

ASX Announcement | 21 Mar 2023
Seafarms Group Limited (ASX: SFG)
SFG ASX Announcement No: 749

Project Sea Dragon Update

Today at the second creditors meeting of Project Sea Dragon Pty Ltd (**Company**), the creditors approved the entry into a Deed of Company Arrangement (**DOCA**), a position which in the opinion of Administrators (Shaun McKinnon & Andrew Fielding, BDO) was in the best interest of creditors.

The Administrators noted in the Creditors Report that a key objective of the DOCA is to facilitate and expedite a distribution of a deed fund contribution of \$3.5 million to be made by the Company's parent, Seafarms Group Limited (**SFG**) as follows:

- 100 cents in the dollar to employees
- 100 cents for Small Claim Creditors (being creditors with amounts owed less than \$0.3m)
- Balance of funds to be distributed to non Small Claim Creditors, which has been estimated at between 10.11c/\$ and 11.12c/\$
- Landlords and PPSR Creditors do not claim in the DOCA and the Company's obligations are met in the ordinary course of business post DOCA acceptance.
- The DOCA proposal results in all classes of creditors receiving more than is estimated to be returned in a liquidation scenario.

The Company, SFG and the Administrators are now to enter into the Deed of Company Arrangement within 15 days.

In terms of lifting the suspension of quotation, SFG is targeting a date of 5 April 2023.

Another important outcome of the meeting was that control of Project Sea Dragon Pty Ltd has returned to the directors upon the entry into the Deed of Company Arrangement, and the Company is pleased to report that no jobs were lost and the operations at Exmouth continued successfully throughout the Administration period.

The Company now looks forward to re-focusing on building the business case for Project Sea Dragon.

Authorised for release by the Company Secretary.

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About Seafarms Group

Seafarms Group Limited (ASX: SFG) is a sustainable aquaculture company, producing the premium Crystal Bay® Prawns.