

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

You should read this document in its entirety. If you are in any doubt as to how to deal with it, you should consult your Broker, legal, financial or other professional adviser as soon as possible.



BIDDER'S STATEMENT

The Non-Affiliated Directors of Mareterram
unanimously **recommend** you

ACCEPT

the Offer by

**Sea Harvest International
Proprietary Limited**

to acquire ALL of your ordinary shares in

Mareterram Limited

ACN 009 248 720

for \$0.25 cash for each Mareterram Share

in the absence of a Superior Proposal

The date of the Offer is 4 March 2019 and the Offer will
close on 5 April 2019 unless extended or withdrawn



Legal adviser to the Sea Harvest Group

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If you are in any doubt as to how to deal with this document, you should consult your Broker, legal, financial or other professional adviser as soon as possible.

A number of defined terms are used in this Bidder's Statement. These terms are defined in section 9.

KEY DATES

Announcement Date	5 February 2019
Bidder's Statement lodged with Mareterram, ASIC and ASX	28 February 2019
Date of Offer	4 March 2019
Offer closes (unless extended or withdrawn)	5:00pm (AWST) 5 April 2019

These dates may vary as permitted under the Corporations Act.

SUMMARY OF THE OFFER

Sea Harvest is offering to acquire all of your Mareterram Shares by way of an off-market takeover bid under Chapter 6 of the Corporations Act. The Offer consideration is \$0.25 cash for each Mareterram Share acquired by Sea Harvest pursuant to the Offer.

HOW DO I ACCEPT THE OFFER?

Acceptances must be received before the end of the Offer Period as follows:

For Issuer Sponsored Holdings of Mareterram Shares

(Securityholder Reference Number beginning with "I")

To accept the Offer, complete the enclosed Issuer Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope, or to an address on the Issuer Acceptance Form, so that it is received before 5:00pm (AWST) on the last day of the Offer Period.

For CHES Holdings of Mareterram Shares

(Holder Identification Number beginning with 'X')

To accept the Offer, either contact your Controlling Participant (usually your Broker) and instruct them to accept the Offer on your behalf, or complete the enclosed CHES Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope, or to an address on the CHES Acceptance Form, so that it is received before 5:00pm (AWST) on the last day of the Offer Period.

WHAT SHOULD I DO SHOULD I NOT WISH TO ACCEPT THE OFFER?

If you do not wish to accept the Offer, you are not required to take any further action.

DISCLAIMER, IMPORTANT INFORMATION AND NOTICES

(a) Bidder's Statement

This Bidder's Statement is given by Sea Harvest under Part 6.5 of the Corporations Act and relates to the Offer. This Bidder's Statement is dated 28 February 2019, and includes the Offer dated 4 March 2019 to acquire all of your Mareterram Shares.

(b) Sea Harvest

Sea Harvest International Proprietary Limited (registration number 2012/130812/07), a South African proprietary limited company, is a wholly-owned subsidiary of Sea Harvest Group Limited. Unless otherwise specified, in this document Sea Harvest International Proprietary Limited is referred to as Sea Harvest. Sea Harvest Group Limited is incorporated in South Africa and listed on the JSE and is controlled by Brimstone, an investment holding company incorporated in South Africa and listed on the JSE. Unless otherwise specified, in this document Sea Harvest Group Limited is referred to as SHGL.

(c) Australian Securities and Investments Commission

A copy of this Bidder's Statement was lodged with ASIC on 28 February 2019 and sent to ASX on 28 February 2019. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Bidder's Statement.

(d) Offers outside Australia

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

(e) Notice to foreign Mareterram Shareholders

This Bidder's Statement and the Offer are subject to Australian disclosure requirements which may be different from those applicable in other jurisdictions. This Bidder's Statement and Offer do not constitute an offer in any place in which, or to any person whom, it would not be lawful to make such an offer.

(f) Disclosure regarding forward looking statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. As such statements relate to future matters, you should be aware that they are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which the Sea Harvest Group and Mareterram operate as well as general matters — such as general economic conditions, prevailing exchange rates, interest rates and conditions of the financial markets — that are outside the control of Sea Harvest and its directors. The forward looking statements do not constitute a representation that any such matter will be achieved in the amounts or by the dates indicated and are presented solely as a guide to assist you in assessing the Offer. The forward looking statements are based on information available to Sea Harvest at the date of this Bidder's Statement.

(g) Investment decisions

This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You should therefore seek your own financial and taxation advice before deciding whether or not to accept the Offer.

(h) Information on Mareterram

All information in this Bidder's Statement relating to Mareterram has been prepared by Sea Harvest using information included in public documents filed by Mareterram or published by Mareterram on its website. None of the information in this Bidder's Statement relating to Mareterram has been commented on or verified by Mareterram or its directors or independently verified by Sea Harvest or its directors for the purposes of this Bidder's Statement. Accordingly, subject to the Corporations Act, Sea Harvest does not make any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information on Mareterram in this Bidder's Statement should not be considered comprehensive. In addition, the Corporations Act requires the directors of Mareterram to provide a Target's Statement to Mareterram Shareholders in response to this Bidder's Statement, setting out certain material information concerning Mareterram.

(i) Defined terms and interpretation

Unless otherwise noted, capitalised terms and certain abbreviations used in this Bidder's Statement are defined in the Glossary in section 9. That section also sets out certain rules of interpretation that apply to this Bidder's Statement.

Letter from Sea Harvest

28 February 2019



Dear Mareterram Shareholder

Takeover Bid for Mareterram by Sea Harvest

I am pleased to provide you with this Offer to acquire all of your Mareterram Shares for \$0.25 cash for each Mareterram Share you hold.

The Sea Harvest Group is one of the largest, most diversified vertically integrated fishing, aquaculture and foods businesses in South Africa and is the largest shareholder in Mareterram with a 56.28% shareholding as at the date of this Bidder's Statement.

The Offer represents attractive value and a significant premium over historical trading prices. The Offer price represents a:

- 22% premium to the last traded price of Mareterram Shares on ASX on 1 February 2019 of \$0.205 (being the last day on which Mareterram Shares traded prior to the Announcement Date); and
- 31% premium to the 30-day volume weighted average price of Mareterram Shares of \$0.1905 up to and including 1 February 2019.

The structure of the Offer allows you to realise your investment in Mareterram at a premium.

In addition, Mareterram Shareholders should consider the following factors when evaluating whether to accept the Offer:

- the Offer provides you with an opportunity to realise certain cash value for your investment in Mareterram;
- accepting the Offer removes risks that could affect the value of your Mareterram Shares over time;
- Mareterram has not received any alternative proposal as at the date of this Bidder's Statement; and
- there is no certainty that Mareterram's trading price would trade at or above the Offer Price of \$0.25 per Mareterram Share if the Offer lapses, and there is a risk that if the Offer lapses, the price of Mareterram Shares may fall.

The Non-Affiliated Directors of Mareterram unanimously recommend that you accept the Offer in the absence of a Superior Proposal and intend to accept the Offer in relation to any Mareterram Shares they own or control, in the absence of a Superior Proposal, as soon as reasonably practicable on the day that is 21 days after the release of the Target's Statement.

I encourage you to consider the Offer. Further details in relation to the Offer are provided in this Bidder's Statement, which you should read in full.

The Offer will open on 4 March 2019 and is scheduled to close at 5:00pm (AWST) on 5 April 2019, unless extended. To accept the Offer, please follow the instructions set out in section 8.4 and on the enclosed Acceptance Form.

If you require additional assistance, please contact the Company Secretary of Mareterram on +61 8 9435 6500 during normal business hours.

Yours sincerely

Fred Robertson D.Phil (Hon. Causa)

Chairman
Sea Harvest Group Limited

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WHY YOU SHOULD ACCEPT THE OFFER

1. **The Offer Price is attractive value and a significant premium to Mareterram's recent share trading prices.**

The Offer Price is attractive value and a significant premium to Mareterram's trading prices prior to the Announcement Date. The Offer price represents a:

- 22% premium to the last traded price of Mareterram Shares on ASX on 1 February 2019 of \$0.205 (being the last day on which Mareterram Shares traded prior to the Announcement Date);
- a 31% premium over the 30 day volume weighted average price (**VWAP**) of \$0.1905 per Mareterram Share up to and including 1 February 2019; and
- a 25% premium over the offer price of \$0.20 per Mareterram Share under Mareterram's re-compliance prospectus dated 12 November 2015.

2. **The Offer is a cash offer and removes risks to Mareterram Shareholders by providing Mareterram Shareholders with a full liquidity event.**

The Offer is a simple cash offer and provides an assured value for your Mareterram Shares and removes risks that could affect the value of your Mareterram Shares.

The "free float" of Mareterram Shares is limited by the 56.28% current holding of Sea Harvest and it may be difficult for Mareterram Shareholders to sell their Mareterram Shares on-market due to a lack of liquidity. Mareterram Shares have historically traded at modest volumes on ASX. The Offer provides all Mareterram Shareholders with access to a full liquidity event for their Mareterram Shares.

3. **There is a risk that Mareterram's share price may fall, at least in the short term, if the Offer does not succeed and no other offer is made for the Mareterram Shares above the Offer Price.**

The Offer provides certainty of value in cash. By accepting the Offer and once the Offer becomes unconditional, you will receive \$0.25 in cash per Mareterram Share within 1 month after the later of the date you accept and the date the Offer becomes unconditional and, in any event, no later than 21 days after the end of the Offer Period. The certainty of the cash received under the Offer should be compared to the risks and uncertainties of remaining a Mareterram Shareholder.

Although there are many factors which may influence the market price of Mareterram Shares, there is a risk that the Mareterram Share price may fall to lower levels, at least in the short term, if the Offer does not succeed and no other offer is made for the Mareterram Shares above the Offer Price.

4. **The Non-Affiliated Directors of Mareterram unanimously recommend the Offer and intend to accept the Offer in the absence of a Superior Proposal.**

As announced by Mareterram to ASX on 5 February 2019, the Non-Affiliated Directors holding 1.6% of the Mareterram Shares on issue intend to accept the Offer in relation to any Mareterram Shares they own or control, in the absence of a Superior Proposal, as soon as reasonably practicable on the day that is 21 days after release of the Target's Statement.

5. Mareterram Shareholders will not incur brokerage costs by accepting the Offer.

Mareterram Shareholders who accept the Offer will not incur any brokerage charges (or GST on those charges) that they would otherwise be likely to pay if they sold their Mareterram Shares on-market.

Frequently asked questions

The table below answers some key questions that you may have about the Offer and should be read in conjunction with the remainder of this Bidder's Statement. You are strongly encouraged to read the entire Bidder's Statement before deciding whether or not to accept the Offer.

Question	Answer
What is the Offer?	<p>Sea Harvest is making the Offer to acquire all of your Mareterram Shares on the terms detailed in this Bidder's Statement. The Offer consideration is \$0.25 cash for each Mareterram Share.</p> <p>You may only accept the Offer in respect of all (and not some) of the Mareterram Shares that you hold.</p>
Who is Sea Harvest?	<p>Sea Harvest, a wholly-owned subsidiary of SHGL, is the largest Mareterram Shareholder with a 56.28% shareholding as at the date of this Bidder's Statement. The Sea Harvest Group is one of the largest, most diversified vertically integrated fishing, aquaculture and agri-businesses in South Africa.</p> <p>Established in 1964 and employing over 3,800 people, the Sea Harvest Group harvests species including hake, horse mackerel, pilchards, anchovy, tuna, prawns, scallops, crabs and Spanish mackerel. In addition to its factory freezer and fresh fish trawlers, the Sea Harvest Group has a number of processing facilities across South Africa. The Sea Harvest Group's aquaculture operations spans abalone, mussels, oysters and trout and effective January 2019, the Sea Harvest Group diversified into agri-business with the acquisition of Ladismith Cheese Company Proprietary Limited.</p> <p>With a current market capitalisation of approximately \$400 million, SHGL listed on the JSE in March 2017 (JSE code: SHG) and is controlled by Brimstone, a diversified investment holding company listed on JSE with investments in the food, healthcare, infrastructure, ICT and financial services sectors (JSE codes: BRT and BRN).</p> <p>For more information on Sea Harvest, SHGL and Brimstone, please see section 1.</p>
What is Sea Harvest's current interest in Mareterram Shares?	<p>Sea Harvest is the registered holder of 86,966,581 Mareterram Shares which represents approximately 56.28% of the total number of Mareterram Shares on issue as at the date of this Bidder's Statement. Sea Harvest has voting power of approximately 56.28% in Mareterram as at the date of this Bidder's Statement.</p> <p>In addition, Sea Harvest also holds 2,500,000 options with a \$0.20 per option exercise price in Mareterram.</p>
Why should I accept the Offer?	<p>Sea Harvest considers that you should accept the Offer because:</p> <ul style="list-style-type: none"> the Offer Price is attractive value and a significant premium to Mareterram's trading prices prior to the Announcement Date; the Offer is a simple cash offer and provides assured value for your Mareterram Shares and removes risks that could affect the value of your Mareterram Shares; the Offer provides Mareterram Shareholders with a full liquidity

	<p>opportunity;</p> <ul style="list-style-type: none"> • there is a risk that the Mareterram Share price may fall to lower levels if the Offer does not succeed and no other offer is made for the Mareterram Shares above the Offer Price; • the Non-Affiliated Directors of Mareterram unanimously recommend you accept the Offer in the absence of a Superior Proposal; • the Non-Affiliated Directors intend to accept the Offer in the absence of a Superior Proposal, as soon as reasonably practicable on the day that is 21 days after release of the Target's Statement; and • Mareterram Shareholders will not incur any brokerage charges by accepting the Offer.
What is the Bidder's Statement?	<p>You have received this Bidder's Statement because you are a Mareterram Shareholder.</p> <p>This Bidder's Statement was prepared by Sea Harvest for distribution to Mareterram Shareholders. This Bidder's Statement includes information about Sea Harvest and the Sea Harvest Group, and provides details of the Offer. You should read this document in full. Should you have any doubt as to how to deal with this document, you should consult your Broker, legal, financial or other professional adviser as soon as possible.</p>
What is the Target's Statement?	<p>The Target's Statement was prepared by Mareterram in response to the Offer and the Bidder's Statement. The Target's Statement sets out Mareterram's assessment of the Offer and accompanies this Bidder's Statement.</p> <p>The Target's Statement includes an Independent Expert's report commissioned by the Non-Affiliated Directors of Mareterram to opine on whether the Offer is fair and reasonable to Mareterram Shareholders.</p>
What do the Non-Affiliated Directors recommend?	<p>The Non-Affiliated Directors of Mareterram unanimously recommend that you accept the Offer in the absence of a Superior Proposal.</p>
Does the Mareterram Board support the Offer?	<p>The Non-Affiliated Directors of Mareterram have indicated they intend to accept the Offer in relation to any Mareterram Shares they own or control, in the absence of a Superior Proposal, as soon as reasonably practicable on the day that is 21 days after release of the Target's Statement.</p>
What is the Independent Expert's opinion of the Offer?	<p>The Independent Expert has opined that the Offer is not fair but reasonable to Mareterram Shareholders (other than Sea Harvest).</p> <p>The Non-Affiliated Directors of Mareterram having considered the Independent Expert's report, including the different valuation methodologies considered by the Independent Expert and the reasons why the Offer is reasonable, unanimously recommend that you accept the Offer in the absence of a Superior Proposal.</p> <p>Further details are set out in section 1.4 of the Target's Statement.</p>
Which Mareterram shareholders have indicated	<p>As announced by Mareterram to ASX on 5 February 2019 and described in the Target's Statement:</p>

<p>that they intend to accept the Offer?</p>	<ul style="list-style-type: none"> • certain Mareterram Shareholders (excluding the Non-Affiliated Directors) representing approximately 19% of the issued Mareterram Shares have provided Mareterram with signed statements confirming that their present intention is to accept the Offer. These statements were expressed to be their then intention only and the Shareholders each expressly reserved the right to change this intention (including in circumstances where a superior proposal emerges, or the Independent Expert concludes the Offer is other than fair and reasonable). <p>Sea Harvest notes Mareterram's statement that as at the date of the Target Statement, Mareterram has not received any instruction from any of those Mareterram Shareholders that those intentions have changed.</p> <p>Further details are contained in section 2 of the Target's Statement; and</p> <ul style="list-style-type: none"> • the Non-Affiliated Directors holding 1.6% of the Mareterram Shares on issue intend to accept the Offer in relation to any Mareterram Shares they own or control, in the absence of a Superior Proposal, as soon as reasonably practicable on the day that is 21 days after release of the Target's Statement. <p>Further details are contained in sections 3.6 and 6.2 of the Target's Statement.</p>
<p>How do I accept the Offer?</p>	<p>To accept the Offer you should follow the instructions set out in section 8.4 and on the Acceptance Form. Your acceptance must be received before 5:00pm (AWST) on the last day of the Offer Period.</p>
<p>Can I accept the Offer for part of my Mareterram Shares?</p>	<p>No, you must accept the Offer for all of your Mareterram Shares.</p>
<p>What percentage will Sea Harvest own should all Mareterram Shareholders accept the Offer?</p>	<p>Should all Mareterram Shareholders accept the Offer, Sea Harvest will own 100% of Mareterram.</p>
<p>Are there any conditions to the Offer?</p>	<p>The Offer is subject the following outstanding conditions:</p> <ul style="list-style-type: none"> • Sea Harvest and its Associates together having a Relevant Interest in at least 90% of Mareterram Shares by the end of the Condition Period; • no regulatory actions, of various kinds, occurring during the Condition Period (subject to certain exceptions); • Mareterram not terminating (other than for cause) and James Clement not resigning or providing notice of resignation during the Condition Period; • Mareterram not making any material acquisitions, disposals or new commitments for an amount in aggregate greater than \$100,000 (subject to certain exceptions) during the Condition Period;

	<ul style="list-style-type: none"> • no Prescribed Occurrence occurring in relation to Mareterram during the Condition Period; • no failure to file a material document required by law or the Listing Rules and such filings being not materially incorrect or misleading; • no event, change or condition occurs, is announced or becomes known to Sea Harvest (whether or not it becomes public) during the Condition Period where that event, change or condition has or has resulted in, or would reasonably be expected to have or result in a material change or deterioration in the business, financial or trading position, profits or prospects of the Mareterram Group (taken as a whole), subject to certain exceptions; • no third party exercising or purporting to exercise any rights under an agreement with any Mareterram Group Entity during the Condition Period which results in or could reasonably be expected to result in any moneys borrowed in excess of \$100,000 being repayable, any agreement being terminated or modified, all or substantially all of the assets of any Mareterram Group Entity being sold or transferred or the business of any Mareterram Group Entity being materially adversely affected; • no person commencing bona fide litigation against any Mareterram Group Entity during the Condition Period which may reasonably result in a judgement of more than \$100,000 (individually or collectively); • various restrictions on the conduct of Mareterram Group Entities during the Condition Period (subject to certain exceptions); • the Independent Expert being of the opinion that the Offer is "fair and reasonable" or "not fair but reasonable" to Mareterram Shareholders (and does not change that opinion during the Condition Period) and the Non-Affiliated Directors not changing, withdrawing or modifying their recommendation that Mareterram Shareholders accept the offer in the absence of a Superior Proposal; • NAB: <ul style="list-style-type: none"> ○ confirming that it will not (i) cancel or change the pricing or terms of the Financing Agreement (including security arrangements or guarantees) or (ii) cancel a facility or declare any outstanding amount due and payable; and ○ extending the repayment date for Mareterram's corporate receivables finance facility under the Financing Agreement to a date no earlier than 28 February 2020; and • Mareterram seeking an amendment to the Carnarvon Boat Harbour Leases such that there will only be a deemed assignment under the leases if there is a change in control of SHGL or Brimstone. <p>The conditions are set out in full in section 8.8. The status of each of the conditions as at the date of this Bidder's Statement is described in section 7.</p>
When will Sea	Sea Harvest will give a notice on the status of conditions in accordance with

Harvest announce the status of the conditions of the Offer?	<p>section 630(3) of the Corporations Act (see section 8.11).</p> <p>Sea Harvest is required to set out in this notice:</p> <ul style="list-style-type: none"> • whether the Offer is free of any or all of the conditions; • whether, so far as Sea Harvest knows, any of the conditions have been fulfilled on the date the notice is given; and • Sea Harvest's voting power in Mareterram. <p>If a condition is fulfilled (so that the Offer becomes free of that condition) before the date on which the notice on the status of conditions is required to be given, Sea Harvest must, as soon as practicable, give ASX and Mareterram a notice that states that the particular condition has been fulfilled.</p>
What happens if the conditions of the Offer are not satisfied or waived?	<p>If the conditions are not satisfied or waived before the end of the Offer Period, then your acceptance of the Offer is void and you will retain ownership of the Mareterram Shares in respect of which you had accepted the Offer.</p>
When does the Offer close?	<p>The Offer closes at 5:00pm (AWST) on 5 April 2019 unless extended or withdrawn in accordance with the Corporations Act.</p>
What should I do?	<p>You should:</p> <ul style="list-style-type: none"> • read this Bidder's Statement in full; • read the Target's Statement in full; • consult your Broker, legal, financial or other professional adviser if you are in any doubt as to what action to take or how to accept the Offer; and • if you wish to accept the Offer, follow the instructions set out in section 8.4 and on the enclosed Acceptance Form.
If I accept the Offer, when will I be paid?	<p>If you accept the Offer and the Offer becomes unconditional, Sea Harvest will pay you the consideration under the Offer by the earlier of:</p> <ul style="list-style-type: none"> • one month after the later of (i) receipt of your valid acceptance and necessary transfer documents and (ii) the date on which the Offer becomes unconditional; or • 21 days after the end of the Offer Period.
What if I am a foreign shareholder?	<p>Foreign Mareterram Shareholders will be paid the same cash consideration as Australian resident Mareterram Shareholders under the Offer.</p> <p>However, the tax consequences of the Offer may be different for those foreign Mareterram Shareholders than Australian Mareterram Shareholders. Accordingly, foreign Mareterram Shareholders should obtain their own advice in relation to the tax consequences of accepting the Offer in their jurisdiction.</p>

What happens if I accept the Offer?	Once you accept the Offer you will not be able to sell your Mareterram Shares or otherwise deal with the Rights attaching to your Mareterram Shares, and will not be able to accept any Superior Proposal which may emerge, subject to your limited statutory rights to withdraw your acceptance in certain circumstances.
What happens if the Offer Price is increased?	If the Offer Price is increased, all the Mareterram Shareholders who accept the Offer (whether or not they have accepted the Offer before or after such improvement) will be entitled to the benefit of the improved Offer Price, should the Offer become or be declared unconditional.
What happens if I do not accept the Offer?	<p>If you do not accept the Offer and you do not sell your Mareterram Shares on ASX, you will retain all of your Mareterram Shares and will not receive any cash consideration.</p> <p>The Offer is subject to Sea Harvest obtaining a minimum shareholding of 90% in Mareterram. If Sea Harvest acquires a Relevant Interest in 90% or more of the Mareterram Shares at the end of the Offer Period, it will seek to exercise its right to compulsorily acquire your Mareterram Shares. If it exercises this right, you will be paid the Offer Price for your Mareterram Shares. However, you will receive the Offer Price for your Mareterram Shares earlier if you accept the Offer during the Offer Period rather than through the compulsory acquisition process.</p>
Can I withdraw my acceptance?	You may not withdraw your acceptance unless a withdrawal right arises under the Corporations Act.
Can I sell my Mareterram Shares on-market?	<p>Yes, you may sell all, or some, of your Mareterram Shares on-market during the Offer Period, but you may incur brokerage and other transaction costs if you do.</p> <p>However, if you accept the Offer, you agree not to sell your Mareterram Shares to anyone else and you will not be able to sell your Mareterram Shares on-market, except in the limited circumstances where you are entitled to and have withdrawn your acceptance in accordance with the Corporations Act.</p>
What are the tax implications of accepting the Offer?	<p>A general description of the taxation treatment for certain Australian resident Mareterram Shareholders accepting the Offer is set out in section 6.</p> <p>The description in section 6 is a general description only and not advice. It does not take into account your particular circumstances or needs. Mareterram Shareholders should not rely on that description as advice for their own affairs.</p> <p>Sea Harvest recommends that you consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the Offer for your Mareterram Shares.</p>
What if I have further questions or require further information in relation to the Offer?	<p>If you require additional assistance, please contact the Company Secretary of Mareterram on +61 8 9435 6500 during normal business hours.</p> <p>If you are in any doubt as to how to deal with this document, you should consult your Broker, legal, financial or other professional adviser as soon as possible.</p>

1. Information on Sea Harvest

1.1 Overview of Sea Harvest

Sea Harvest is a wholly-owned subsidiary of SHGL, a South African company listed on the Johannesburg Stock Exchange (JSE code: SHG). Established in 1964 in the fishing village of Saldanha Bay on the west coast of South Africa, the Sea Harvest Group has developed into one of the leading, most diversified fishing, aquaculture and agri-businesses in South Africa.

Sea Harvest is the largest shareholder in Mareterram with a 56.28% shareholding.

The Sea Harvest Group's principal business is deep-sea trawling of the groundfish species called Hake, processing of the catch into frozen and chilled seafood and the marketing of these products both locally and internationally. The Sea Harvest Group also harvests horse mackerel, pilchards, anchovy, tuna, prawns, crabs, scallops and Spanish mackerel, all destined for South Africa, Australia and other international markets.

The Sea Harvest Group currently operates numerous fishing trawlers in South African and Australian territorial waters and operates a number of facilities in Saldanha Bay, Hout Bay, Cape Town, Mossel Bay and Carnarvon, has a presence in Cape Town, Durban, Johannesburg, Perth, Sydney, Melbourne, Adelaide and Brisbane and employs over 3,800 people.

The Sea Harvest Group's aquaculture operations spans abalone, mussels, oysters and trout and effective January 2019, the Sea Harvest Group diversified into agri-business with the acquisition of Ladismith Cheese Company Proprietary Limited.

The Sea Harvest Group's strategy is to invest in well managed, sustainable, vertically integrated fishing and agri-businesses around the world. As the controlling Mareterram Shareholder, Sea Harvest wishes to fully integrate Mareterram and align Mareterram's operating structure, growth strategy and funding requirements and with that of the Sea Harvest Group, and is therefore making the Offer.

In the financial year ended 31 December 2017, the Sea Harvest Group generated consolidated revenues of ZAR 2.13 billion (approximately \$214 million at the Exchange Rate) and an operating profit before interest of ZAR 383 million (approximately \$38.5 million at the Exchange Rate). The Sea Harvest Group has consolidated total assets totalling ZAR 2.57 billion (approximately \$259 million at the Exchange Rate).

SHGL's majority shareholder is Brimstone which holds a 54.19% interest in SHGL.

Further information on Sea Harvest is available on its website at: www.seaharvest.co.za.

1.2 Overview of Brimstone

Brimstone is a diversified investment holding company incorporated in South Africa and listed on the Johannesburg Stock Exchange (JSE codes: BRT and BRN). Brimstone holds investments in the food, healthcare, infrastructure, ICT and financial services sectors.

Founded in Cape Town in 1995, Brimstone seeks to achieve above average returns for its shareholders by investing in wealth creating businesses and entering into strategic alliances to which it contributes capital, innovative ideas, management expertise and a value driven corporate identity.

In the financial year ended 31 December 2017, Brimstone had gross assets totalling ZAR 9.2 billion (approximately \$926 million at the Exchange Rate) and an intrinsic net asset value

of ZAR 4.3 billion (approximately \$433 million at the Exchange Rate).¹ Brimstone has been invested in the Sea Harvest Group since 1998 and took control of the Sea Harvest Group in 2009. Following the listing of SHGL on JSE on 23 March 2017, Brimstone's 85% interest in the Sea Harvest Group has, over time, decreased to 54.19%.

Further information on Brimstone is available on its website at: www.brimstone.co.za.

1.3 Sea Harvest's directors and officers

As at the date of this Bidder's Statement, the directors and officers of SHGL are:

SHGL's directors	Position
Fred Robertson	Non-executive Chairman
Felix Ratheb	Managing Director and Chief Executive Officer
John Paul de Freitas	Director and Chief Financial Officer
Muhammad Brey	Director and Chief Investment Officer
Tiloshani Moodley	Non-executive Director
André Hanekom	Non-executive Director
Iqbal Khan	Non-executive Director
Marshall Rapiya	Non-executive Director
Kholeka Zama	Non-executive Director
Kari Ann Lagler	Non-executive Director

As at the date of this Bidder's Statement, the directors of Sea Harvest are:

Sea Harvest's directors	Position
Felix Ratheb	Director
John Paul de Freitas	Director
Muhammad Brey	Director
Konrad Geldenhuys	Director
Iqbal Khan	Director

1.4 Implementation Agreement

SHGL has entered into the Implementation Agreement with Mareterram which sets out the terms upon which SHGL (or a nominated member of the Sea Harvest Group) must make the Offer.

¹ Information on how intrinsic net asset value is calculated is available in Brimstone's annual report for the year ended 31 December 2017, which is available online at: http://www.brimstone.co.za/Assets/InvRelations/AnnualReports/Brimstone_IR_2017.pdf

SHGL has nominated Sea Harvest to make the Offer. The Implementation Agreement contains customary exclusivity provisions (no talk, no shop, no due diligence and a notification of approaches provision). A copy of the Implementation Agreement was included with Mareterram's announcement to ASX on 5 February 2019.

1.5 Option Deeds

As set out in section 4.1, there are three holders of Options (**Optionholders**). SHGL, Mareterram and each of the Optionholders (other than Sea Harvest) have entered into an option cancellation deed (**Option Cancellation Deed**) under which each Optionholder (other than Sea Harvest) has agreed to cancel their Options as follows:

- (a) the 5,000,000 Options held by Mr Clement, a Director, exercisable, subject to vesting conditions, at \$0.30 per Option on or before 18 December 2023 will be cancelled in consideration for \$125,000; and
- (b) 2,500,000 Options held by Molonglo Pty Ltd exercisable at \$0.20 per Option on or before 18 December 2020 will be cancelled in consideration for \$229,000,

subject to:

- (c) Mareterram obtaining a waiver from Listing Rule 6.23.2 (**Waiver**), or Mareterram Shareholders approving, the cancellation of the Options for the consideration contemplated in the Option Cancellation Deeds;
- (d) the Offer being declared unconditional by Sea Harvest; and
- (e) in the case of the Options held by James Clement, SHGL and its associates having a relevant interest in at least 90% of the Mareterram Shares upon close of the Offer.

Each Optionholder (other than Sea Harvest) has undertaken not to exercise their Options pending cancellation of their Options pursuant to the Option Cancellation Deeds, other than with the prior written consent of SHGL.

On 20 February 2019, ASX granted the Mareterram the Waiver and so that condition in the Option Cancellation Deeds has been fulfilled.

It is not proposed that the 2,500,000 Options held by Sea Harvest will be cancelled in connection with the Offer.

1.6 Supply and Distribution Agreement

Sea Harvest Corporation has entered into the Supply and Distribution Agreement in 2015 with Mareterram Trading which grants Mareterram Trading a renewable exclusive right to market, sell and distribute certain fish products, including products of Sea Harvest Corporation, within Australia until 4 August 2019. The agreement requires Mareterram Trading to sell (and Sea Harvest Corporation commits to deliver) certain minimum tonnages of the products to preserve the exclusive right.

2. Information on Mareterram

2.1 Profile of Mareterram

Mareterram (ASX: MTM) is an Australian public company which is listed on ASX. Mareterram operates in the Australian agri-business sector with commercial fishing and food distribution operations, specifically a commercial fishing business based in Shark Bay, Carnarvon, Western Australia for prawns, scallops, crabs, Spanish mackerel and by-catch, and a food services business.

Mareterram (through its subsidiary Mareterram Fisheries) operates 10 prawn trawling vessels targeting two main species, being king and tiger prawns, with its fishing licences in Shark Bay, Carnarvon, Western Australia. Mareterram also owns 13 licences and 1 vessel in the Western Australian Mackerel Managed Fishery targeting Spanish mackerel. The vessels also retain several material by-catches including coral and endeavour prawns, blue swimmer crab, scallops, squid and cuttlefish.

Mareterram (through its subsidiary Mareterram Trading) also operates a food services business that distributes both imported and domestic frozen seafood, imported potato products and a domestic range of convenience foods under several brand names including Sea Harvest, Mydibel, Top Hat, Cape Haddie and Royal Greenland.

For further information on Mareterram, please refer to the Mareterram website www.mareterram.com.au.

2.2 Mareterram's directors and officers

As at the date of this Bidder's Statement, the directors and officers of Mareterram, and their respective interests in Mareterram Shares, are:

Mareterram's director	Position	Number of Mareterram Shares held or controlled
David Lock	Chairman	2,037,500 Mareterram Shares
James Clement ¹	Managing Director and Chief Executive Officer	325,000 Mareterram Shares
Mark Pitts	Non-Executive Director	125,000 Mareterram Shares
Fred Robertson ²	Non-Executive Director	1,087,000 Mareterram Shares
Felix Ratheb ³	Non-Executive Director	278,000 Mareterram Shares
Muhammad Brey ⁴	Non-Executive Director	109,000 Mareterram Shares
Gregory Roberts-Baxter	Non-Executive Director	Nil

Notes:

- 1 James Clement also holds 5,000,000 Options exercisable at \$0.30 on or before 18 December 2023, subject to the satisfaction of vesting conditions.
- 2 Fred Robertson is also Executive Chairman of Brimstone and Non-Executive Chairman of SHGL.
- 3 Felix Ratheb is also the Managing Director and Chief Executive Officer of SHGL and a Director of Sea Harvest.
- 4 Muhammad Brey is also an Executive Director and the Chief Investment Officer of SHGL and a Director of Sea Harvest.

2.3 Substantial shareholders

As at the date of this Bidder's Statement, there are 154,535,198 Mareterram Shares on issue.

As at the date of this Bidder's Statement, Sea Harvest is the only substantial shareholder of Mareterram, with a Relevant Interest in 86,966,581 Mareterram Shares representing approximately 56.28% of the total issue share capital of Mareterram.

2.4 Publicly available information

Mareterram is a listed disclosing entity for the purposes of the Corporations Act and as such, is subject to regular reporting and disclosure obligations. Specifically, as an ASX listed company, Mareterram is subject to the ASX Listing Rules, which (subject to certain exceptions) requires continuous disclosure of any information Mareterram has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

The ASX website lists all announcements issued by Mareterram. These documents are available in electronic form from www.asx.com.au.

Mareterram is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Mareterram may be obtained for a fee from, or inspected at, an office of ASIC.

For further information regarding Mareterram, please refer to Mareterram's Preliminary Final Report which can be located on the ASX website at www.asx.com.au using Mareterram's ASX code 'MTM' or Mareterram's website www.mareterram.com.au.

2.5 Disclaimer

The information in this section 2 concerning Mareterram has been prepared by Sea Harvest using publicly available information. Neither Sea Harvest nor any of its directors or advisers has independently verified that information (either directly with Mareterram or its directors or otherwise) and do not make any representation or warranty, express or implied, as to the accuracy, or completeness of such information, other than as required by the Corporations Act.

The information on Mareterram in this Bidder's Statement should not be considered comprehensive.

3. Sea Harvest's intentions

3.1 Overview

This section 3 sets out Sea Harvest's general intentions under the Offer in relation to Mareterram.

Sea Harvest is a wholly-owned subsidiary of SHGL. Accordingly, the intentions, views, understanding and beliefs of Sea Harvest as set out in this Bidder's Statement are the same as those of SHGL and are both collectively referred to as the intentions of Sea Harvest in this section 3.

These intentions are based on the information concerning Mareterram, its businesses and the general business environment which is known to Sea Harvest at the time of preparation of this Bidder's Statement.

The statements set out in this section 3 are statements of current intention only and may vary as new information becomes available or circumstances change. Final decisions will only be reached in light of all material facts and circumstances. The statements in this section 3 should be read in this context.

3.2 Sea Harvest's Intentions for Mareterram as a wholly-owned controlled entity

At the date of this Bidder's Statement, Sea Harvest has a Relevant Interest in 56.28% of Mareterram Shares. If Sea Harvest acquires a Relevant Interest in at least 90% of Mareterram Shares it intends to:

- (a) continue the Mareterram business; and
- (b) compulsorily acquire all Mareterram Shares in which Sea Harvest does not have a Relevant Interest, in accordance with the Corporations Act; and
- (c) arrange for Mareterram to be removed from the official list of ASX.

Mareterram's operating business and employees

Sea Harvest has no present intention to make any major changes to the Mareterram Board, the business of Mareterram, including in respect of the deployment of its fixed assets and the employment of present management and employees.

Mareterram will therefore continue to operate as is, with Mareterram being anticipated to be able to better access the people, systems and expertise of the Sea Harvest Group to achieve synergies in a number of areas including purchasing power, maintenance and support of vessels, engineering, sales and marketing, IT, risk management, fishing practices, OH&S and quality control.

With a 54 year history in fishing, the Sea Harvest Group has significant expertise in fishing, processing, engineering, refrigeration, sales and marketing, brands, distribution and warehousing and back office services. It is anticipated that these skills will be leveraged by Mareterram in order to generate synergies and economies of scale.

Compulsory Acquisition and Delisting from ASX

If, as a result of the Offer, Sea Harvest becomes entitled to compulsorily acquire outstanding Mareterram Shares under Part 6A.1 of the Corporations Act, Sea Harvest presently intends to proceed with the compulsory acquisition of those securities.

In circumstances where Sea Harvest becomes entitled to compulsorily acquire outstanding Mareterram Shares, Sea Harvest intends to procure that Mareterram is removed from the official list of ASX.

ASX guidance indicates that ASX would not usually require Sea Harvest to obtain shareholder approval for Mareterram's removal from the official list of ASX in the context of a successful takeover where the usual conditions are satisfied, which include that (among other things):

- (a) Sea Harvest and its Related Bodies Corporate own or control at least 75% of Mareterram Shares; and
- (b) there are fewer than 150 holders of Mareterram Shares having holdings with a value of at least \$500, excluding Sea Harvest and its Related Bodies Corporate.

3.3 Sea Harvest's Intentions for Mareterram if it acquires less than 90% of Mareterram Shares

At the date of this Bidder's Statement, Sea Harvest has a Relevant Interest in 56.28% of Mareterram Shares and controls Mareterram. If Sea Harvest acquires a Relevant Interest in less than 90% of Mareterram Shares and is therefore not entitled to compulsorily acquire the remaining Mareterram Shares, it intends to:

- (a) continue the Mareterram business; and
- (b) consider whether it is appropriate to maintain Mareterram's listing on ASX.

Mareterram's operating business and employees

For the same reasons described in section 3.2, Sea Harvest has no present intention to make any major changes to the Mareterram Board, the business of Mareterram, including in respect of the deployment of its fixed assets and the employment of present management and employees.

Compulsory Acquisition and Delisting from ASX

Sea Harvest reserves the right to, at some later time, acquire further Mareterram Shares in a manner consistent with the Corporations Act and Mareterram's constitution.

It is possible that, even if Sea Harvest is not entitled to proceed to compulsory acquisition of any outstanding Mareterram Shares after the end of the Offer Period under Part 6A.1 of the Corporations Act, Sea Harvest may subsequently become entitled to exercise rights of general compulsory acquisition under Part 6A.2 of the Corporations Act, for example, as a result of acquisitions of Mareterram Shares pursuant to the "3% creep" exception in item 9 of section 611 of the Corporations Act. If so, Sea Harvest may exercise those rights of compulsory acquisition. Under this scenario, after completion of the compulsory acquisition of the outstanding Mareterram Shares, Sea Harvest intends to implement the intentions in section 3.2, to the extent that is economically feasible and subject to the requirements of the Corporations Act and any applicable law.

Sea Harvest will also consider whether it is appropriate to maintain Mareterram's listing on ASX, having regard to considerations such as the costs of maintaining a listing on ASX, Sea Harvest's shareholding in Mareterram, the number of other remaining Mareterram Shareholders and the level of trading in Mareterram Shares. Subject to compliance with the Listing Rules and a consideration of the above factors, Sea Harvest may procure that Mareterram is removed from the official list of ASX.

4. Information on Mareterram securities

4.1 Issued securities

Sea Harvest understands that the total number of securities on issue in Mareterram as at the date of this Bidder's Statement is as follows:

- (a) 154,535,198 Mareterram Shares; and
- (b) 10,000,000 unquoted Options, as follows:
 - (i) 5,000,000 Options held by Mr James Clement, a Director, exercisable, subject to vesting conditions, at \$0.30 on or before 18 December 2023;
 - (ii) 2,500,000 Options held by Molonglo Pty Ltd, exercisable at \$0.20 on or before 18 December 2020; and
 - (iii) 2,500,000 Options held by Sea Harvest, exercisable at \$0.20 on or before 18 December 2020.

Sea Harvest has entered into the Option Cancellation Deeds under which each Optionholder (other than Sea Harvest) has agreed to cancel their Options on the terms described in section 1.5.

4.2 Relevant Interest in Mareterram securities and voting power

As at the date of the Offer:

- (a) Sea Harvest has a Relevant Interest in 86,966,581 Mareterram Shares, being 56.28% of Mareterram Shares; and
- (b) Sea Harvest has voting power in Mareterram of 56.28%.

4.3 Consideration provided for Mareterram securities during previous four months

Sea Harvest and its Associates have not acquired or agreed to acquire any Mareterram Shares during the period of four months ending on the day immediately before the date of the Offer.

Sea Harvest and its Associates have not disposed of any Mareterram Shares during the period of four months ending on the day immediately before the date of the Offer.

4.4 Inducing benefits given during previous four months

Except as set out in this Bidder's Statement, neither Sea Harvest nor any of its Associates has, during the period of four months ending on the day immediately before the date of the Offer, given, offered or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to:

- (a) accept the Offer; or
- (b) dispose of Mareterram Shares,

which benefit was not offered to all Mareterram Shareholders under the Offer.

5. Funding

5.1 Total consideration

The consideration for the acquisition of the Mareterram Shares to which the Offer relates will be satisfied by the payment of cash for each Mareterram Share.

The maximum amount of cash that Sea Harvest will be required to pay under the Offer if acceptances are received for all Mareterram Shares on issue as at the date of this Bidder's Statement is approximately \$16.9 million (**Maximum Cash Consideration**).

The Maximum Cash Consideration is calculated on the basis of acceptances in respect of 67,568,617 Mareterram Shares (that is, all Mareterram Shares on issue at the date of this Bidder's Statement other than those held by Sea Harvest).

5.2 Sources of cash consideration

The consideration for the acquisition of Mareterram Shares under the Offer will be paid by Sea Harvest having been wholly funded pursuant to intra-group arrangements with Sea Harvest's parent entity, SHGL. SHGL has agreed to provide, and will procure that its subsidiaries will provide, Sea Harvest with the necessary funds to pay (utilising available cash resources in the Sea Harvest Group) the Maximum Cash Consideration as well as the consideration payable pursuant to the Option Cancellation Deeds and any associated transaction costs incurred by Sea Harvest (**Total Funding Amount**). Further detail is provided below.

Sea Harvest's internal funding arrangements

SHGL will provide funds equal to the Total Funding Amount to Sea Harvest through the provision of an interest-free loan facility by SHGL to Sea Harvest.

Under the intra-group loan facility, funds equal to the Total Funding Amount will be available to Sea Harvest from the commencement of the first day of the Offer Period until the date that is 30 business days after the last day of the Offer Period. There is no fixed date for repayment by Sea Harvest of amounts outstanding under the loan.

As the date of this Bidder's Statement, SHGL holds cash reserves in excess of ZAR 200 million (approximately \$20 million at the Exchange Rate), sufficient to fund the Total Funding Amount.

On the basis of the arrangements described above in this section 5, Sea Harvest is of the opinion that it has a reasonable basis for forming, and it holds, the view that it will be able to pay the Maximum Cash Consideration required for the acquisition of Mareterram Shares pursuant to the Offer to satisfy its obligations under the Offer.

The Offer is not subject to any financing conditions.

6. Taxation implications

6.1 Introduction

This section 6 provides a brief outline of certain Australian tax consequences which may arise where a Mareterram Shareholder decides to accept the Offer. Mareterram Shareholders are specifically informed that the outline contained in this section 6:

- (a) does not constitute tax advice by Sea Harvest or its advisers to any Mareterram Shareholder;
- (b) is an indicative guide based on the understanding of Sea Harvest of the possible Australian CGT, GST and stamp duty consequences arising to Mareterram Shareholders on the disposal of Mareterram Shares;
- (c) does not consider any broader Australian or foreign tax implications;
- (d) is prepared on the basis of the existing Australian tax laws and administrative practices applicable as at the date of this Bidder's Statement, which may be subject to change periodically (including with retrospective effect); and
- (e) should not be relied upon by a Mareterram Shareholder for any purpose (including in deciding whether the Mareterram Shareholder should accept the Offer).

The outline contained in this section 6 is not intended to be an authoritative or complete statement of the Australian tax law applicable to the specific circumstances of every Mareterram Shareholder. In particular, the comments in the outline are generally only relevant to those Mareterram Shareholders who hold their Mareterram Shares on capital account for Australian income tax purposes. The comments do not apply to Mareterram Shareholders who:

- (a) are in the business of trading or dealing in securities, or otherwise hold their Mareterram Shares on revenue account;
- (b) acquired their Mareterram Shares as a result of an employee share plan or employee share option plan;
- (c) are a bank, insurance company or tax exempt organisation;
- (d) are subject to the Australian Taxation of Financial Arrangements rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to their Mareterram Shares;
- (e) are non-resident Mareterram Shareholders who currently hold, or have held at any time, Mareterram Shares through a permanent establishment in Australia; or
- (f) are non-resident Mareterram Shareholders who were previously residents of Australia for tax purposes and chose to disregard a capital gain or loss on ceasing to be a resident of Australia.

6.2 Disposal for CGT purposes

A Mareterram Shareholder that accepts the Offer should be treated as having disposed of the relevant Mareterram Shares for Australian CGT purposes on the date that the contract to sell those Mareterram Shares comes into existence. This should be the date on which a Mareterram Shareholder accepts the Offer to dispose of the Mareterram Shares the subject of the Offer. The disposal of a Mareterram Share in this manner should constitute a disposal of a CGT asset and potentially trigger a taxable event under Australia's CGT regime. However, if a Mareterram

Shareholder does not ultimately dispose of the relevant Mareterram Shares (eg, if a condition of the Offer is not fulfilled) then no CGT event should happen in respect of those Mareterram Shares.

6.3 Australian resident Mareterram Shareholders

A Mareterram Shareholder should realise a capital gain in connection with the disposal of a Mareterram Share equal to the amount by which the Offer consideration exceeds the cost base of the Mareterram Share. A Mareterram Shareholder should alternatively realise a capital loss equal to the amount by which the reduced cost base of the Mareterram Share exceeds the Offer consideration. A capital loss may be used to offset a capital gain made in the same income year or be carried forward to offset a capital gain made in a future income year, subject to the satisfaction of any applicable loss recoupment tests.

The cost base and reduced cost base of a Mareterram Share should generally equal the amount that the Mareterram Shareholder paid, or is deemed to have paid, to acquire the Mareterram Share (including certain incidental costs associated with the acquisition, such as brokerage fees).

A Mareterram Shareholder who is an Australian tax resident individual, trust or complying superannuation fund may be entitled to reduce a capital gain arising on disposal of a Mareterram Share by the CGT discount, provided that the Mareterram Share was acquired at least 12 months prior to its disposal for Australian CGT purposes and certain other requirements are met.

The CGT discount is applied to the capital gain after any available capital losses are first offset against that capital gain.

The applicable CGT discount (after the application of any capital losses or net capital losses from previous income years) applies at the following rates:

- (a) 50% for an individual or trust; and
- (b) 33.33% for a complying superannuation fund.

The CGT discount is not available to any Mareterram Shareholders that are companies or non-residents.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. Any net capital gain is included in assessable income and is subject to income tax. Capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against future capital gains, subject to satisfying certain rules relating to the recoupment of carried forward losses.

6.4 Non-resident Mareterram Shareholders

A Mareterram Shareholder who is not a resident of Australia for Australian income tax purposes should generally not have to pay Australian income tax in relation to any capital gain arising on the disposal of their Mareterram Shares, unless, broadly, both of the following requirements are satisfied:

- (a) the Mareterram Shareholder (together with any Associates) owned at least 10% of the Mareterram Shares issued by Mareterram either at the time the Mareterram Shares were disposed of for CGT purposes, or for at least 12 months during the 24 month period ending at that time; and
- (b) more than 50% of the market value of the assets of Mareterram (including assets held through certain downstream subsidiaries) is comprised by interests in Australian real property and/or certain rights in relation to Australian minerals.

A securityholding that meets both these conditions is referred to as an **indirect Australian real property interest**.

If either element is absent, any capital gain made on the disposal of a Mareterram Share should not be subject to income tax in Australia.

If both elements are satisfied, any capital gain realised by a Mareterram Shareholder who is not a resident of Australia for Australian income tax purposes should be calculated in a similar manner to that discussed above in the context of Australian residents. However the CGT discount will not be available.

Mareterram Shareholders who are not residents of Australia for tax purposes should also take into account the tax consequences under the laws of their country of residence of the disposal of Mareterram Shares.

6.5 Non-resident Mareterram Shareholders CGT Withholding Obligations

Sea Harvest may have obligations to pay to the Australian Taxation Office (**ATO**) an amount equal to 12.5% of the Offer Price on each Mareterram Share under section 14-200(3) of schedule 1 to the *Taxation Administration Act 1953* (Cth) in relation to foreign resident capital gains withholding, subject to certain exceptions.

These rules may apply to the Offer if the relevant Mareterram Shares acquired from Mareterram Shareholders qualify as indirect Australian real property interests and Sea Harvest either:

- (a) knows or reasonably believes that a Mareterram Shareholder is a foreign resident; or
- (b) does not reasonably believe that the Mareterram Shareholder is an Australian resident, and either:
 - (i) the Mareterram Shareholder has an address outside Australia; or
 - (ii) Sea Harvest is authorised to provide a related financial benefit to a place outside Australia (whether to the Mareterram Shareholder or to anyone else).

If Sea Harvest determines that it has an obligation to make a payment as described above, then a liability to foreign resident capital gains withholding tax (**FRCGWHT**) will be expected to arise, and Sea Harvest may withhold the relevant amount from the Offer Price and pay that amount to the ATO. You will only receive the net proceeds and will be taken to receive the full Offer Price for the purposes of this Offer.

Sea Harvest will look at a number of factors in determining whether it considers, or reasonably believes, that a Mareterram Shareholder will be a 'relevant foreign resident' for the purpose of the FRCGWHT including circumstances in which the Mareterram Shareholder:

- (a) is classified as a non-resident in the Register or has non-Australian domicile per the Register;
- (b) has a foreign registered address;
- (c) is not incorporated in Australia; or
- (d) is a corporate securityholder and otherwise has a registered name that leads the bidder to reasonably believe that the corporate securityholder is not an Australian incorporated corporate entity.

If Sea Harvest considers, or reasonably believes, that you are a 'relevant foreign resident' and that your Mareterram Shares are considered to be indirect Australian real property interests, Sea

Harvest may send you a Foreign Resident Declaration Form (**Declaration Form**). In this Declaration Form you may declare that you are an Australian tax resident or that your holding in Mareterram is not an indirect Australian real property interest because you, together with your associates, have not held 10% or more of Mareterram Shares for any continuous 12 month period within 2 years. Where such a declaration has been made, no amount of the Offer Price will be withheld for FRCGWHT purposes.

If you are unsure of how to complete the form, you should consult your tax advisor. If you have received a Declaration Form and the Declaration Form is not returned to Sea Harvest, 12.5% of the Offer Price may be withheld and remitted to the ATO.

If you have not received a Declaration Form and you believe that you should have because you are a “relevant foreign resident”, you are able to request a Declaration Form by contacting the Company Secretary of Mareterram on +618 9435 6500 during normal business hours.

6.6 Goods and services tax

No GST is payable by Mareterram Shareholders in respect of a disposal of those Mareterram Shares under the Offer. Holders of Mareterram Shares who are not GST registered will be restricted from claiming input tax credits for GST incurred on costs in connection with the Offer (for example, GST included in advisory costs). Holders of Mareterram Shares who are GST registered may be entitled to input tax credits for GST incurred on costs relating to the Offer and should seek their own advice in respect of such entitlements.

6.7 Stamp duty

No stamp duty is payable by Mareterram Shareholders in connection with the Offer.

7. Additional information

7.1 ASIC modifications

Sea Harvest has relied on ASIC modifications of sections 617 and 636(3) of the Corporations Act as set out in ASIC Class Order [CO 13/521] (**ASIC CO 13/521**). The effect of the modifications is reflected in the terms of the Offer set out in section 8.

Also, ASIC has published various class orders providing for modifications and exemptions that generally apply to all persons including Sea Harvest, in relation to the operation of Chapter 6 of the Corporations Act.

7.2 Persons to whom the Offer is sent

For the purposes of section 633(2) of the Corporations Act, the date for determining the persons to whom information is to be sent in items 6 and 12 of section 633(1) of the Corporations Act is the Register Date (being 5:00pm (AWST) on 28 February 2019).

7.3 No escalation agreements

Neither Sea Harvest nor any Associate of Sea Harvest has entered into any escalation agreement in respect of Mareterram Shares that is prohibited by section 622 of the Corporations Act.

7.4 Consents

This Bidder's Statement includes statements made by or based on statements made by SHGL. SHGL has consented to the inclusion of the statements it has made in the form and context in which they are included and, as at the date of this Bidder's Agreement, has not withdrawn its consent.

The following persons have given, and have not withdrawn before the date of this Bidder's Statement, their consent to be named in this Bidder's Statement in the form and context in which they are so named:

- each director of Sea Harvest;
- Brimstone as the controlling shareholder of the Sea Harvest Group;
- Automic Registry Services as manager of the Register; and
- DLA Piper Australia as Australian legal adviser to Sea Harvest.

Each of the above persons:

- does not make, or purport to make, any statement in this Bidder's Statement; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement.

As permitted by ASIC CO 13/521, this Bidder's Statement contains statements made in, or based on statements made in, documents lodged with ASIC or given to ASX (see, in particular, Mareterram's ASX announcement on 5 February 2019 and the Target Statement). The terms of the ASIC CO 13/521 allow such statements to be included without the consent of the parties who made them. Mareterram Shareholders may, during the Offer Period, obtain a copy of these documents (free of charge) by requesting them in writing from Sea Harvest at Level 1, Block C,

The Boulevard, Searle Street, Woodstock, Cape Town, South Africa 7925, marked for the attention of Muhammad Brey.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72:

- this Bidder's Statement may include or be accompanied by statements fairly representing a statement by an official person, or statements from a public official document or a published book, journal or comparable publication; and
- this Bidder's Statement contains security price data sourced from IRESS without its consent.

7.5 No other material information

There is no other information that is material to the making of the decision by a holder of Mareterram Shares whether or not to accept the Offer and which is known to Sea Harvest, other than as set out or referred to elsewhere in this Bidder's Statement, or information which it would be unreasonable to require Sea Harvest to disclose because the information has previously been disclosed to holders of Mareterram Shares.

7.6 Privacy

Sea Harvest has collected your information from the register of Mareterram Shareholders for the purposes of making the Offer. Such information may include the name, contact details and shareholdings of Mareterram Shareholders and the names of persons appointed to act as proxy, attorney or corporate representative of Mareterram Shareholders. Without this information, Sea Harvest would be hindered in its ability to issue this Bidder's Statement. The Corporations Act requires the names and addresses of Mareterram Shareholders to be held in a public register. Your personal information of the type described above may be disclosed on a confidential basis to Sea Harvest and the broader Sea Harvest Group, affiliates, authorised securities brokers, and external service providers, and may be required to be disclosed to regulators, such as ASIC. Mareterram Shareholders have certain rights to access personal information that has been collected. Mareterram Shareholders should contact Mareterram's security registry (being Automic Registry Services) in the first instance, if they wish to access their personal information. The registered office of Sea Harvest is 1st Floor, Block C, The Boulevard, Searle Street, Woodstock, Cape Town, South Africa, 7925.

7.7 Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Bidder's Statement.

7.8 Potential for waiver of conditions

The Offer is subject to a number of conditions set out in section 8.8. If an event occurs which results (or would result) in the non-fulfilment of a condition, Sea Harvest might not make a decision as to whether it will either rely on that occurrence, or instead waive the condition in respect of that occurrence, until the date for giving notice as to the status of the conditions of the Offer under section 630(3) of the Corporations Act (see section 8.11).

If any of the conditions are not fulfilled, and Sea Harvest decides to rely on that non-fulfilment, then any contract resulting from acceptance of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period.

7.9 FIRB Approval

On 6 February 2019, Sea Harvest received written advice from the Foreign Investment Review Board stating that the transaction contemplated by the Offer is not a notifiable or a significant action for the purposes of the *Foreign Acquisitions and Takeovers Act 1975*. The condition in section 8.8(b) has been satisfied and the Offer is no longer subject to that condition.

7.10 Consent of the Minister for Transport

The Offer is subject to Mareterram seeking an amendment to the Carnarvon Boat Harbour Leases from the Minister for Transport (or his delegate) to amend the terms of the Carnarvon Boat Harbour Leases such that while the shares of SHGL or Brimstone remain listed on a stock exchange in South Africa, there will only be a deemed assignment of the Carnarvon Boat Harbour Leases if there is a change of control of the relevant corporation or such other amendment as agreement between SHGL and Mareterram (see section 8.8(n)). As at the date of this Bidder's Statement this condition remains unsatisfied.

7.11 Opinion of Independent Expert

The Offer is subject to the Independent Expert opining that the Offer is "fair and reasonable" or "not fair but reasonable" to Mareterram Shareholders (and not later changing that opinion during the Offer Period to "not fair and not reasonable") (see section 8.8(l)). The Independent Expert's opinion as at the date of this Bidder's Statement is that the Offer is "not fair but reasonable" to Mareterram Shareholders (other than Sea Harvest), and as at the date of this Bidder's Statement, Sea Harvest is not aware of any events or circumstances which would result in the Independent Expert changing its opinion.

7.12 NAB consent & extension

The Offer is subject to NAB:

- (a) providing written confirmation to Mareterram that it will not (i) change pricing or any other term of the Financing Agreement or (ii) cancel a facility or declare any outstanding amount due and payable, in either case, in consequence of or in connection with the Offer (see section 8.8(m)(i)); and
- (b) extending the repayment date for Mareterram's corporate receivables finance facility under the Financing Agreement to a date no earlier than 28 February 2020 (see section (see section 8.8(m)(ii))).

As at the date of this Bidder's Statement this condition remains unsatisfied.

7.13 Status and effect of other conditions

This section 7.13 describes the status of the remaining conditions of the Offer.

As set out in section 7.9, the condition set out in section 8.8(b) has been satisfied.

In relation to the conditions in section 8.8(a) and 8.8(b), Sea Harvest is not aware, as at the date of this Bidder's Statement, of any decision, action or investigation, or additional approvals, which would result in the non-fulfilment of those conditions. Other than as set out in section 7.10, Sea Harvest has not identified, as at the date of this Bidder's Statement, any particular regulatory actions or approvals which could lead to those conditions being triggered or which would be relevant to the conditions in section 8.8(a) and 8.8(b). However, it should be noted that it is not feasible for Sea Harvest to identify in advance all such regulatory actions or related regulatory approvals as Sea Harvest has not had access to detailed information regarding Mareterram's operations and assets and whether they are subject to particular approvals or conditions.

As at the date of this Bidder's Statement, Sea Harvest is not aware of any events or circumstances which would result in the non-fulfilment of any of the conditions in sections 8.8(d) to 8.8(k).

8. Terms of Offer

8.1 Offer

- (a) Sea Harvest offers to acquire from you, on the terms and conditions of this Offer, all of your Mareterram Shares together with all Rights attaching to those Mareterram Shares. You may only accept this Offer for all of your Mareterram Shares and not a greater or lesser proportion.
- (b) This Offer extends to Mareterram Shares in respect of which you become registered or become entitled to be registered as the holder prior to the end of the Offer Period as a result of the conversion of, or the exercise of rights attached to, other securities convertible into Mareterram Shares that are on issue at the Register Date (including the Options).
- (c) Offers on terms and conditions identical to those contained in this Offer have been dispatched or will be dispatched to all holders of Mareterram Shares registered as such in the Register on the Register Date.
- (d) This Offer is dated 4 March 2019.

8.2 Consideration and dividends

- (a) Subject to the terms of this Offer, the consideration offered by Sea Harvest for the acquisition of each of your Mareterram Shares to which this Offer relates is \$0.25 cash for each Mareterram Share.
- (b) Subject to sections 8.2 and 8.4(d) and the Corporations Act, Sea Harvest will provide the consideration due to you for your Mareterram Shares if you have accepted into the Offer by the earlier of:
 - (i) one month after the later of (i) receipt of your valid acceptance and necessary transfer documents and (ii) the date on which the Offer becomes unconditional; and
 - (ii) 21 days after the end of the Offer Period.
- (c) Under no circumstances will interest be paid on the consideration to which you are entitled, regardless of any delay in providing the consideration or any extension of the Offer.
- (d) Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):
 - (i) if that document is given with your Acceptance Form, Sea Harvest will provide the consideration in accordance with section 8.2(b);
 - (ii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, Sea Harvest will provide the consideration due to you on or before the earlier of one month after this Offer becomes unconditional and 21 days after the end of the Offer Period;
 - (iii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, Sea Harvest will provide the consideration due to you on or before the

earlier of one month after that document is given and 21 days after the end of the Offer Period; or

- (iv) if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, Sea Harvest will provide the consideration within 21 days after that document is given. However, if at the time the document is given, the Offer is still subject to a defeating condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, Sea Harvest will provide the consideration due to you within 21 days after the Offer becomes unconditional.
- (e) Payment of the cash amount to which you are entitled under the Offer will be made in Australian currency. Any cheques will be sent to you at your address as recorded on the Mareterram Register or the address shown on your Acceptance Form by ordinary mail, or in the case of addresses outside Australia, by airmail. Payment will be deemed to have been made at the time the cheque is delivered by or on behalf of Sea Harvest to the post for delivery.
- (f) Sea Harvest will be entitled to all Rights declared, paid, made or which arise or accrue at or after the Announcement Date in respect of the Accepted Shares that it acquires pursuant to this Offer.
- (g) If any Rights are declared, paid, made or arise or accrue in cash after the Announcement Date in respect of the Accepted Shares to the holders of the Accepted Shares, Sea Harvest will (provided that the same has not been paid to Sea Harvest) be entitled to reduce the consideration specified in section 8.2(a) and payable by it to the holders of the Accepted Shares by an amount equal to the value of such Rights.
- (h) If any non-cash Rights are issued or made or arise or accrue after the Announcement Date in respect of the Accepted Shares to the holders of the Accepted Shares, Sea Harvest will (provided the same has not been issued to Sea Harvest) be entitled to reduce the consideration specified in section 8.2(a) and payable by it to the holders of the Accepted Shares by an amount equal to the value (as reasonably assessed by the Chairman of ASX or his or her nominee) of such non-cash Rights.
- (i) If any amount (the withholding amount) is required, under any Australian law or by any Government Agency, to be:
 - (i) withheld from any consideration otherwise payable to you under this Offer and paid to a Government Agency; or
 - (ii) retained by Sea Harvest out of any consideration otherwise payable to you under this Offer,the payment or retention by Sea Harvest of the withholding amount (as applicable) will constitute full discharge of Sea Harvest's obligation to pay the consideration to you to the extent of the withholding amount.

8.3 Offer Period

Unless the Offer is extended or withdrawn in accordance with the requirements of the Corporations Act, this Offer will remain open for acceptance by you during the period commencing on the date of this Offer and ending at 5:00pm (AWST) on 5 April 2019.

8.4 How to accept this Sea Harvest Offer

- (a) You may accept this Offer only in respect of all of your Mareterram Shares but for no more or less.
- (b) Subject to section 8.6, to accept this Offer in respect of Mareterram Shares which, at the time of acceptance, are registered in your name in the issuer sponsored subregister operated by Mareterram (in which case your Mareterram Shares are not in a CHESS Holding and your Securityholder Reference Number will commence with "I"), you must complete and sign the Issuer Acceptance Form enclosed with this Offer (which forms part of this Offer) in accordance with the instructions on it and return it together with all other documents required by those instructions (if any) to:

By mail:

Sea Harvest
C/- Automic Group
GPO Box 5193
Sydney NSW 2001

so that it is received at the address specified above by no later than the end of the Offer Period. A reply paid envelope, which is valid if sent from within Australia, is enclosed for your use.

- (c) To accept this Offer in respect of Mareterram Shares which, at the time of acceptance, are held by you in a CHESS Holding (in which case your Holder Identification Number will commence with "X"), you must comply with the ASX Settlement Operating Rules. To accept this Offer in accordance with the ASX Settlement Operating Rules:
 - (i) if you are the Controlling Participant, you must initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
 - (ii) if you are not the Controlling Participant, you may either:
 - (A) instruct your Controlling Participant (normally your Broker), in accordance with the sponsorship agreement between you and the Controlling Participant, to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules, such initiation to occur before the end of the Offer Period. If you choose to accept this Offer in this way, your Controlling Participant will be obliged by Rule 14.14.1 of the ASX Settlement Operating Rules to initiate the acceptance in accordance with your instructions (if specified) or otherwise by End of Day (as defined in the ASX Settlement Operating Rules) on the date that you instruct the Controlling Participant to accept this Offer or, if the Offer Period ends on the day you provide those instructions, before the end of the Offer Period; or
 - (B) otherwise, complete and sign the enclosed CHESS Acceptance Form in accordance with the instructions on the CHESS Acceptance Form and return it (using the enclosed reply paid envelope, which is valid if sent from within Australia) together with all other documents required by those instructions to the address indicated on the CHESS Acceptance Form, and as such authorise Sea Harvest to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules. For

return of the CHESS Acceptance Form to be an effective acceptance of the Offer under this section 8.4(c)(ii)(B), it must be received by Sea Harvest in time for Sea Harvest to give instructions to your Controlling Participant, and your Controlling Participant to carry out those instructions, before the end of the Offer Period.

- (d) An acceptance of this Offer under section 8.4(b) or 8.4(c)(ii)(B) shall not be complete until the Acceptance Form, completed and signed in accordance with the instructions on it and all other documents required by those instructions, has been received at the address set out in section 8.4(b). Notwithstanding the foregoing provisions of this section 8.4, Sea Harvest may, in its absolute discretion, waive at any time prior to the end of the Offer Period all or any of the requirements specified in the Acceptance Form but payment of the consideration in accordance with this Offer will not be made until any irregularity has been resolved and such other documents as may be necessary to procure registration of the Mareterram Shares have been lodged with Sea Harvest.
- (e) The postage and transmission of the Acceptance Form and other documents is at your own risk.

8.5 Validity of acceptances

- (a) Subject to this section 8.5, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 8.4.
- (b) Sea Harvest will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Sea Harvest is not required to communicate with you prior to or after making this determination. The determination of Sea Harvest will be final and binding on all parties.
- (c) Notwithstanding section 8.4, Sea Harvest may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of your Mareterram Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Sea Harvest.

8.6 Entitlement to Offer

- (a) A person who:
 - (i) is able during the Offer Period to give good title to a parcel of Mareterram Shares; and
 - (ii) has not already accepted the Offer for those Mareterram Shares;may, in accordance with section 653B(1) of the Corporations Act, accept this Offer as if an offer on terms identical with the Offer had been made to that person in relation to those Mareterram Shares.
- (b) If at any time during the Offer Period, and before you accept this Offer, your Mareterram Shares consist of one or more separate parcels within the meaning of section 653B of the Corporations Act (for example, because you hold Mareterram Shares on trust for, as nominee for, or on account of, another person or persons), then you may accept as if a separate offer in the form of this Offer had been made to

you in relation to each of those parcels (including any parcel you hold in your own right). An acceptance by you of the Offer in respect of any such distinct portion of your Mareterram Shares will be ineffective unless:

- (i) you have given Sea Harvest notice stating that your Mareterram Shares consist of separate and distinct parcels, such notice being:
 - (A) in the case of Mareterram Shares not in a CHESS Holding, in writing; or
 - (B) in the case of Mareterram Shares in a CHESS Holding, in an electronic form approved by the ASX Settlement Operating Rules; and
- (ii) your acceptance specifies the number of Mareterram Shares in the distinct portions to which the acceptance relates; and
- (iii) in circumstances where the parcel of Mareterram Shares is held by you as trustee or nominee for, or otherwise on account of, another person, your acceptance specifies:
 - (A) the date that other person acquired an equitable interest in the parcel or, if that date is not known, the date that other person is reasonably believed to have acquired an equitable interest in the parcel; and
 - (B) where the date that other person acquired an equitable interest in the parcel is the Announcement Date — whether the equitable interest was acquired before the time the Offer was announced to ASX on the Announcement Date.
- (c) Beneficial owners whose Mareterram Shares are registered in the name of a Broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in having this Offer accepted in respect of the Mareterram Shares which they beneficially own.

8.7 Effect of Acceptance

- (a) Once you have accepted the Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you. In addition, you will be unable to withdraw your acceptance of the Offer or otherwise dispose of your Mareterram Shares, except as follows:
 - (i) if, by the times specified in section 8.7(b) below, the conditions to the Offer have not been satisfied or waived, the Offer will automatically terminate and your Mareterram Shares will be returned to you; or
 - (ii) if the Offer is varied in accordance with the Corporations Act in a way that postpones for more than one month the time when Sea Harvest has to meet its obligations under the Offer, and, at the time, the Offer is subject to a condition, you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.
- (b) The relevant times for the purposes of section 8.7(a)(i) are:
 - (i) in relation to the condition in section 8.8(f) (but only to the extent the Prescribed Occurrence is the same as the conditions set out in section

652C(1) or (2) of the Corporations Act), the end of the third Business Day after the end of the Offer Period; and

- (ii) in relation to all other conditions to the Offer, not less than seven days before the last day of the Offer Period.

(c) By:

- (i) completing, signing and returning an Acceptance Form in accordance with section 8.4(b) or 8.4(c)(ii)(B); or
- (ii) causing this Offer to be accepted in accordance with the ASX Settlement Operating Rules if your Mareterram Shares are in a CHESS Holding,

you will, or will be deemed to, have:

- (iii) subject to section 650E of the Corporations Act and section 8.6 irrevocably accepted this Offer in respect of all your Mareterram Shares to which this Offer relates, regardless of the number of Mareterram Shares specified in the Acceptance Form (**Accepted Shares**);
- (iv) subject to the conditions of the Offer being fulfilled, agreed to transfer the Accepted Shares to Sea Harvest;
- (v) represented and warranted to Sea Harvest as a fundamental condition going to the root of the contract resulting from your acceptance of this Offer that, both at the time of acceptance of this Offer and at the time the transfer of the Accepted Shares to Sea Harvest is registered, all of the Accepted Shares are and will upon registration be fully paid up and free from all mortgages, charges, liens and other encumbrances of any kind and restrictions on transfer of any kind, and that you have full power and capacity (whether legal or equitable) to sell and transfer the Accepted Shares and that you have paid all amounts which at the time of acceptance have fallen due for payment in respect of the Accepted Shares;
- (vi) authorised Sea Harvest (by any of its directors, officers, servants or agents), if necessary, to complete on the Acceptance Form correct details of the Accepted Shares, fill in any blanks remaining on the Acceptance Form and rectify any error in or omission from the Acceptance Form as may be necessary to make the Acceptance Form an effective acceptance of this Offer;
- (vii) irrevocably appointed Sea Harvest and each of its directors, secretaries and officers from time to time jointly and each of them severally as your true and lawful attorney, with effect from the date that the conditions of the Offer are fulfilled, with power to exercise all powers and rights which you could lawfully exercise as the registered holder of the Accepted Shares or in exercise of any right derived from the holding of the Accepted Shares, including, without limiting the generality of the foregoing, requesting Mareterram to register the Accepted Shares in the name of Sea Harvest, attending and voting at any meeting of Mareterram Shareholders, demanding a poll for any vote taken at or proposing or seconding any resolutions to be considered at any meeting of Mareterram Shareholders, requisitioning any meeting of Mareterram Shareholders, signing any forms, notices or instruments relating to the Accepted Shares and doing all things incidental or ancillary to any of the foregoing. You will, or will be deemed to, have acknowledged and

agreed that in exercising such powers the attorney may act in the interests of Sea Harvest as the intended registered holder of the Accepted Shares and agree not to attend any meeting of Mareterram Shareholders or exercise or purport to exercise any of the powers and rights conferred on Sea Harvest pursuant to this section 8.7(a)(vii). This appointment, being given for valuable consideration to secure the interest acquired in the Accepted Shares, is irrevocable and terminates upon registration of a transfer to Sea Harvest of the Accepted Shares;

- (viii) irrevocably authorised and directed Mareterram to pay to Sea Harvest or to account to Sea Harvest for all Rights in respect of the Accepted Shares, subject, however, to any such Rights received by Sea Harvest being accounted for by Sea Harvest to you in the event that this Offer is withdrawn or avoided;
- (ix) except where Rights have been paid or accounted for under section 8.7(a)(viii), irrevocably authorised Sea Harvest to deduct from the consideration payable in respect of the Accepted Shares, the value of any Rights paid to you in respect of the Accepted Shares which, where the Rights take a non-cash form, will be the value of those Rights as reasonably assessed by the Chairman of ASX or his or her nominee;
- (x) if, at the time of acceptance of this Offer, the Accepted Shares are in a CHESS Holding, irrevocably authorised Sea Harvest to cause a message to be transmitted in accordance with ASX Settlement Operating Rule 14.17.1 (and at a time permitted by ASX Settlement Operating Rule 14.17.1(b)) so as to transfer the Accepted Shares to Sea Harvest's Takeover Transferee Holding. Sea Harvest shall be so authorised even though at the time of such transfer it has not paid the consideration due to you under this Offer;
- (xi) agreed to indemnify Sea Harvest in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or in consequence of the transfer of the Accepted Shares being registered by Mareterram without production of your Holder Identification Number for the Accepted Shares;
- (xii) represented and warranted to Sea Harvest that, if you are the legal owner but not the beneficial owner of the Accepted Shares:
 - (A) the beneficial holder has not sent a separate acceptance of the Offer in respect of the Accepted Shares;
 - (B) the number of Mareterram Shares you have specified as being the entire holding of Mareterram Shares you hold on behalf of a particular beneficial holder is in fact the entire holding; and
 - (C) that you are irrevocably and unconditionally entitled to transfer the Accepted Shares, and to assign all of the beneficial interest therein to Sea Harvest; and
- (xiii) agreed to execute all such documents, transfers and assurances that may be necessary or desirable to convey the Accepted Shares and any Rights in respect of the Accepted Shares to Sea Harvest.
- (d) If your Mareterram Shares are in a CHESS Holding and you complete, sign and return the Acceptance Form in accordance with section 8.4(c)(ii)(B) (which you are

not bound, but are requested, to do), you will be deemed to have irrevocably authorised Sea Harvest and any of its directors, secretaries or officers to:

- (i) instruct your Controlling Participant to initiate acceptance of this Offer in respect of the Accepted Shares which are in a CHESS Holding, in accordance with Rule 14.14 of the ASX Settlement Operating Rules if you have not already done so; and
- (ii) give any other instructions in relation to the Accepted Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and that Controlling Participant.

8.8 Conditions of this Sea Harvest Offer

This Offer and the contract resulting from acceptance of this Offer are subject to the fulfilment or waiver of the following conditions:

(a) No regulatory action

During the Condition Period:

- (i) no preliminary or final decision, order or decree issued by a Government Agency is in effect; and
- (ii) no action or investigation is commenced by any Government Agency,

in consequence of, or in connection with, the Offer (other than an application to, or decision or order of, ASIC or the Takeovers Panel under, or relating to a breach of, Chapter 6, 6A, 6B or 6C of the Corporations Act or relating to Unacceptable Circumstances) which restrains or prohibits the making or completion of the Offer, or the acquisition of any Mareterram Shares under the Offer, the completion of any of the transactions contemplated by the Offer or the rights of Sea Harvest in respect of Mareterram or any Mareterram Shares.

(b) Approvals by Public Authorities

- (i) During the Condition Period, Mareterram receives all other Approvals that are required by law or by any Government Agency as result of the Offer (or the successful acquisition of Mareterram Shares) and which are necessary for the continued operation of the business of the Mareterram Group, and those Approvals are on an unconditional basis and remain in force in all respects and there is no notice or indication of intention to revoke, suspend, restrict, modify or not renew those Approvals.
- (ii) One of the following occurs before the end of the Offer Period:
 - A. Sea Harvest receives written notice from the Treasurer of the Commonwealth of Australia (**Australian Treasurer**) or their agent to the effect that there is no objection under the Australian Commonwealth Government's foreign investment policy to the acquisition by Sea Harvest of any Mareterram Shares under the Offer, such notice being unconditional;
 - B. the period provided under the *Foreign Acquisitions and Takeovers Act 1975* (as amended) (**FATA**) during which the Australian Treasurer may make an order or an interim order under the FATA prohibiting the acquisition of any Mareterram Shares under the Offer expires, without such an order being made; or

- C. if an interim order prohibiting such acquisition is made, the subsequent period for making a final order has elapsed, without such final order being made.

(c) **Minimum acceptance condition**

During or at the end of the Offer Period, Sea Harvest and its Associates together have a Relevant Interest in at least 90% (by number) of the Mareterram Shares on issue at that time.

(d) **Key management personnel**

During the Condition Period, Mareterram not terminating (other than for cause), and Mr James Clement not resigning, or providing notice of resignation, his employment with Mareterram.

(e) **No material acquisitions, disposals etc**

Except for any Sea Harvest Approval Matter, none of the following events occur during the Condition Period without the prior written consent of Sea Harvest (such consent not to be unreasonably withheld):

- (i) a Mareterram Group Entity acquires, offers to acquire or agrees to acquire one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than \$100,000 or makes an announcement about such an acquisition;
- (ii) a Mareterram Group Entity disposes, offers to dispose or agrees to dispose of one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than \$100,000 or makes an announcement about such a disposal (and to avoid doubt, in this paragraph (ii), "dispose" includes sell, transfer, grant an option over or interest in, declare a trust over, surrender, allow to lapse or Encumber);
- (iii) a Mareterram Group Entity enters into, offers to enter into or announces that it proposes to enter into any joint venture or partnership involving a commitment of greater than \$100,000 or any dual listed company structure, or makes an announcement about such a matter;
- (iv) a Mareterram Group Entity incurs or commits to, or grants to another person a right the exercise of which would involve a Mareterram Group Entity incurring or committing to any capital expenditure or liability for one or more related items of greater than \$100,000 or makes an announcement about such a commitment;
- (v) a Mareterram Group Entity incurs, commits to or brings forward the time for incurring or committing, or grants to another person a right the exercise of which would involve a Mareterram Group Entity incurring or committing to, any capital expenditure or liability, or foregoes any revenue, for one or more related items or amounts of greater than \$100,000; or
- (vi) discloses (without having disclosed to ASX prior to the date of this announcement) the existence of any matter described in paragraphs (i) to (v) above, or announces an intention or proposal to do anything described in paragraphs (i) to (v) above.

(f) **No Prescribed Occurrence**

No Prescribed Occurrence occurs during the Condition Period.

(g) **No material failings in filings**

Sea Harvest does not become aware during the Condition Period that:

- (i) Mareterram has failed to file any material document required by applicable law or the Listing Rules to be filed as and when required; or
- (ii) any material document filed by or on behalf of Mareterram with ASIC or ASX contains a statement which is incorrect or misleading in any material particular or from which there is a material omission.

(h) **No material adverse change**

During the Condition Period, no event, change or condition occurs, is announced or becomes known to Sea Harvest (whether or not it becomes public) where that event, change or condition has or has resulted in, or would reasonably be expected to have or result in:

- (i) without limiting the generality of sub-paragraph 8.8(h)(ii) below,
 - A. the Mareterram Group's consolidated net asset value falling below \$28 million, calculated on the same basis as the balance sheet for the Mareterram Group as at 31 December 2018;
 - B. any material approvals, licences, permits, consents, notifications, declarations or other authorisations required for the lawful operation of the Mareterram Group's business (including the occupation or use of any land and the conduct of any enterprise on or in connection with any land) conducted by any Mareterram Group Entity ceasing to remain in force (including by renewal) or there is notice or indication of an intention to revoke, suspend, cancel, restrict, modify or not renew such approvals, licences, permits, consents, notifications, declarations or other authorisations which would be reasonably likely to materially adversely impact the operation of the business conducted by any Mareterram Group Entity;
 - C. any amendment to the terms and conditions attaching to the Carnarvon Boat Harbour Leases being made or the Minister for Transport requiring any Mareterram Group Entity to take any additional action in relation to contamination at Carnarvon Boat Harbour which would be reasonably likely to materially adversely impact the business conducted by any Mareterram Group Entity;
 - D. a member or Representative of the Mareterram Group or the Sea Harvest Group receiving correspondence or notification from a Government Agency that Mareterram (or its subsidiary, as applicable, or any current or proposed Representative of the Mareterram Group) is not considered to be a fit and proper person for the purpose of the *Fish Resources Management Act 1994* (WA); or
 - E. N.V. Mydibel S.A, Top Hat Fine Foods Pty Ltd, Bayview Seafoods Pty Ltd, Rand Transport 1986 Pty Ltd, Coles Supermarkets Pty Ltd or Woolworths Limited terminating (or stating an intention to

terminate or otherwise modify) the supply arrangements in place with the Mareterram Group as at the date of the Implementation Agreement where such termination or modification materially adversely impacts the business conducted by any Mareterram Group Entity; or

- (ii) a material change or deterioration in the business, financial or trading position, profits or prospects of the Mareterram Group (taken as a whole),

other than those events, changes, or conditions:

- (iii) arising from a Sea Harvest Approved Matter; or
- (iv) agreed to in writing by Sea Harvest.

(i) **Rights under certain agreements or instruments**

During the Condition Period, no person exercising or purporting to exercise, stating an intention to exercise (whether or not that intention is stated to be a final or determined decision of that person), or asserting a right to exercise, any rights under any provision of any agreement or other instrument to which any Mareterram Group Entity is a party or by or to which any Mareterram Group Entity, or any of its assets or business may be bound or be subject, which results, or which could be reasonably expected to result in:

- (i) any moneys borrowed by any Mareterram Group Entity in excess of \$100,000 being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument (including, but not limited to, the Facilities with NAB);
- (ii) any such agreement or other such instrument being terminated or modified or any action being taken or arising under such agreement or instrument;
- (iii) all or substantially all of the assets of Mareterram, or any subsidiary of Mareterram being sold, transferred or offered for sale or transfer, including under any pre-emptive right or similar provisions; or
- (iv) the business of Mareterram, or any subsidiary of Mareterram with any other person being materially adversely affected.

(j) **Litigation**

During the Condition Period, no person commences any bona fide litigation against any Mareterram Group Entity (whether in aggregate or for any single litigation) which may reasonably result in a judgement against any Mareterram Group Entity of more than \$100,000 (individually or in aggregate).

(k) **Conduct of Mareterram Group**

During the Condition Period and except for any Sea Harvest Approved Matter, no Mareterram Group Entity shall (without the prior written consent of Sea Harvest):

- (i) declare, or distribute any dividend, bonus or other share of its profits or assets;

- (ii) issue or grant options over, or agree to issue or grant options over, or otherwise make any commitments regarding any Mareterram Shares or other securities, or alter its capital structure or the rights attached to any of its Mareterram Shares or other securities, or issue or agree to issue any convertible securities;
- (iii) make any changes in its constitution or pass any special resolution;
- (iv) give or agree to give any Encumbrance over any of its assets otherwise than in the ordinary course of business, except for a Permitted Encumbrance;
- (v) borrow or agree to borrow any money (except for temporary borrowing from its bankers in the ordinary course of business);
- (vi) release, discharge or modify any substantial obligation to it of any person, firm or corporation or agrees to do so;
- (vii) accept as a settlement or compromise of any matter an amount that is at least \$100,000 less than the amount claimed by the relevant Mareterram Group Entity;
- (viii) appoint any additional director to its board of directors (whether to fill a casual vacancy or otherwise);
- (ix) enter or agree to enter into, terminate or agree to terminate, any Material Contract;
- (x) enter or agree to enter into any contract of service except for the employment of a person below manager level in the ordinary course of business, or vary or agree to vary any existing contract of service with any director or manager, or pay or agree to pay any benefit (including a retirement benefit or acceleration of rights), bonus or allowance to any director, manager or other employee, or make or agree to make any substantial change in the basis or amount of remuneration of any director, manager or other employee (except as required by law);
- (xi) conduct its business otherwise than in the ordinary course;
- (xii) threaten (or have commenced against it) any claims or proceedings in any court or tribunal which may result in damages or compensation payable greater than \$100,000 in aggregate;
- (xiii) increase the total remuneration for its employees by greater than a 2% overall increase in total remuneration costs incurred by the Mareterram Group as a whole as at the Announcement Date or otherwise vary the employment arrangements with any of its employees;
- (xiv) waive any material third party default, of which the value to Mareterram is at least \$100,000; or
- (xv) make any change to its accounting practices or policies, other than to comply with generally accepted Australian accounting standards and any domestically accepted international accounting standards, and except for the adoption of hedge accounting.

(l) **Independent Expert**

The Independent Expert is of the opinion that the Offer is "fair and reasonable" or "not fair but reasonable" to Mareterram Shareholders (and does not later change that opinion during the Condition Period to "not fair and not reasonable") and the Non-Affiliated Directors do not change, withdraw or modify their recommendation that Mareterram Shareholders accept the Offer in the absence of a Superior Proposal.

(m) **NAB consent**

NAB:

- (i) provides written confirmation to Mareterram that it will not:
 - A. change pricing or any other term of the Financing Agreement (including, without limitation, any change in security arrangements or guarantees); or
 - B. cancel a facility or declare any outstanding amount due and payable, in either case, in consequence of or in connection with the Offer (or completion of any of the transactions contemplated by the Offer); and
- (ii) extending the repayment date for Mareterram's corporate receivables finance facility under the Financing Agreement to a date no earlier than 28 February 2020.

(n) **Carnarvon Boat Harbour Leases amendment**

During the Condition Period, Mareterram (or its subsidiary) seeks an amendment to the terms of the Carnarvon Boat Harbour Leases such that while the shares of Sea Harvest or Brimstone remains listed on a stock exchange in South Africa, there will only be a deemed assignment of the Carnarvon Boat Harbour Leases if there is a change of control of the relevant corporation or such other amendment as agreement between Mareterram and Sea Harvest.

8.9 Nature and benefit of conditions

- (a) The Offer conditions in section 8.8 are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period, prevent a contract to sell your Mareterram Shares pursuant to the terms of this Offer, but entitles Sea Harvest, by written notice to you, to rescind the contract resulting from your acceptance of the Offer.
- (b) Subject to the Corporations Act, Sea Harvest alone is entitled to the benefit of the conditions in section 8.8, or to rely on any non-fulfilment of them.
- (c) Each condition in section 8.8 is a separate, several and distinct condition. No condition will be taken to limit the meaning or effect of any other condition.

8.10 Freeing the Offer of conditions

- (a) Sea Harvest may free this Offer, and any contract resulting from its acceptance, from all or any of the conditions in section 8.8, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving notice to Mareterram and to ASX declaring this Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given not less than seven days before the end of the Offer

Period (or, in the case of the condition in section 8.8(f), not later than three Business Days after the end of the Offer Period).

- (b) If, at the end of the Offer Period (or in the case of the condition in section 8.8(f), at the end of the third Business Day after the end of the Offer Period), the conditions in section 8.8 have not been fulfilled and Sea Harvest has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

8.11 Notice on the status of conditions

The date for giving the notice on the status of conditions required by section 630(1) of the Corporations Act is 29 March 2019 (subject to extension in accordance with the Corporations Act if the Offer Period is extended).

8.12 Withdrawal by Sea Harvest

- (a) In accordance with section 652B of the Corporations Act, Sea Harvest may withdraw this Offer at any time with the written consent of ASIC which consent may be given subject to such conditions (if any) as are specified in the consent. Notice of any withdrawal will be given to ASX and Mareterram and Sea Harvest will comply with any other conditions imposed by ASIC.
- (b) If Sea Harvest withdraws this Offer, any contract resulting from its acceptance will automatically be void.

8.13 Variation

Sea Harvest may, at any time, and from time-to-time, vary this Offer in accordance with the Corporations Act.

8.14 Other matters

- (a) All costs and expenses of preparation of this Bidder's Statement and of the preparation and circulation of the Offer will be paid by Sea Harvest.
- (b) Any notices to be given by Sea Harvest to Mareterram under the Offer may be given to Mareterram by leaving them at, or sending them by pre-paid ordinary post to, the registered office of Mareterram or by sending them by facsimile transmission to Mareterram at its registered office.
- (c) Any notices to be given to Sea Harvest by you or by Mareterram under the Offer may be given to Sea Harvest by leaving them at or sending them by pre-paid ordinary post to Sea Harvest at the address referred to in the Corporate Directory.
- (d) Any notices to be given by Sea Harvest to you under the Offer may be given to you by sending them by pre-paid post or courier, or if your address is outside Australia, by pre-paid airmail or courier, to your address as shown in the Register.
- (e) This Offer and any contract that results from your acceptance of this Offer are governed by the laws in force in Western Australia.

9. Glossary and interpretation

9.1 Glossary

The following terms have the meanings set out below unless the context requires otherwise:

Acceptance Form means the acceptance form enclosed with this Bidder's Statement (and includes, to avoid doubt, both the Issuer Acceptance Form and the CHESS Acceptance Form).

Accepted Shares has the meaning given to that term in 8.7(a)(iii).

Announcement Date means 5 February 2019.

Approval means a licence, authority, consent, approval, order, exemption, waiver, ruling or decision.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in section 12 of the Corporations Act.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange it operates, as the context requires.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

ATO means the Australian Taxation Office.

Australian Treasurer has the meaning given to that term in 8.8(b).

Bidder's Statement means this document, being the bidder's statement of Sea Harvest under Part 6.5 of the Corporations Act relating to the Offer.

Brimstone means Brimstone Investment Corporation Limited, an investment holding company listed on the JSE under the share codes BRT and BRN with registration number 1995/010442/06. Brimstone is the controlling shareholder of SHGL.

Broker means a person who is a share broker and a participant in CHESS.

Business Day means a day on which banks are open for general banking business in Perth (not being a Saturday, Sunday or public holiday in that place).

Carnarvon Boat Harbour Leases means the Tennereef Lease for Lots A, B, C, M, N, A1, B1 & C1 and the Nor-West Lease for Lots E & E1.

CGT means Australian capital gains tax.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement, which provides for the electronic transfer, settlement and registration of securities in Australia.

CHESS Holding means a holding of Mareterram Shares on the CHESS subregister of Mareterram.

Competing Proposal means any expression of interest, proposal, offer, transaction or arrangement by or with any person pursuant to which, if the expression of interest, proposal, offer, transaction or arrangement is entered into or completed substantially in accordance with its terms, would result in a third party:

- (a) directly or indirectly acquiring an interest, a relevant interest in or becoming the holder of:
 - (i) more than 20% of the Mareterram Shares; or
 - (i) the whole or a substantial part or a material part of the business or property of Mareterram or the Mareterram Group (in either case when considered in aggregate);
- (b) acquiring control of Mareterram; or
- (c) otherwise acquiring or merging (including by a takeover bid, scheme of arrangement, capital reduction, reverse takeover bid, security buy-back, sale or purchase of assets, joint venture, partnership or dual listed company structure) with Mareterram.

Condition Period means the period beginning on the Announcement Date and ending at the end of the Offer Period (both inclusive).

Controlling Participant in relation to Mareterram Shares, has the same meaning as that in ASX Settlement Operating Rules.

Corporations Act means the *Corporations Act 2001* (Cth) and any regulations made under that Act.

Craig Mostyn means Craig Mostyn & Co Pty Ltd ACN 000 047 745.

Craig Mostyn Group means Craig Mostyn and its subsidiaries.

Declaration Form has the meaning given to that term in section 6.5.

Encumbrance means:

- (a) a PPS Security Interest;
- (b) any other mortgage, charge, pledge or lien;
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property (including a right to set off or withhold payment of a deposit or other money);
- (d) a right of any person to purchase, occupy or use an asset (including under an option, agreement to purchase, licence, lease or hire purchase); or
- (e) an agreement to create anything referred to above or to allow any of them to exist,

and Encumber has a corresponding meaning.

Exchange Rate means the exchange rate of 9.93 ZAR for 1 AUD at market close on 25 February 2019 as published by Bloomberg.

Facilities means the loan facilities granted pursuant to the Financing Agreement.

FATA has the meaning given to that term in 8.8(b).

Financing Agreement means the amended and restated financing agreement dated 26 November 2018 between NAB, and each entity of the Mareterram Group.

Fishing Licences means:

- (a) various fishing boat licences in the Mareterram Group's fleet (being Cape Inscription, NW Herald Bay, NW Levillian, NW Louisa Bay, NW Heirisson I, NW Henri Freycinet, NW Carnarvon II, Cape Bellefin, NW Shark Bay, Abel Tasman, Invincible II, Olivia and Absolute) (**Vessels**), including;
 - i. 11 fishing boat licences registered against the Vessels (save for Invincible II and Absolute);
 - ii. three fishing boat licences registered against fishing tenders/dories (being A40B, A40C and C1177); and
 - iii. two fishing boat licences which have not been registered against any vessel;
- (b) ten current fish processor's licences, one for the on-vessel processing facilities on each of the Vessels, each expiring 31 December 2019;
- (c) ten current managed fishery licences, authorising the fishing for prawns in the Kimberley Prawn Managed Fishery, expiring 31 January 2019 and the subject of a renewal application;
- (d) ten current managed fishery licences, authorising the fishing for prawns in the Shark Bay prawn managed fishery, expiring 1 March 2019;
- (e) ten current managed fishery licences, authorising the fishing for scallops in the Shark Bay scallop managed fishery, expiring 1 March 2019;
- (f) ten current managed fishery licences, authorising the fishing for crabs in the Shark Bay crab managed fishery, expiring 31 October 2019; and
- (g) 13 current managed fishery licences, authorising fishing for mackerel in the mackerel managed fishery, expiring 31 December 2019.

FRCGWHT means foreign resident capital gains withholding tax.

Government Agency includes:

- (a) ASX, ACCC, ASIC and FIRB;
- (b) any government or governmental, semi-governmental or judicial entity or authority;
- (c) a minister, department, office, commission, delegate instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

GST means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Holder Identification Number or **HIN** means the number used to identify a Mareterram Shareholder on the CHESS subregister of Mareterram.

Implementation Agreement means the takeover bid implementation agreement between Sea Harvest and Mareterram as attached to Mareterram's announcement dated 5 February 2019.

Independent Expert means the independent expert engaged by Mareterram to express an opinion on whether the Offer is fair and reasonable to Mareterram Shareholders.

Indirect Australian real property interest has the meaning given to that term in section 6.4.

Issuer Sponsored Holding means a holding of Mareterram Shares on Mareterram's issuer sponsored subregister.

JSE means the Johannesburg Stock Exchange.

Listing Rules means the listing rules of ASX as amended or varied from time to time.

Mareterram means Mareterram Limited ACN 009 248 720.

Mareterram Disclosed Materials means:

- (a) the information provided by Mareterram or its representatives to SHGL or its representatives in the Vroom Plus data room hosted by SHGL as at 5:00pm on the Business Day which is two Business Days prior to the date of the Implementation Agreement;
- (b) any additional information that has been provided in writing by Mareterram or its representatives to SHGL or its representatives in connection with the due diligence enquiries being undertaken by or on behalf of SHFL in respect of the takeover bid;
- (c) any additional information that would have disclosed following the search or inspection of a public register; and/or
- (d) any information which has been publically announced by Mareterram prior to the date of the Implementation Agreement.

Mareterram Board means the board of directors of Mareterram from time to time.

Mareterram Fisheries means Mareterram Fisheries Pty Ltd ACN 606 006 848, a wholly-owned subsidiary of Mareterram which operates the fishing division of the Mareterram Group (which was acquired from Nor-West Seafoods).

Mareterram Group means Mareterram and each of its Related Bodies Corporate.

Mareterram Group Entity means any member of the Mareterram Group.

Mareterram Share means a fully paid ordinary share in Mareterram.

Mareterram Shareholder means a person who is registered as the holder of Mareterram Shares in the Register.

Mareterram Trading means Mareterram Trading Pty Ltd ACN 607 380 389, a wholly-owned subsidiary of Mareterram which operates the food services division of the Mareterram Group (which was acquired from the Craig Mostyn Group).

Material Contract means a contract or commitment requiring total payments in excess of \$200,000.

Maximum Cash Consideration has the meaning given to that term in section 5.1.

Molonglo means Molonglo Pty Ltd ACN 009 305 944 ATF The Peter Hutchinson Family Trust, an entity controlled by Peter Hutchinson.

NAB means National Australia Bank Limited ACN 004 044 937.

Non-Affiliated Directors means the directors of Mareterram who are not affiliated with Sea Harvest, being James Clement, David Lock, Gregory Roberts-Baxter and Mark Pitts.

Nor-West Seafoods means Nor-West Seafoods Pty Ltd ACN 610 843 153 and/or Tennereef Pty Ltd ACN 009 309 317, as the context requires.

Offer or **Sea Harvest Offer** means, the offer to acquire Mareterram Shares under the terms and conditions contained in this Bidder's Statement, as varied in accordance with the Corporations Act.

Offer Period means the period commencing on 4 March 2019 and ending on 5 April 2019 at 5:00pm (AWST) unless extended.

Offer Price means \$0.25 per Mareterram Share.

Optionholder has the meaning given to that term in section 1.5.

Option means an option to acquire a Mareterram Share.

Option Cancellation Deed has the meaning given to that term in section 1.5.

Participant has the meaning given in the ASX Settlement Operating Rules.

Permitted Encumbrance means:

- (a) an Encumbrance that is registered on any public register at the date of the Implementation Agreement;
- (b) a lien that arises by the operation of law in the ordinary course of business which is not more than 60 days overdue (unless being contested or litigated in good faith); and
- (c) a deemed security interest under section 12(3) of the PPSA which does not secure payment or performance of an obligation.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPS Security Interest means a security interest that is subject to the PPSA.

Prescribed Occurrence means the occurrence of any of the following:

- (a) any Mareterram Group Entity converts all or any of its Mareterram Shares into a larger or smaller number of Mareterram Shares;
- (b) any Mareterram Group Entity resolves to reduce its share capital in any way or reclassify, combine, split, redeem or repurchase (directly or indirectly) any of its Mareterram Shares;
- (c) any Mareterram Group Entity enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under the Corporations Act;
- (d) any Mareterram Group Entity issues Mareterram Shares (or other securities) or grants an option over its securities, or agrees to make such an issue or grant such an option other than Mareterram Shares issued on the exercise of Options on issue as at the date of the Implementation Agreement;
- (e) any Mareterram Group Entity issues, or agrees to issue, securities or other instruments convertible into Mareterram Shares or debt securities;
- (f) any Mareterram Group Entity disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;

- (g) any Mareterram Group Entity grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;
- (h) any Mareterram Group Entity resolves to be wound up;
- (i) a liquidator or provisional liquidator of any Mareterram Group Entity is appointed;
- (j) a court makes an order for the winding up of any Mareterram Group Entity;
- (k) an administrator of any Mareterram Group Entity is appointed;
- (l) any Mareterram Group Entity executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of any Mareterram Group Entity.

Register means the register of Mareterram Shareholders maintained by Mareterram in accordance with the Corporations Act.

Register Date means 5:00pm (AWST) on 28 February 2019.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from or in respect of the Mareterram Shares, whether directly or indirectly, including without limitation all rights to receive dividends (and any attaching franking credit), to receive or subscribe for Mareterram Shares, units, notes, options or other securities and to receive all other distributions or entitlements declared, paid, made or issued by Mareterram or any subsidiary of Mareterram after the Announcement Date.

Sea Harvest means Sea Harvest International Proprietary Limited (a corporation organised and existing under the laws of South Africa with registration number 2012/130812/07), a wholly owned subsidiary of SHGL.

Sea Harvest Approved Matter means a matter:

- (a) disclosed in the Mareterram Disclosed Materials and approved by the Mareterram Board prior to the date of the Implementation Agreement which does not require any additional approvals by the Mareterram Board;
- (b) disclosed in an operating budget for Mareterram disclosed to Sea Harvest;
- (c) considered by the Mareterram Board prior to the date of the Implementation Agreement; or
- (d) arising from a decision made by the Mareterram Board in which Felix Ratheb, Fred Robertson and Muhammad Brey on the Mareterram Board were entitled to participate in and voted in favour of the Mareterram Board resolution relating to the relevant matter.

Sea Harvest Corporation means Sea Harvest Corporation Proprietary Limited (a corporation organised and existing under the laws of South Africa with registration number 2008/124147/07), a wholly owned subsidiary of SHGL.

Sea Harvest Group means Sea Harvest Group Limited, its subsidiaries and associate companies.

Securityholder Reference Number or **SRN** means the number allocated by Mareterram to identify a Mareterram Shareholder on its issuer sponsored subregister.

SHGL means Sea Harvest Group Limited (a corporation organised and existing under the laws of South Africa with registration number 2008/001066/06).

Superior Proposal means a bona fide Competing Proposal which the Non-Affiliated Directors have determined, in good faith after receiving written advice from their external legal and financial advisers, is likely to be:

- (a) reasonably capable of being valued and completed in a timely fashion, taking into account all aspects of the Competing Proposal including any timing considerations, any conditions precedent or other matters affecting the probability of the Competing Proposal being completed, and the person making it; and
- (b) more favourable to Mareterram Shareholders (as a whole) than the Offer (assuming it is completed), taking into account all the terms and conditions of the Competing Proposal (including, consideration, conditionality, funding, certainty and timing).

Supply and Distribution Agreement means a supply and distribution agreement dated 4 August 2015 between Craig Mostyn and a member of the Sea Harvest Group, as amended by a letter of variation dated 2 October 2015 and novated to Mareterram Trading.

Takeover Transferee Holding has the same meaning as in the ASX Settlement Operating Rules.

Target's Statement means the target's statement prepared by Mareterram in response to this Bidder's Statement.

Total Funding Amount has the meaning given to that term in section 5.2.

Trading Day has the meaning given to it in the Listing Rules.

Unacceptable Circumstances means unacceptable circumstances within the meaning of section 657A of the Corporations Act.

Voting Power has the meaning given to it in section 610 of the Corporations Act.

Waiver has the meaning given to that term in section 1.5.

9.2 Interpretation

- (a) Annexures to this Bidder's Statement form part of this Bidder's Statement.
- (b) Words and phrases to which a meaning is given by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules have that meaning in this Bidder's Statement unless that meaning is inconsistent with the context in which the word or phrase is used.
- (c) Headings are for convenience only and do not affect the interpretation of this Bidder's Statement.
- (d) The singular includes the plural and vice versa and words importing any gender include the other gender, and references to persons include corporations.
- (e) References to sections are to sections of this Bidder's Statement.
- (f) References to paragraphs are references to paragraphs within the section in which the reference to the paragraph is made.
- (g) References to time are references to the time in Perth, Australia on the relevant date, unless stated otherwise.
- (h) References to "dollars", "\$" or "cents" are to Australian currency, unless stated otherwise.

10. Approval of Bidder's Statement

This Bidder's Statement has been approved by a resolution of the directors of Sea Harvest.

Dated 28 February 2019

Signed for and on behalf of Sea Harvest by:



Felix Ratheb
Managing Director and CEO

Corporate Directory

Sea Harvest

Level 1, Block C, The Boulevard
Searle Street, Woodstock
Cape Town, South Africa 7925

Legal Adviser

DLA Piper Australia
Level 31, Central Park
152-158 St Georges Terrace
Perth WA 6000

Share Registrar

Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000