



Media release | 23 December 2019
Seafarms Group Limited (ASX:SFG)
(SFG Media Release 639)

Seafarms former subsidiary CO2 Australia negotiating transaction

Investment Highlights

- Seafarms Group's former subsidiary CO2 Australia is negotiating terms of a transaction
- If completed, CO2 Australia shareholders would receive a cash offer for their shares
- Any transaction will be subject to shareholder approval and a range of conditions
- Shareholders will be updated of progress prior to the end of Q1 2020.

Sustainable aquaculture company Seafarms Group Limited (ASX:SFG) ('Seafarms' or 'the Company') is pleased to announce its former environmental services subsidiary CO2 Australia is negotiating terms of a transaction which, if completed, would result in CO2 Australia shareholders receiving a cash offer for their shares.

The Board of Seafarms has been made aware that many of Seafarms shareholders have been seeking a liquidity event to enable them to dispose of their shareholdings in CO2 Australia Limited.

CO2 Australia is an unlisted Australian-owned environmental consultancy delivering projects Australia-wide which has no active trading market on which its shares can be sold.

Subsequently, the proposed transaction would be implemented by way of scheme of arrangement and an independent expert report will be provided to advise non-associated shareholders whether the terms are in their best interests.

The transaction has been proposed by certain members of management of CO2 Australia and has the support of Avatar Finance, a company controlled by CO2 Australia's Chairman and major shareholder, Mr Ian Trahar. Appropriate arrangements have been established to manage any conflicts which relate to these circumstances.

Seafarms advises any transaction will be subject to shareholder approval and a range of conditions which are typical for a transaction of this type.

Given the early stage of negotiations there can be no guarantee that a transaction will proceed however if the transaction were to proceed, it is expected it would be completed before the end of June 2020.

Shareholders will be updated of progress prior to the end of Q1 2020.

Ends.

For further information, please contact:

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About Seafarms Group

Seafarms Group Limited (ASX:SFG) is a sustainable aquaculture company, producing the premium Crystal Bay® Prawns and developing the Project Sea Dragon prawn aquaculture project in northern Australia.

Seafarms Group uses environmentally sustainable processes and is currently Australia's largest producer of farmed prawns, its Crystal Bay® Prawns and Crystal Bay® Tigers are available year round in fresh and frozen formats. To learn more please visit: www.crystalbayprawns.com.au

Seafarms Group is investing in sustainable aquaculture for export through Project Sea Dragon, a large-scale, vertically integrated, land-based, prawn aquaculture project being developed in northern Australia. The standalone marine prawn production system will be capable of annually producing over 150,000 tonnes of prawns and the high-quality, year-round volumes will target export markets. To learn more please visit: www.seafarms.com.au