

ASX Announcement | 4 October 2019

Seafarms Group Limited (ASX:SFG)

(SFG Announcement No. 630)

**Seafarms Group completes first delivery
of Black Tiger Prawns to Japanese seafood giant Nissui**

Investment Highlights

- Completed first delivery of Black Tiger Prawns to Nippon Suisan Kaisha Limited ('Nissui')
- The delivery is under an offtake agreement announced last May
- Seafarms will supply 15% of its Queensland production to Nissui, which is a strategic investor in Seafarms

Sustainable aquaculture company **Seafarms Group Limited (ASX:SFG)** ('Seafarms' or 'the Company') is pleased to announce that it has completed its first delivery of Black Tiger Prawns to Nippon Suisan Kaisha Limited (TYO:1332) ('Nissui').

The delivery was made via Seafarms' wholly-owned subsidiary Seafarm Queensland Pty Ltd under the offtake agreement announced last year [ASX Announcement: May 23 2018].

Seafarms' first shipment of 33 tonnes of product from the recently completed semi-individually quick frozen (IQF) processing line marks the start of the supply of 15% of the Company's Queensland production to Nissui. The delivery follows a successful test shipment to Japan announced in the company's recent market update.

Seafarms worked closely with Nissui on the packaging design over the past months to ensure a market acceptable product is ready for distribution to Nissui's extensive domestic customer base.

Nissui invested A\$24.99 million in Seafarms last year [ASX Announcement: July 27 2018] and invested a further A\$2.998 million this year [ASX Announcement: April 29 2019].

Seafarms Managing Director Dr. Chris Mitchell said: "We are very pleased to have successfully completed our first shipment of product to Nissui. Commencing supply to Japan as a major export market and trade partner is an important strategic investment to support our export-focused Project Sea Dragon. We look forward to continuing our important partnership with Nissui."

Attached is Nissui's release to the Tokyo Stock Exchange.



Image: Nissui-branded Seafarms Black Tiger Prawn

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 culture 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

About Nippon Suisan Kaisha Limited (Nissui)

Nippon Suisan Kaisha Limited is a Japan-based company mainly engaged in marine and food product businesses. The Company operates in four segments. The Marine Products segment is engaged in the fishing, aquaculture, processing and sale of marine products. The Food Products segment manufactures and sells processed food products such as frozen food products and common temperature food products, among others. The Fine Chemicals segment manufactures and sells diagnostic agents, pharmaceuticals, pharmaceutical raw materials and health food. The Logistics segment is engaged in the cold storage, as well as the transportation. The Company is also engaged in cosmetics business through its subsidiary. As of March 31, 2019, the Company had 69 subsidiaries and 25 associated companies. To learn more, please visit: www.nissui.co.jp/english/index.html



New Product Release **Seinaru-Ebi**

Australian Seawater-Farmed Black Tiger Prawn Product

Nippon Suisan (Nissui: President & CEO Akiyo Matono, Minato-ku, Tokyo) is launching a frozen black tiger prawn product “Seinaru-Ebi” in 20th October mainly for food service in Japan. The prawns are produced in Queensland Australia by Seafarms Group Ltd (SFG) the biggest prawn farming company in Australia where Nissui participated in a capital injection in May 2018. Nissui plans to sell in Japan upto 100 tons in 2019, and 200 tons in 2020.

Brand Name	Seinaru-Ebi (Australian seawater-farmed black tiger prawn)
Features	➤ Product of black tiger prawn farmed and processed in Queensland, Australia by Seafarms Group Ltd. ➤ The prawn is bred from selected broodstock at a hatchery in Innisfail and grown-out at the in-land facility in Cardwell close to the hatchery. ➤ Grow-out farm is an open-air facility strictly controlled with a high-level standard of biosecurity. ➤ Achieved high quality and freshness with the quick-freezing facility in the processing plant approximately one-hour distance from the grow-out center. ➤ The seawater of the farm gives the flesh prawn a strong sweetness and umami flavor. ➤ The product could be served either raw or cooked. ➤ Vivid orange color when cooked. ➤ No antibiotics is used.
Spec Size Packaging	Head-on Shell-on semi-IQF 16/20、21/30、31/40、41/50、51/60 1kg x 10 cartons (for any size)
Segment	Foodservice, Retail etc
Release Date/Region	From 20th October 2019 All regions in Japan



日本水産株式会社

SFG's existing prawn farming operations in the State of Queensland produces more than one-third of total domestic production of farmed prawn in Australia, where the required environmental standards create high barriers to entry.

Nissui is introducing the new product **Seinaru-Ebi** from SFG's farm in the state.

In addition, SFG has started the construction of a large-scale prawn farming project in Northern Territory of Australia from 2018 after Nissui's participation investing in the company.

Project Sea Dragon Pty Ltd (PSD: a 100% subsidiary of SFG) has started the construction of Black Tiger prawn farming site in 2018 and plan to bring the product to the market in 2021. At the first year of harvest PSD targets producing 5,000 tonnes of quality fresh prawns.

Nissui will market the black tiger prawn products from PSD exclusively in Japan, in the Australia and New Zealand markets, on top of potential global distribution through the Nissui Global Links network.

Nissui pursues "Sophistication of Aquaculture Business" as one of the major themes in its Marine Products Business and has already started a feasibility study of on-shore farming of Vannamee shrimp for eating raw in Japan. It now invests in the development of farming businesses in the world consistent with its new mid-term plan "MVIP+2020", starting from 2018.

Note: Summary of Seafarms Group Ltd

Headquarter	: Perth, WA, Australia
Chairman	: Mr. Ian Trahar
Business	: Prawn farming etc.
Founded	: June 1988
Equity capital	: A\$174 million (August 2019)
Sales Revenue	: A\$24.4 million (FY2019)
Listed on ASX (Australian Securities Exchange)	(ASX code: SFG)