

ASX Announcement | 23 July 2020
Seafarms Group Limited (ASX:SFG)
(SFG Announcement No. 658)

PSD Update: First G3 Animals produced and Keep River Bridge completed

Investment Highlights

- Two key operational milestones reached.
- G3 animals produced for the first time from a Specific Pathogen Free program in Australia.
- Keep River Bridge now completed, with anticipated completion date of the road to the Legune Station boundary by October 2020.
- Seafarms has appointed a Sole Arranger to arrange up to \$150 million of proposed construction debt for the development of Project Sea Dragon.
PSD is a large scale vertically integrated land-based prawn aquaculture project being developed in Northern Australia.

Specific Pathogen Free program update

Sustainable aquaculture company Seafarms Group Limited (ASX:SFG) (**Seafarms** or the **Company**) is pleased to announce that it has now cultured the third generation of prawns (G3) as part of its Specific Pathogen Free (SPF) domestication program.

This program was started in 2016 and is an essential early phase investment in Project Sea Dragon to develop a domesticated population of black tiger prawns. The company continues to refine processes at Exmouth which is resulting in the development of valuable knowledge.

Keep River Road update



An aerial view of part of the 26km Keep River Road - July 2020



Keep River Bridge and approach July 2020



One of the many completed Keep River Road Culverts - July 2020



Keep River Bridge under construction – February 2020

The all-weather road from the Western Australia/Northern Territory border to the boundary of Legune Station is anticipated to be complete by October 2020. This will mean that Project Sea Dragon’s mobilisation to the Legune Property for construction will be relatively free of delay arising from these roadworks and therefore more efficient.

The all-weather surface should also enable some elements of the construction to extend further into the second wet season than originally planned with the consequential benefit of possibly reducing the time to complete the Legune works and then production.

Financing update

Seafarms is pleased to announce that it has appointed a member of a leading global financial services group as sole arranger (**Arranger**) to seek to arrange the proposed construction debt component for the development of the Company’s Project Sea Dragon.

The funding will support the construction of Project Sea Dragon’s step 1a.

The Arranger will work with Seafarms to arrange and agree terms and conditions of the Construction Debt facility. The engagement is for up to six months and is not a commitment by the Arranger to provide finance.

Mr Ian Trahar, Executive Chairman of Seafarms said *“While not material in itself, the appointment of a Sole Arranger for the proposed financing is an important step for the financing of Project Sea Dragon and we look forward to working closely with the arranger to progress the due diligence, credit processes and legal documentation for the project debt funding expeditiously, with a view to achieving financial close as soon as possible and getting on with the job of constructing this major new Northern Australian aquaculture project.”*

Approved and authorised for release by Seafarm's Disclosure Committee.

Ends.

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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