on (03) 9928 5111 with any queries.

Yours faithfully

Seafarms Group Limited

A handwritten signature in black ink, appearing to read "Harley Whitcombe". The signature is written in a cursive style with a long, sweeping underline.

Harley Whitcombe
Director and Company Secretary

Media contact:

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Michels Warren Munday
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ENC



Project Sea Dragon

North Atlantic Seafood Forum

Bergen

March 2016



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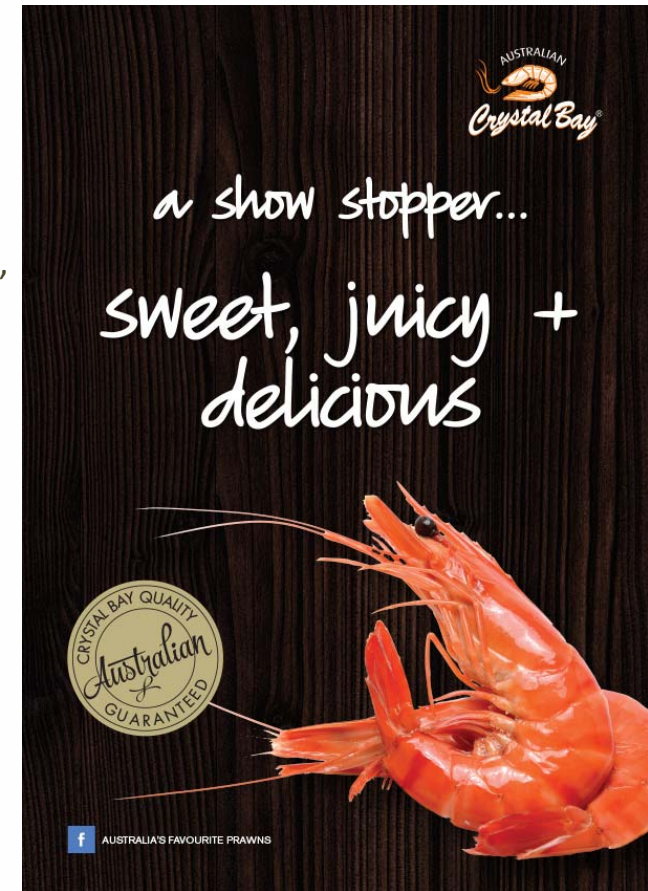
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Overview of Seafarms Group

Australia's largest producer of farmed prawns

- Seafarms Group Ltd (“Seafarms”) is an ASX listed Australian agri-food company, and the largest producer of farmed prawns in Australia.
- Growing, processing and distributing ~1,500t per annum of the well-known Crystal Bay™ Prawn brand with 20% production uplift expected from existing assets.
- Seafarms existing aquaculture operations are in Queensland, Australia
- Seafarms is currently developing Project Sea Dragon (“PSD”) – a large-scale, integrated, land-based prawn aquaculture project in northern Australia.



3 Pillars to Project Sea Dragon

Project Sea Dragon

**Market
Opportunity**

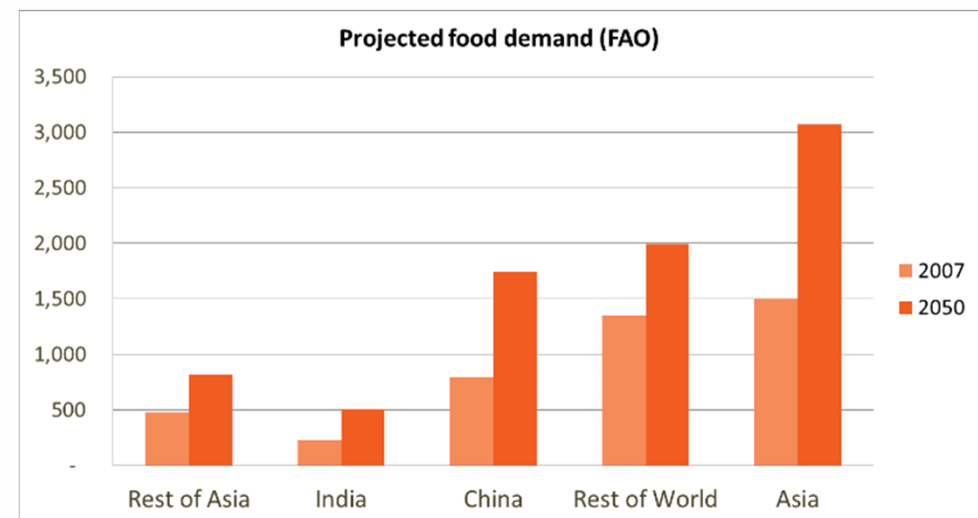
**Current
Operations**

**Unique
Opportunity
in Northern
Australia**



The megatrends with global impacts

- Demographics
 - Economic development of Asia
 - Consumer demands – food quality, safety and provenance
 - Natural resource pressures
 - Land
 - Water
- Growing population and increasing wealth are underpinning the demand for protein:
 - Global population is expected to increase from 7 billion today to 9 billion by 2050
 - Over that time the world's total food requirement is expected to increase by 70% in value
 - The middle class is forecast to increase to 4.5 billion people by 2030



Shrimp is the key seafood segment

- Massive global growth in shrimp aquaculture
 - 100,000 tons per annum in 1980 to 4,500,000 tons per annum
- Most valuable global trade flow
 - Import values increased by 45% between 2011 and 2014
 - About 15% of total value of internationally traded fishery products
- Top selling seafood commodity in many countries
 - In USA shrimp accounts for over 30% of all supermarket seafood sales
 - Top seafood consumed on per-capita basis
- Production
 - Yet to be consolidated and industrialised compared with the global farmed salmon industry
 - At risk from disease



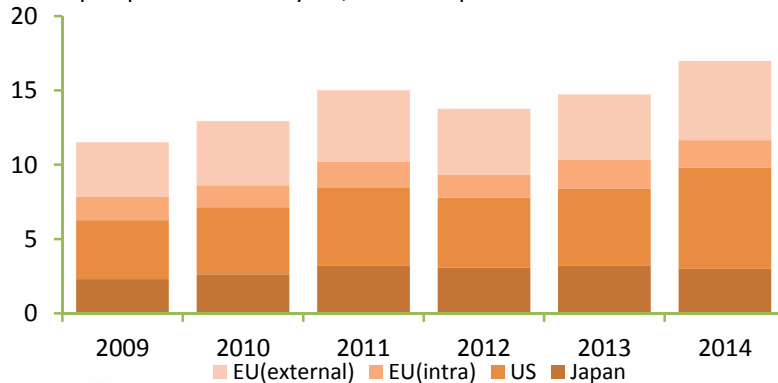
Underlying Need for New Shrimp Farming Regions

High value and the one of world's most traded seafood products

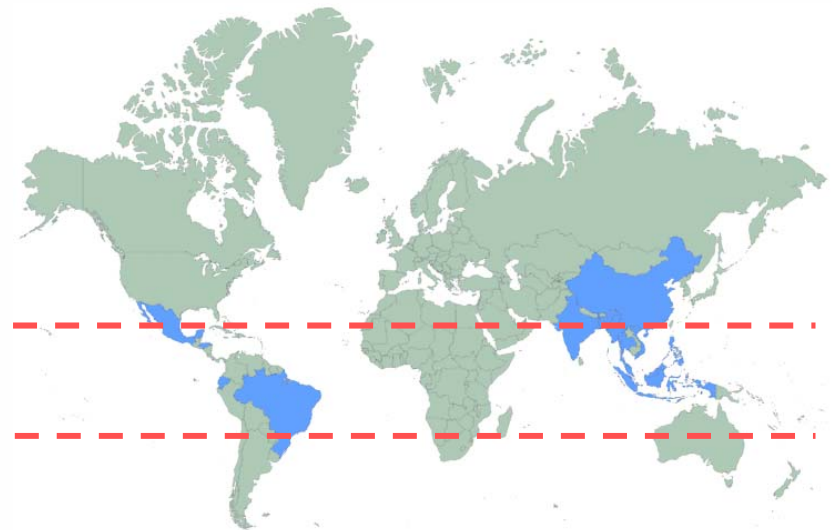
Strong underlying demand for shrimp

- Shrimp is one of the world's most traded seafood products
- A high value seafood product which is benefiting from the growing middle class in developing countries
- Future demand growth is expected to occur within the producing regions

Shrimp imports in value by EU, US and Japan



Limited new shrimp farming regions

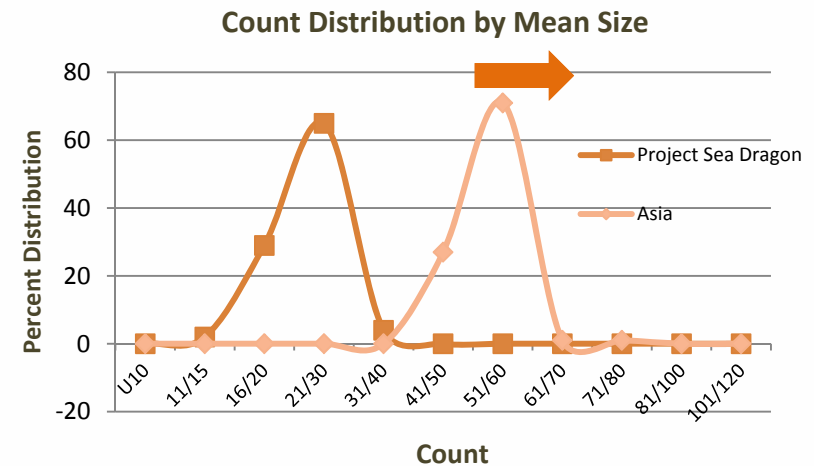
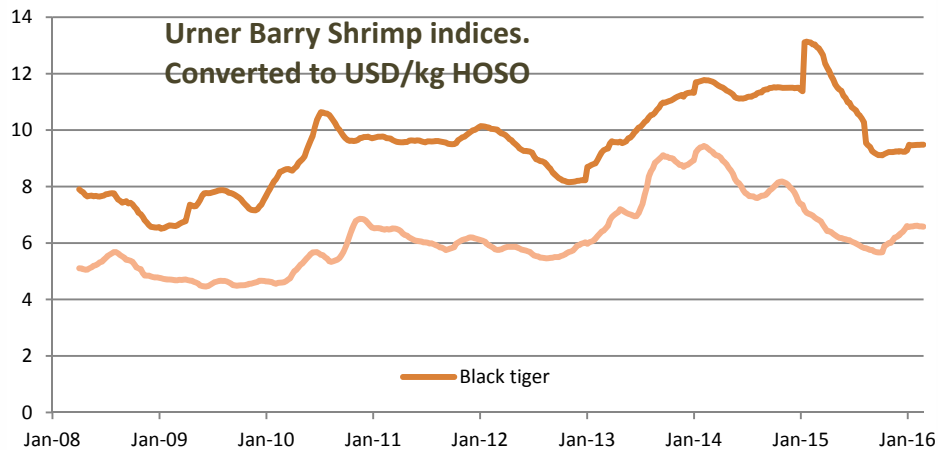


- Warm water shrimp require tropical and sub-tropical temperatures
- Australia is the most developed country that has the climate, biosecurity and infrastructure for new large scale industrial shrimp aquaculture

Black Tiger shrimp represents an attractive market segment







Benefits of Black Tiger shrimp production

- Higher market prices
- Limited impact from AHPND
- Recent genetic improvements led by the Australian industry
- Breeding program & genetics targeting larger shrimp








Current Operations

Hatcheries

-  Innisfail
 -  Capacity of 27 million PL's per run
 -  Domestication program
 -  R&D Project with ARC Research Hub for Advanced Prawn Breeding
-  Exmouth
 -  Biosecure breeding facility

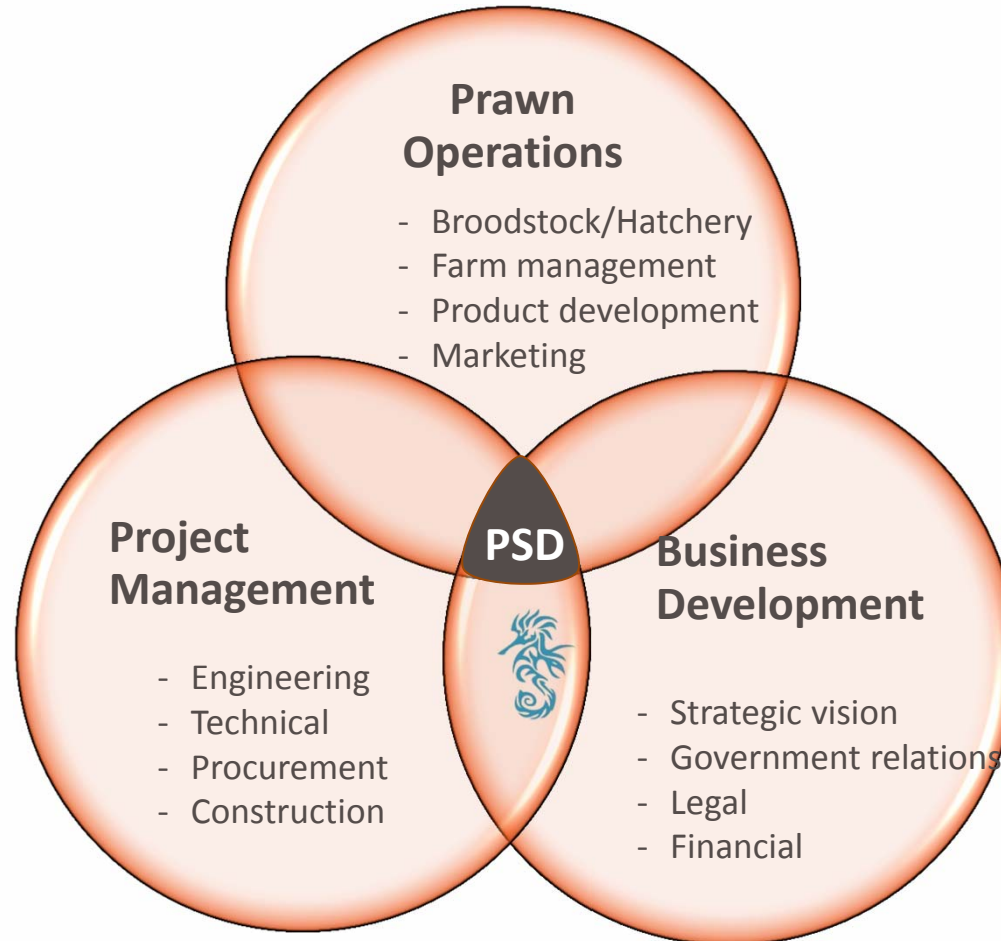


Farms

-  Cardwell
 -  128 ha of ponds
 -  Processing plant
-  Ingham
 -  32 ha of ponds



Organisation with strong competences in both project management/development and prawn farming operations



North Australia's natural advantages - aquaculture

Biogeography

- ☛ Suitable climate
- ☛ Disease-free
- ☛ Coastline with high tidal movements



Land

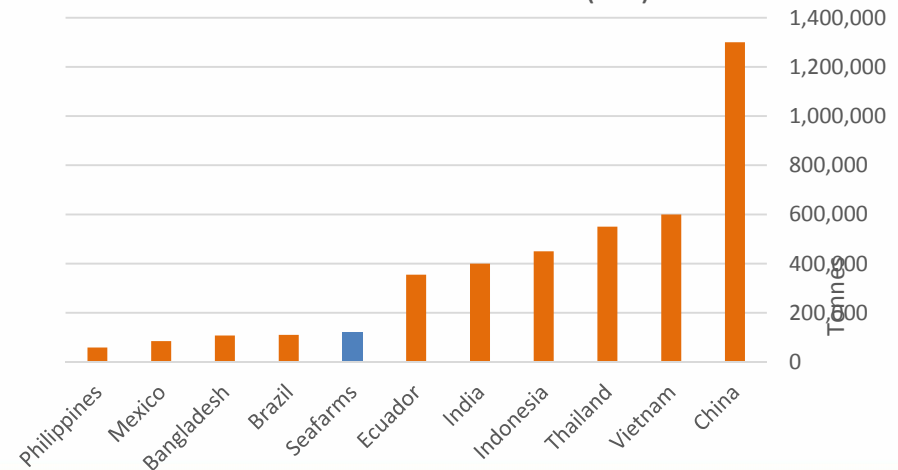
- ☛ Availability
- ☛ Lack of competitive uses
- ☛ Strong political support

Project Sea Dragon unique attributes

- 10,000 hectare aggregation
- Integrated production
 - Genetics, broodstock
 - Hatchery
 - Grow-out
 - Process for export
- Project expands to meet market
- Expansion from established operations
 - Seafarms 25% Australia's production
 - 1500 tonnes each year
 - > AU \$20M sales per annum

- Developed country platform
 - Biosecurity
 - Provenance
 - Food safety
- Export focussed
- Product differentiation
 - Black tiger shrimp
 - Larger sizes

Global Prawn Production Future (est)



A clear need for sustainable shrimp farming

PSD is focused on the highest standards for sustainable land use and farming practices

Sustainability issues with existing shrimp farming

- Increasing requirements for traceability and certification
- Corporate Social Responsibility issues
- Mangrove deforestation and destruction issues – a public issue
- Shrimp Diseases tend to spread fast in geographically related areas

How PSD differs

- Vertical integration enhances traceability. Full traceability is designed into the project
- The PSD project will avoid mangrove forest
- Project subject to full Environmental Impact Statement and Environmental Management Systems
- PSD will have the highest biosecurity standards
 - Isolated
 - Vertically integrated
 - SPF stock

Shrimp farms in mangrove areas in developing countries



PSD's development area



Competitive advantages

Infrastructure

- Towns, ports, road and airports
- Economies of scale
- Proximity to market

Political environment

- Stable government
- Low sovereign risk
- Foreign investment support
- Free Trade Agreements

Track-record

- High quality safe food

Biosecurity

- Free of major diseases
- Tight biosecurity

Science and technology

- Latest technology and processes
- Strong research institutions

Labour

- Highly-skilled aquaculture expertise internationally sought



Project Sea Dragon – status and timelines

Status

- Major project status
 - Australian Government
 - Northern Territory Government
 - Western Australian Government
- Pre-feasibility complete
 - Data-room
- Full Bankable Feasibility Study (BFS) underway
 - > AU\$61M invested by end BFS
- Approvals underway
- Pareto Securities mandated

Project timelines

- Stage 1 – 1,000 ha
 - 10,000 tonnes
 - Breeding facilities
- BFS 2016
 - Define Capex to $\pm 10\%$
 - Define all technical issues
- Environmental
 - EIS underway
- Construction start Dry Season 2017
- Stage 1 financing targeted the end of 2016



Discuss the project further...



Ian Trahar
Executive Chairman



Dr Chris Mitchell
Executive Director



Dallas Donovan
Chief Operating Officer



Harley Whitcombe
Executive Director and CFO





Contact Us

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