

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Clean Seas Seafood Limited

ABN

61 094 380 435

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | Quoted Convertible Notes (Notes)   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | Up to a maximum of 15,403,078 Notes under the Entitlement Offer.   |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ul style="list-style-type: none"><li>• Issue Price: \$1.00 per Note</li><li>• Interest Rate: 8% per annum, payable half yearly in arrears</li><li>• Maturity Date: 36 Months from the date of issue</li></ul> <p>Noteholders have the right to convert some or all of their Notes to Shares at any time before the maturity date.<br/>Notes will be issued in accordance with the prospectus dated 15 October 2019.</p> |

+ See chapter 19 for defined terms.

4	<p>Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional <sup>+</sup>securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No, the Convertible Notes do not rank equally with the fully paid ordinary shares on issue.</p> <p>Upon conversion of the Convertible Notes into fully paid ordinary shares, the Shares will rank pari passu with existing Shares.</p> <p>The Convertible Notes do not carry a right to participate in any dividends.</p> <p>Noteholders will receive interest of 8.0% per annum payable half yearly in arrears and no later than 30 days after 30 June and 31 December, up to and including the maturity date, or if earlier, the conversion date or redemption date.</p> <p>The Notes are unsecured but rank ahead of shares in a wind up.</p> <p>Refer prospectus dated 15 October 2019 for further details.</p>
5	Issue price or consideration	\$1.00 per Note
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Funding investment in working capital and infrastructure projects.
6a	<p>Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the <sup>+</sup>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	13 November 2018
6c	Number of <sup>+</sup> securities issued without security holder approval under rule 7.1	Nil

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<sup>+</sup> See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil						
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil						
6f	Number of +securities issued under an exception in rule 7.2	15,403,078 Notes issued under Exception 1 of Listing Rule 7.2.						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable						
6i	Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<ul style="list-style-type: none"><li>7.1 capacity: 4,205,968</li><li>7.1A capacity: 8,349,806</li></ul>						
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	18 November 2019						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>92,418,465</td><td>Fully paid ordinary shares</td></tr><tr><td>15,403,078</td><td>Convertible Notes</td></tr></table>	Number	+Class	92,418,465	Fully paid ordinary shares	15,403,078	Convertible Notes
Number	+Class							
92,418,465	Fully paid ordinary shares							
15,403,078	Convertible Notes							
		<table><tr><th>Number</th><th>+Class</th></tr></table>	Number	+Class				
Number	+Class							

+ See chapter 19 for defined terms.

9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX ( <i>including</i> the <sup>+</sup> securities in section 2 if applicable)	992,842 620,627	Share rights – FY18 Equity Incentive Plan Share rights – FY19 Equity Incentive Plan
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Interest payable on the Notes at 8.0% per annum is scheduled to be paid in arrears no later than the 30th day following the half-yearly periods ending 30 June and 31 December each year during the term of the Notes. The final interest period will end on the earlier of the redemption date, the maturity date or the conversion date.	

## Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-Renounceable
13	Ratio in which the <sup>+</sup> securities will be offered	1 Note for each six ordinary shares held (1 for 6)
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	Convertible Notes
15	<sup>+</sup> Record date to determine entitlements	24 October 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest whole Note.
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All overseas countries except New Zealand and fewer than 150 natural or legal persons in Liechtenstein.
19	Closing date for receipt of acceptances or renunciations	11 November 2019

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<sup>+</sup> See chapter 19 for defined terms.

20	Names of any underwriters	The Entitlement Offer is not underwritten.
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Patersons Securities Limited AFSL 239052
23	Fee or commission payable to the broker to the issue	<p>(a) a cash payment equating to 2% of the gross dollar amount raised under the Entitlement Offer, payable on completion of the Entitlement Offer and the issue and allotment of the Notes under the Entitlement Offer; and</p> <p>(b) a cash payment equating to 3% of the gross dollar amount raised in placing any shortfall under the Entitlement Offer, payable on completion of the Shortfall Offer.</p> <p>Refer to the Prospectus dated 15 October 2019 for further information.</p>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	29 October 2019
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable

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+ See chapter 19 for defined terms.

31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Issue date	18 November 2019

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37 ☒ A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

## Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	Not applicable	
39	+Class of +securities for which quotation is sought	Not applicable	
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?  If the additional +securities do not rank equally, please state: <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	Not applicable	
41	Reason for request for quotation now  Example: In the case of restricted securities, end of restriction period  (if issued upon conversion of another +security, clearly identify that other +security)	Not applicable	
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class
		N/A	N/A

+ See chapter 19 for defined terms.

## Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company Secretary

Date: 15/10/2019

Print name: Robert Gratton

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+ See chapter 19 for defined terms.



# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	83,367,294
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	130,766 Shares issued on conversion of Share Rights pursuant to Appendix 3B dated 21 December 2018 under Exception 4 of Listing Rule 7.2.
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	83,498,060

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	12,524,709
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>Under an exception in rule 7.2</li> <li>Under rule 7.1A</li> <li>With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li><i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li><i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li><i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>8,241,506 Shares issued to Bonafide Wealth Management as announced on 21 August 2019 under Listing Rule 7.1 placement capacity.</p> <p>77,235 Share Rights issued to management employees as part of long term remuneration incentives.</p>
<b>“C”</b>	8,318,741 (8,241,506 + 77,235)
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p><b>“A” x 0.15</b></p> <p><i>Note: number must be same as shown in Step 2</i></p>	12,524,709
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	8,318,741
<b>Total [“A” x 0.15] – “C”</b>	4,205,968 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	83,498,060
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	8,349,806
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	
<b>“E”</b>	Nil

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+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10  <i>Note: number must be same as shown in Step 2</i>	8,349,806
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	Nil
<b>Total</b> [“A” x 0.10] – “E”	8,349,806  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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