



Our Ref: SFG ASX Media Release – Exmouth Facility Update (494)

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Media Release

Re: Exmouth Facility Upgraded and Operating

Seafarms Group Limited (**Seafarms**) has completed a \$1.3 million upgrade of its Prawn Quarantine and Founder Stock Facility in Exmouth, Western Australia, for Project Sea Dragon.

The facility will be used to introduce, hold, rear, test and screen wild broodstock animals for any economically important pathogens.

Seafarms Group Limited Executive Director Dr Chris Mitchell said Exmouth was selected as the ideal location for the quarantine facility due to its geographic isolation from all other aquaculture activities including the company's own hatchery and grow-out facilities.

"The Exmouth quarantine facility is an important element of Project Sea Dragon and confirms Seafarms' strong commitment to create a world class, biosecure project," Dr Mitchell said.

Once the animals are determined to be Specific Pathogen Free they will be ready to move to Project Sea Dragon's core breeding facilities, where they will be used to develop a domesticated breeding population of animals.

This domesticated population will be used to produce juvenile prawns at a separate hatchery. From there these juveniles will be transported into Project Sea Dragon's commercial grow-out production ponds at Legune Station in the Northern Territory. The development of these facilities is subject to project approvals and government permissions.

Wild broodstock for the quarantine facility were collected in Northern Territory waters by a local operator and transferred to Exmouth. These animals are going through a quarantine process and will be progressed within the facility as they pass ongoing health screening.

The quarantine process employs rigorous testing of animals for known prawn pathogens. The screening program includes the use of modern technologies including PCR (polymerase chain reaction). Seafarms has partnered with Perth firm EcoDiagnostics who are testing tissues at their state-of-art NATA (National Association of Testing Authorities) accredited laboratory.

Seafarms also acknowledges CSIRO and Panaquatic Pty Ltd who have advised on technical aspects of the program.

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Seafarms' employees at their Founder Stock Facility inspect the condition of high health broodstock in Exmouth, Western Australia (see *Figure 1 left and Figure 2 below*)

Figure 1



Figure 2

The new Exmouth facility was upgraded after Seafarms bought former barramundi farming operation Marine Farms Pty Ltd and its facilities in 2013 to redevelop it into a prawn quarantine and founder stock facility.

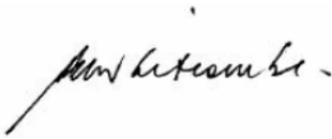
Northern Territory building company Sitzler refurbished the barramundi operation into the new Prawn Quarantine and Founder Stock facility. Three people are employed at the new facility.

As announced on 7 October 2016, an Environmental Impact Statement for the Stage 1 Legume Grow-out Facility has been released for public comment until 2 December 2016.

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