



Our Ref: SFG ASX Announce Nissui Transaction Complete (572)

7 August 2018

ANNOUNCEMENT 572

Company Announcements Office
Australian Securities Exchange
Level 6
20 Bridge Street
SYDNEY NSW 2000

By ASX Online
Number of pages: 19
(including this page)

Dear Sir

Nissui transaction completed. Board representative appointed.

Seafarms Group Limited (**Seafarms**) is pleased to announce that Nippon Suisan Kaisha Limited's (**Nissui**) equity investment in Seafarms shares at 10 cents per share to raise A\$24.99m is now complete.

As previously announced on 23 May 2018, this equity capital raising was part of an extensive agreement with Nissui which included a significant black tiger prawn offtake arrangement for both Seafarms' existing Queensland operations as well as the proposed Project Sea Dragon (**PSD**).

Seafarms is also pleased to announce the appointment of the highly experienced Nissui representative, Mr Hisami Sakai, to the Board of Seafarms, the PSD operating company and Seafarms' subsidiaries involved in the Queensland operations. Mr Sakai has had nearly 40 years commercial experience with Nissui, one of the biggest global seafood companies in Japan. He is currently an Executive Officer of Nissui. His responsibilities include Business Supervisor in Europe and Oceania, in charge of the Supply Chain Management and Marine Business Strategy Departments.

Seafarms have also appointed Mr Naoto Sato as an alternate director for Mr Sakai. Mr Sato has had nearly 14 years accounting and finance experience with Nissui and is currently a Manager at Nissui.

For any queries regarding this announcement please contact Mr Harley Whitcombe (08) 9216 5200.

Enclosed is an Appendix 3B and a cleansing notice in respect of the issue of securities to Nissui.

Yours faithfully

Seafarms Group Limited

A handwritten signature in black ink, appearing to read "Harley Whitcombe".

Harley Whitcombe
Company Secretary

ENC

Seafarms Group Limited
ABN 50 009 317 846

Level 11, 225 St Georges Terrace
Perth WA 6000 Australia
PO Box 7312 Cloisters Square
Perth WA 6850 Australia

P +61 8 9321 4111
F +61 8 9321 4411
E info@seafarms.com.au
W seafarms.com.au

About Seafarms Group

Seafarms Group Limited (ASX: SFG) is an ASX listed holding company with separate subsidiary aquaculture companies., Seafarm Operations Pty Ltd operates aquaculture operations in northern Queensland, 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.

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

Project Sea Dragon

Project Sea Dragon Pty Ltd is developing Australia's largest 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/about-project-sea-dragon/

About Nippon Suisan Kaisha Limited (Nissui)

Nissui was formed in 1911 and has established itself as one of the world's largest producers of seafood. Its Marine Products Business has global access to marine resources, developed expertise in fisheries, fish and prawn farming, marine research and development, extensive processing and production abilities, logistics and international marketing networks.

Nissui is listed on the Tokyo Stock Exchange, constitutes a member of the Nikkei 225 Index and has a market capitalisation of approximately ¥170B (US\$1.54B). Nissui employs over 9,000 employees globally (on a consolidated basis). Its total net sales in 2017 (1 April 2017 to 31 March 2018) are estimated at ¥683B (US\$6.21B). Nissui's seafood sales are predominately in Japan (and Asia), but also enjoys a significant presence in the US, Europe, New Zealand and Australia.

For more information concerning Nissui please refer to their website – www.nissui.co.jp/english/



Our Ref: SFG Cleansing Notice

7 August 2018

Company Announcements Office
Australian Securities Exchange
Level 6
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

Notice under section 708A(5)(e) of the Corporations Act

On 23 May 2018, Seafarms Group Limited ACN 009 317 846 (**Company**) announced a \$24.99 million equity investment by Nippon Suisan Kaisha Limited (**Nissui**) into the Company. Pursuant to this investment the Company today issued to Nissui:

- 249,877,657 fully paid ordinary shares (**Shares**);
- 28,396,974 listed options (**Listed Options**),
(together, the **Listed Securities**); and
- 5,320,622 unlisted options.

With respect to the Listed Securities, the Company gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Act**) that:

- 1 the Company issued the Listed Securities without disclosure to investors under Part 6D.2 of the Act;
- 2 as at the date of this notice the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act (as applicable to the Company); and
 - (b) section 674 of the Act; and
- 3 as at the date of this notice there is no excluded information (as defined in section 708A(7) of the Act) which is required to be disclosed by the Company.

Yours faithfully

Seafarms Group Limited

A handwritten signature in black ink, appearing to read "Harley Whitcombe".

Harley Whitcombe
Company Secretary

Seafarms Group Limited
ABN 50 009 317 846

Level 11, 225 St Georges Terrace
Perth WA 6000 Australia
PO Box 7312 Cloisters Square
Perth WA 6850 Australia

P +61 8 9321 4111
F +61 8 9321 4411
E info@seafarms.com.au
W seafarms.com.au

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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

Seafarms Group Limited

ABN

50 009 317 846

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 | 1) Fully paid ordinary shares.
2) Listed options.
3) Unlisted options. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1) 249,877,657 fully paid ordinary shares.
2) 28,396,974 listed options.
3) 5,320,622 unlisted options. |

+ See chapter 19 for defined terms.

-
- | | |
|--|--|
| <p>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)</p> | <ol style="list-style-type: none">1) Fully paid ordinary shares under voluntary escrow until 7 August 2021.2) Listed options with an exercise price of \$0.097 and expiring 17 July 2021 under voluntary escrow until 7 August 2021.3) Unlisted options with an exercise price of \$0.062 and expiring 1 June 2023 under voluntary escrow until 7 August 2021. |
|--|--|

+ See chapter 19 for defined terms.

4 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: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	1) The shares issued will rank equally with those currently on issue. 2) Any ordinary shares issued upon exercise of the listed options will on issue rank equally in all respects with existing shares issued by the Company. 3) Any ordinary shares issued upon exercise of the unlisted options will on issue rank equally in all respects with existing shares issued by the Company.
5 Issue price or consideration	1) \$0.10. 2) Nil. 3) Nil.
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	As announced on 23 May 2018 the funds received from Nippon Suisan Kaisha Limited's investment in SFG will be used to assist in the development of SFG's world class Project Sea Dragon.
6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes.
6b The date the security holder resolution under rule 7.1A was passed	Friday 24 November 2017.

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	Nil.		
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)	At an extraordinary general meeting on 16 July 2018 shareholders approved the issue to Nippon Suisan Kaisha Ltd of: 1) 249,877,657 fully paid ordinary shares; 2) 28,396,974 listed options; and 3) 5,320,622 unlisted options.		
6f	Number of +securities issued under an exception in rule 7.2	Nil.		
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.	N/A		
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	N/A		
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	7.1 – 250,044,353 7.1A –166,696,235		
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.	7 August 2018.		
		<table><tr><td>Number</td><td>+Class</td></tr></table>	Number	+Class
Number	+Class			

+ See chapter 19 for defined terms.

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	1,417,084,698	Fully paid ordinary shares.
		249,877,657	Fully paid ordinary shares under voluntary escrow for a maximum period of 3 years from the date of issue (until 7 August 2021).
		126,042,477	Listed options with an exercise price of \$0.097 and expiring 17 July 2021.
		28,396,974	Listed options with an exercise price of \$0.097 and expiring 17 July 2021 under a voluntary escrow period of 3 years from the date of issue (until 7 August 2021).
9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		30,150,189	Convertible preference shares.
		30,000,000	Unlisted options granted 22 August 2017 with an exercise price of \$0.097 and expiring 22 August 2021.
		5,000,000	Unlisted options granted 18 January 2018 with an exercise price of \$0.097 and expiring 31 October 2021.

+ See chapter 19 for defined terms.

	5,320,622	Unlisted options granted 7 August 2018 with an exercise price of \$0.062 and expiring on 1 June 2023 under a voluntary escrow period of 3 years from the date of issue.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The new shares will have the same dividend entitlements as existing shares on issue. The listed and unlisted options will not confer rights to any dividends, distributions or interest payments.

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the ⁺ securities will be offered	N/A
14	⁺ Class of ⁺ securities to which the offer relates	N/A
15	⁺ Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a	N/A

+ See chapter 19 for defined terms.

broker and accept for the
balance?

+ See chapter 19 for defined terms.

32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	N/A

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

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
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: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
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)					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ 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.

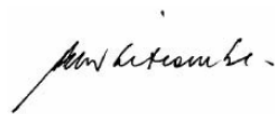
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- 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:



Executive Director and Company secretary

Date: 7 August 2018

Print name: Harley Whitcombe

+ 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	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,403,534,699
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	49,999 – 22 August 2017 (on exercise of listed options - issued under rule 7.2, exception 4) 13,500,000 – 21 May 2018 (on conversion of performance rights – issued under rule 7.2 exception 9) 249,877,657 – 7 August 2018 (issue of new shares approved under rule 7.1)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	1,666,962,355

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	250,044,353 (subject to the effects of rounding)
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	Nil
“C”	Nil
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	250,044,353 (subject to the effects of rounding)
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.15] – “C”	250,044,353 <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	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,666,962,355
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	166,696,235 (subject to the effects of rounding)
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • 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 • It may be useful to set out issues of securities on different dates as separate line items	
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	166,696,235 (subject to the effects of rounding)
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	166,696,235 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.