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Media Release

Re: Project Sea Dragon Stage 1 Legune Grow-Out Facility Environmental Impact Statement released for public comment

Seafarms Group Limited (**Seafarms**) is progressing environmental approvals for Project Sea Dragon and has released its Environmental Impact Statement (EIS) for the first stage (Stage 1) of the project at Legune Station in the Northern Territory.

The EIS for Stage 1 Legune Grow-out Facility will be open for public comment to 2 December 2016.

Stage 1 of the Project Sea Dragon Facility at Legune Station, as described by the EIS, consists of 1,080 hectares of land-based production ponds, 324 hectares of internal recycling ponds and infrastructure that will ultimately produce 14,000 tonnes of prawns each year.

Seafarms Group Limited Executive Director Dr Chris Mitchell said the decision to lodge the EIS for Stage 1 of the project comes after a comprehensive environmental investigation of Legune Station that extended well beyond the project footprint.

"This is another step towards obtaining the approvals and government permission needed to enable this prawn aquaculture project to go ahead. This proposal is the first step in establishing a viable new export industry that will provide significant economic and social benefits for the Northern Territory and Western Australia for years to come," Dr Mitchell said.

"After a comprehensive investigation over the past 18 months Seafarms is confident the project could proceed with minimal impact to the environment."

Dr Mitchell said the Legune Station site was specifically chosen due to its geographic isolation from existing prawn aquaculture farms, its existing agricultural land use and the absence of sensitive reef marine environments.

More than 18 scientists and engineers have worked to assess the project over with work including regular water sampling, flora and fauna surveys, ecological investigations and soil studies.

"Protecting the environment is a core corporate responsibility for Seafarms and we welcome the rigorous EIS process, and will address any issues raised during the public consultation period," he said. "We are deliberately staging the project so we can monitor any impacts."

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The staged approach to the project was agreed between the company and the Northern Territory EPA and the Commonwealth Department of Resources and the Environment at the outset of the assessment process, because this will enable future decisions to be based on experience. This approach is known as adaptive management and is considered best practice.

The Traditional Owners are still considering the project and an Indigenous Land Use Agreement is also under consideration. Seafarms has requested a sacred sites certificate and is awaiting the outcome of the application.

Approval of this first stage of the project will lead to the creation of an estimated 334 long term full-time operational jobs across Project Sea Dragon's Exmouth, Legune, Kununurra and Darwin facilities and an estimated additional 444 construction jobs. Project Sea Dragon will focus on opportunities for indigenous employment.

Seafarms has partnered with the local Industry Capability Network to ensure all employment and contract opportunities are made publicly available.

Project Sea Dragon will ultimately be the world's largest aquaculture development and at full scale of 10,000 ha of grow-out ponds will create the capacity to produce over 100 000 tonnes of Black Tiger prawns a year for export.

The Stage 1 Legune Grow-Out Facility is being assessed at the level of an Environmental Impact Statement (EIS) under the NT *Environmental Assessment Act*. The proposal is also being assessed by the Federal Government under the bilateral arrangements for environmental assessment.

Copies of the EIS are available in Darwin, Katherine, Timber Creek, the Victoria River Roadhouse and Kununurra. An electronic copy of the EIS is available at www.ntepa.nt.gov.au/envirocomment and people have eight weeks to provide feedback to the Northern Territory Environmental Protection Authority (NT EPA). Once the public comment period ends Seafarms will prepare a response to submissions, which will be considered by the NT EPA.

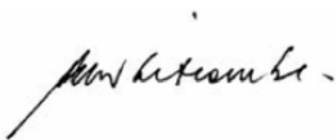
The Northern Territory EPA recently advised Seafarms of a late change in scope requiring an additional EIS for the Project's Bynoe Harbour Broodstock Maturation and Core Breeding Centre site.

At this stage Seafarms is seeking to complete this EIS within a parallel time frame of the main Legune Station EIS submission.

For any queries regarding this announcement please contact Dr Chris Mitchell on 03 9928 5111.

Yours faithfully

Seafarms Group Limited



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About Seafarms Group

Seafarms Group Limited (ASX: SFG) is an ASX listed holding company with two separate subsidiary companies operating in nonconventional commodities: aquaculture and carbon. Seafarm Operations Pty Ltd operates aquaculture operations and CO2 Australia Limited the carbon and environmental operations.

For further information refer the company's web site: www.seafarms.com.au

About Seafarm Operations Pty Ltd

Seafarm – a new Australian agri-food company – operates, builds and invests in sustainable aquaculture production platforms producing high-quality seafood. Seafarms is currently the largest producer of farmed prawns – growing, processing and distributing the well-known Crystal Bay Prawns™ premium brand. The company is one of Australia's largest aquaculture enterprises and is also developing Project Sea Dragon – a large-scale, integrated, land-based prawn aquaculture project in northern Australia designed to produce high-quality, year-round reliable volumes for export markets.

For further information refer the company's web site: www.seafarms.com.au