

3rd November 2017

ASX ANNOUNCEMENT

NEW MACKEREL ACQUISITION DIVERSIFIES GROWTH PATH

PLACEMENT TO RAISE \$3.75 MILLION

- Acquisition of 2 mackerel licence packages in Western Australian Mackerel Managed Fishery with associated fishing vessels
- Acquisition provides Mareterram with ~30% of the Western Australian Mackerel Managed Fishery
- Consideration for purchase of \$4.95 million
- Acquisition funded through \$2 million in debt funding and \$3.75 million placement

Sustainable Australian agribusiness, Mareterram Limited (Mareterram)(ASX:MTM) is pleased to announce the entry into the **Western Australian Mackerel Managed Fishery** with the acquisition of two mackerel packages comprised of an established fishing fleet, support vessels and licences from J&T Fishing Co Pty Ltd, Miss Deb A Dell Fisheries Pty Ltd and Western Wild Fisheries Holdings Pty Ltd.

The diversification into mackerel fishing provides scale and a complementary revenue stream to the existing prawn, scallop and crab fishing business.

The acquisition price of \$4.95 million will be funded with \$2 million in debt funding and a conditional placement of 15 million new ordinary shares at an issue price of \$0.25 per share to qualified institutional and sophisticated investors to raise \$3.75 million (before issue costs) (Placement), for which Mareterram has received binding commitments.

The Placement is subject to approval at a general meeting by Mareterram's shareholders, expected to be held on 12 December 2017. A Notice of Meeting will be dispatched to all shareholders shortly. Euroz Securities Limited acted as Lead Manager to the Placement.

Mareterram's largest shareholder, Sea Harvest, has committed to maintaining its 55.89% interest through a *pro rata* investment in the Placement. Several Mareterram directors will also participate in the Placement, subject to shareholder approval.

*"After a successful 2017 fishing season, the acquisition of these licenses will provide us with an entry into the **Western Australian Mackerel Managed Fishery**, complementing our existing portfolio of prawn, crab and scallop operations"* Mareterram's Managing Director, David Lock, said.

"This acquisition is a natural growth path for us, as we aim to maximise value from the profitable mackerel industry in Western Australia."

"We see this as one of a number of areas to leverage the vertically integrated nature of the Mareterram business through considered and value adding transactions for shareholders."

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About Mareterram

Sustainable Australian agribusiness Mareterram Limited is an ASX-listed fishing and food distribution company. The vertically integrated company has two operating divisions, Mareterram Fishing – Norwest and Mareterram Foods.

Mareterram Fishing encompasses the Norwest Seafood business, which is the single largest owner operator within the pristine waters of the Shark Bay Prawn Managed Fishery. Norwest has a long and proud history of operating within the fishery for over 50 years. Mareterram acquired Norwest Seafood in 2015 and currently operates a fleet of 10 prawn trawlers.

Mareterram Foods is a food distribution and wholesaling business acquired from the Craig Mostyn Group in 2015. The Foods business manages the sales of the Norwest product from Shark Bay together with other premium, sustainably caught seafood that we source from our worldwide network of key suppliers. The Foods business also act as exclusive agents for other premium food brands, whose products complement our core seafood offering.

Mareterram's aim and focus is the vertical integration of protein based products for the Australian and international markets. The control of the supply chain from catching through to distribution enables the Company to maximise the margins of the products it offers. Mareterram will continue to review and assess opportunities that allow it to leverage the vertically integrated nature of the business for the benefit of shareholders.