

Disclosure of movement of 1% or more in substantial holding
or change in nature of relevant interest, or both

Sections 277 and 278, Financial Markets Conduct Act 2013

To NZX Limited
and
To SeaDragon Limited

Relevant event being disclosed: Movement of 1% or more in substantial holding

Date of relevant event: 30 May 2016

Date this disclosure made: 3 June 2016

Date last disclosure made: 18 March 2016

Substantial product holder(s) giving disclosure

Full name(s): Comvita Limited

Summary of substantial holding

Class of quoted voting products: Ordinary Shares (SEA) and Options and Convertible Notes to acquire further Ordinary Shares

Summary for Comvita Limited

For **this** disclosure,—

- (a) total number held in class: Currently 410,987,830 Ordinary Shares (and up to 1,384,475,660 Ordinary Shares if all Options are exercised by Comvita Limited and if all Convertible Notes are converted).
- (b) total in class: Currently 3,146,314,377 ordinary shares (and up to 4,949,689,228 if all 1,615,874,851 options granted are exercised, and if all Convertible Notes granted are converted, and no further shares in SeaDragon Limited are issued)
- (c) total percentage held in class: 13.0625% (and up to 27.9709% if all 1,615,874,851 options are exercised, and if all Convertible Notes granted are converted, and no further shares in SeaDragon Limited are issued)

For **last** disclosure,—

- (a) total number held in class: Currently 410,987,830 (and up to a maximum of 1,196,975,660 if all Options are exercised by Comvita Limited).
- (b) total in class: Currently 3,146,284,377 (and up to 4,762,159,228 if all 1,615,874,851 options granted are exercised and no further shares in SeaDragon Limited are issued).
- (c) total percentage held in class: 13.0626% (and up to 25.1351% if all 1,615,874,851 options are exercised and no further shares in SeaDragon Limited are issued)

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure: On 30 May 2016, SeaDragon issued 1,500,000 convertible loan notes to Comvita Limited for an issue price of \$1,500,000 in accordance with a Convertible Loan Note Agreement signed by both parties. The convertible notes are convertible to ordinary shares in SeaDragon at a conversion price per share of \$0.008. Subject to SeaDragon obtaining the required shareholder approvals, the notes may be converted at the option of SeaDragon or Comvita Limited at any time prior to 5:00pm on 28 September 2018.

Details after relevant event

Details for Comvita Limited

Nature of relevant interest(s): Registered holder and beneficial interest in options.

For that relevant interest,—

- (a) number held in class: Currently 410,987,830 (and up to 1,384,475,660 Ordinary Shares if all Options are exercised by Comvita Limited and if all Convertible Notes are converted).
- (b) percentage held in class: 13.0625% (and up to 27.9709% if all 1,615,874,851 options are exercised, and if all Convertible Notes granted are converted, and no further shares in SeaDragon Limited are issued)
- (c) current registered holder(s): Comvita Limited
- (d) registered holder(s) once transfers are registered: Comvita Limited

For a derivative relevant interest, also—

- (a) type of derivative: Option to acquire ordinary shares and Convertible Notes
- (b) details of derivative:
 - i) 785,987,830 options to acquire ordinary shares. 410,987,830 of the options are exercisable at any time prior to 5:00pm on 29 September 2018 for an exercise price of \$0.015 per share. Terms are as set out in SeaDragon Limited's Offer Document released on 18 August 2015.

375,000,000 of the options are exercisable at any time prior to 5:00pm on 30 September 2017 for an exercise price of \$0.008 per share. Terms are as disclosed in SeaDragon Limited's Notice of Meeting disclosed on 2 December 2015. Subject to shareholder approval, the Convertible Loan Note Agreement extends the date of expiry of these options to 5:00pm on 28 September 2018.
 - ii) 1,500,000 convertible notes to acquire ordinary shares. The convertible notes may be converted at the option of Comvita Limited at any time prior to 5:00pm on 28 September 2018 at a conversion price of \$0.008 per share, subject to and conditional upon SeaDragon obtaining the required shareholder approvals. In accordance with the Convertible Loan Note Agreement, a maximum of 3,000,000 convertible notes can be issued. Further terms are as

disclosed in SeaDragon's announcement to the market disclosed on 31 May 2016.

- (c) parties to the derivative: Comvita Limited and SeaDragon Limited
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: N/A

Additional information

Address(es) of substantial product holder(s): Private Bag 1, Te Puke, 3189

Contact details: Mark Sadd, Chief Financial Officer, Comvita Limited, 027-707-9698, Mark.Sadd@comvita.com

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: N/A

Certification

I, Mark Francis Sadd, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.