



5 June 2017

ANNOUNCEMENT 514

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

By ASX Online
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(including this page)

Seafarms Group Limited - Share purchase plan documents despatched

Seafarms Group Limited is pleased to advise that the offer documents in relation to the Share Purchase Plan announced on ASX on 2 June 2017 will be despatched to eligible shareholders today.

The Share Purchase Plan offer opens today and will close on Tuesday, 20 June 2017.

For and on behalf of Seafarms Group Limited by

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

Harley Whitcombe
Director and Company Secretary



Seafarms Group Limited

ACN 009 317 846

Share Purchase Plan Offer

The Offer closes at 5pm (Perth time) on Tuesday, 20 June 2017

This is an important document and should be read in its entirety.

This document has been prepared by Seafarms Group Limited. The Offer is an initiative that provides Eligible Shareholders with the opportunity to purchase additional Shares at a discount without brokerage and transaction costs.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Accordingly, before making a decision whether or not to accept the Offer, you should consult your financial or other professional adviser.

This document is not a prospectus or other disclosure document under the Corporations Act.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR FOR THE BENEFIT OF US PERSONS

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Key Offer Information

Introduction

Seafarms Group Limited (**Seafarms**) is pleased to provide Eligible Shareholders the opportunity to subscribe for up to \$15,000 of new fully paid ordinary shares in Seafarms (**New Shares**) under a share purchase plan on the terms and conditions set out in this document (**Offer**). Participation in the Offer will not incur brokerage costs. This document has been issued by Seafarms and explains the features of the Offer.

Seafarms also intends to offer each Eligible Shareholder who subscribes for New Shares under the Offer (and any investor to whom the Underwriter places any shortfall under the Offer) one bonus Option for every two Shares issued to them. It is proposed that the Options will have an exercise price of \$0.10 and will expire on 17 July 2021. The Options will be offered by way of a prospectus to be issued shortly after this Offer closes.

Key dates

Event	Date
Offer	
Record Date	5pm (Perth time) on Thursday, 1 June 2017
Announcement Date	Friday, 2 June 2017
Offer Documents mailed to Eligible Shareholders	Monday, 5 June 2017
Offer opens	Monday, 5 June 2017
Offer closes	5pm (Perth time) on Tuesday, 20 June 2017
Allotment Date	Friday, 30 June 2017
Despatch of holding statements/ confirmation advices for New Shares	Monday, 3 July 2017
Commencement of trading of Shares	Monday, 3 July 2017
Proposed SPP Options Offer	
Lodgement of Options Prospectus with ASIC and ASX	Wednesday, 5 July 2017
Prospectus sent to SPP Subscribers	Wednesday, 5 July 2017
Opening Date of SPP Options Offer	Thursday, 6 July 2017
Closing Date of SPP Options Offers	Tuesday, 11 July 2017
Issue of Options pursuant to SPP Options Offers	Monday, 17 July 2017
Despatch of holding statements for Options	Tuesday, 18 July 2017
Commencement of trading of Options	Tuesday, 18 July 2017

The timetable is indicative only and Seafarms may, at its discretion, vary any of the above dates by making an announcement to ASX.

Defined terms and abbreviations used in this document are set out in **clause 20** of the Terms and Conditions.

Important notices

The offer contained in this document is not a recommendation to purchase Seafarms shares. If you are in any doubt about the Offer, you should consult your financial or other professional adviser.

If you apply to participate in the Offer by making a BPAY[®]¹ payment or completing and returning the Application Form with a cheque or money order, you are accepting the risk that the market price of Shares may change between the date of the Offer and the Allotment Date.

This means it is possible that, up to or after the Allotment Date, you may be able to buy Shares on market at a lower price than the Offer Price. If the market price of Shares is lower than the Offer Price after the Allotment Date, the price at which you will be able to sell your New Shares, and their value, will be less than what you paid for them.

Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person.

This document has been prepared to comply with the requirements of the laws of Australia. This document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register the New Shares or otherwise permit an offering of New Shares in any jurisdiction outside of Australia except to the extent permitted below.

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of Seafarms with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Seafarms recommends that you monitor its announcements and the Share price, which can be found on its website at www.seafarms.com.au and on the ASX website at www.asx.com.au (ASX code: SFG). The Share price can also be found in the financial pages of major Australian metropolitan newspapers.

Further information

Please refer to the announcement made by Seafarms on 2 June 2017 for further background and information in relation to the Offer.

If you have any questions in relation to the Offer or how to complete the Application Form, please call the Share Registry, Computershare Investor Services Pty Ltd, on **1300 798 306** (callers within Australia) or **+61 3 9415 4830** (callers outside Australia), or consult your financial or other professional adviser.

¹ [®] Registered to BPAY Pty Limited ABN 69 079 137 518. New Zealand based shareholders cannot apply using BPAY[®] unless they have an Australian bank account.

Letter to Shareholders

5 June 2017

Dear Shareholder,

Seafarms Group Limited Share Purchase Plan Offer

On behalf of the Directors of Seafarms Group Limited (the **Company**), I am pleased to offer you the opportunity to participate in the Company's Share Purchase Plan (**SPP**). Under the SPP you can acquire up to A\$15,000 worth of new fully paid ordinary shares in Company (**New Shares**) without paying any brokerage or other charges. By participating in the SPP, you will also be eligible to receive bonus options on the basis of one option for every two Shares you are issued under the SPP.

The offer to participate in the SPP is being made in addition to the Company's proposed fully underwritten institutional placement announced on Friday, 2 June 2017, which received binding commitments for approximately A\$8 million.

The Company is seeking to raise \$2 million under the SPP, and the SPP is underwritten to that amount by Bell Potter Securities Limited. The Company reserves the right to accept a further \$2 million in oversubscriptions. Applications received in excess of \$4 million may be scaled back at the Company's absolute discretion. If this occurs, excess funds will be returned to applicants without interest.

Proceeds from the SPP will be used for the development of Project Sea Dragon and for general working capital and corporate purposes.

The offer to participate in the SPP will open on Monday, 5 June 2017 and will remain open until 5:00pm (Perth time) on Tuesday, 20 June 2017.

The Offer Price is A\$0.06 representing a discount of 10.45% to the Company's closing Share price on the ASX on Tuesday, 30 May 2017 (being the last trading day before the SPP was announced).

Participation in the SPP is optional and is open to shareholders who were registered as holders of Shares at 5:00pm (Perth time) on Thursday, 1 June 2017 and whose registered address is in Australia or New Zealand. New Zealand shareholders must still be a shareholder on the date the offer opens (i.e. Monday, 5 June 2017).

In addition to the SPP, the Company intends to offer eligible shareholders who subscribe for New Shares under the SPP (and investors who subscribe for any shortfall) one free option (**Option**) for every two Shares issued to them under the SPP (**SPP Option Offer**). The Options will be exercisable at A\$0.10 each and will expire four years after their date of issue (**Option**).

The Company will release a separate disclosure document in early July 2017 containing full details of the SPP Option Offer and the terms and conditions of the Options.

Full details of the SPP and how to participate are contained in the Terms and Conditions accompanying this document which I encourage you to read and consider carefully.

Thank you for your continued support of the Company.

Yours sincerely,



Ian Trahar
Executive Chairman

Frequently Asked Questions

This section provides a summary of the key aspects of the Offer. You should read it in conjunction with the terms and conditions of the Offer provided in the annexure to this document.

What is the Offer? This share purchase plan is a means by which Eligible Shareholders may subscribe for up to \$15,000 worth of New Shares without brokerage or other transaction costs.

New Shares issued under the Offer will rank equally with other Shares as at the date of issue, and will be able to be traded on ASX (subject to ASX granting quotation of the New Shares).

Seafarms is seeking to raise \$2 million under the Offer, and the Offer is fully underwritten to that amount.

However, Seafarms reserves the right to accept a further \$2 million in oversubscriptions. Applications received in excess of \$4 million may be scaled back at the absolute discretion of Seafarms.

Seafarms also intends to offer each Eligible Shareholder who subscribes for New Shares under the Offer (and any investor to whom the Underwriter places any shortfall under the Offer) (together, **SPP Subscriber**) one bonus option (**Option**) for every two Shares issued to the SPP Subscriber under the Offer (**SPP Options Offer**). It is proposed that the Options will have an exercise price of \$0.10 and will expire on 17 July 2021.

The SPP Options Offer is **not** being made under this document. The SPP Options Offer will be offered by way of a prospectus (**Options Prospectus**) to be issued shortly after this Offer closes.

Who is eligible to participate in the Offer? Shareholders with a registered address in either Australia (and its external territories) or New Zealand as at 5pm (Perth time) on Thursday, 1 June 2017 are eligible to participate in the Offer, provided that such shareholder is not in the United States and is not, and is not acting for the account or benefit of, a US Person.

For New Zealand shareholders, you must still be a shareholder at the date of the Offer, that is Monday, 5 June 2017.

Do I have to participate in the Offer? No. Participation is voluntary. If you do not wish to participate in the Offer, you do not need to do anything, and the Offer will lapse at 5pm (Perth time) on Tuesday, 20 June 2017.

Can a third party participate in the Offer in my place? No. The Offer is non-renounceable and cannot be transferred.

How much can I invest under the Offer? The maximum investment under the Offer is \$15,000. You may apply to purchase a parcel of \$1,000, \$2,000, \$5,000, \$10,000 or \$15,000 worth of New Shares.

The number of New Shares is rounded down to the nearest whole number after dividing the dollar amount by the Offer Price.

What is the issue price of New Shares under the Offer? The Offer Price is \$0.06 per New Share, representing a discount of 10.45% to Seafarms' closing Share price on ASX on Tuesday, 30 May 2017 (being the last trading day before the details of the Offer were announced).

The Offer Price is also less than the volume weighted average price of Shares of \$0.069 over the preceding five day trading period from 24 May 2017 to 30 May 2017.

There is a risk that the market price of Shares may rise or fall between the date of this document and the time of issue of the New Shares under the Offer. This means that the price you pay for the New Shares issued to you under the Offer may be less than or exceed the market price of Shares on the Allotment Date.

Accordingly, you should monitor Seafarms' announcements and its Share price, which can be found on its website at www.seafarms.com.au and on the ASX website at www.asx.com.au (ASX code: SFG). The Share price can also be found in the financial pages of major Australian metropolitan newspapers.

You should be aware that your application, once made, is unconditional and may not be withdrawn even if the market price of Shares is less than the Offer Price.

How do I apply for New Shares under the Offer?

If you wish to participate in the Offer, you need to do either of the following:

Option 1

To pay via BPAY you will need to:

Pay via BPAY®

- be an account holder with an Australian financial institution;
- use the personalised reference number shown on your Application Form, which is required to identify your holding; and
- ensure that your payment is received by the Share Registry before 3pm (Perth time) on Tuesday, 20 June 2017.

If paying via BPAY, you **do not** need to complete and submit the Application Form but you will be taken to have made the statements and certifications on the Application Form.

Please note that your financial institution may implement earlier cut-off times with regards to electronic payment. Please take this into consideration when making payment via BPAY.

Option 2

Pay by cheque

Please complete the Application Form and forward it with your payment by cheque (or money order) in Australian dollars made payable to "Seafarms Group Limited" to the Share Registry, at the address set out on the Application Form. A reply paid envelope is enclosed for the convenience of Shareholders in Australia, and a self-addressed envelope is enclosed for the convenience of shareholders outside Australia.

Your completed Application Form and cheque must be received by the Share Registry prior to the close of the Offer at 5pm (Perth time) on Tuesday, 20 June 2017. Shareholders in New Zealand will need to affix the appropriate postage to the self-addressed envelope.

Are there any other terms and conditions attached to the Offer?

The terms and conditions relating to the Offer are set out in full in the annexure to this document. Please read the Terms and Conditions carefully, as you will be bound by them in participating in the Offer. Shareholders accepting the Offer will also be bound by the constitution of Seafarms.

What is the maximum investment for each shareholder?

The maximum investment for each shareholder is \$15,000. If you receive more than one offer (e.g. due to multiple registered holdings), you may only apply for a maximum of 250,000 New Shares in aggregate across those offers. For example, you may apply for one maximum parcel of \$15,000 for one holding or, alternatively, apply for parcels of New Shares across multiple holdings so long as the aggregate total amount applied for across those holdings does not exceed \$15,000.

How many shares will I receive?

You may apply for a parcel of New Shares with one of the application amounts set out in **clause 6.2** of the Terms and Conditions.

In the absence of a scale back (see below), the number of New Shares to be issued to you will be calculated by dividing your chosen application amount by the Offer Price, with any resulting fractions of a New Share being rounded down to the nearest whole number of Shares.

When will I receive my shares?

New Shares will be allotted on Friday, 30 June 2017 (**Allotment Date**). Holding statements will be despatched by Monday, 3 July 2017.

When can I trade allocated shares?

You can trade your New Shares after the Allotment Date. However, given the possibility that applications may be scaled back, you should confirm your holding on or after the Allotment Date before trading any New Shares you believe you have acquired under the Offer.

Is the Offer underwritten?

Yes, the Offer is underwritten by Bell Potter Securities Limited (**Underwriter**) to an amount of \$2 million (**Underwritten Amount**).

In the event that Eligible Shareholders do not subscribe for \$2 million worth of New Shares under the Offer, the resultant shortfall up to the Underwritten Amount will, subject to the terms of the underwriting agreement, be placed at the discretion of the Underwriter.

What is the SPP Options Offer?

The SPP Options Offer entitles SPP Subscribers to be issued one bonus Option for every two Shares issued to the SPP Subscriber under the Offer.

By signing the Application Form accompanying this document, you appoint the Company and each of its directors as your attorney to sign all documents (including the application form that will accompany the Options Prospectus) and to do all things required to be done in connection with the issue and allotment to you, of the number of Options that you are entitled to. Accordingly, you do not need to do anything to accept the SPP Options Offer when it is made. It is expected that the Options will be issued on or around Monday, 17 July 2017 and will commence trading on Tuesday, 18 July 2017.

If you are an SPP Subscriber but do not wish to participate in the SPP Options Offer, you may notify the Company Secretary of your intention on +61 8 9321 4111 at any time prior to the closing date of the SPP Options Offer and no Options will be issued to you.

For New Zealand shareholders, you must still be a shareholder at the date of the SPP Option Offer, that is Thursday, 6 July 2017, to be eligible to participate in the SPP Option Offer.

Terms and Conditions of the Share Purchase Plan

1. Offer

The Offer entitles eligible shareholders of Seafarms to apply to purchase up to \$15,000 worth of Shares through this share purchase plan.

2. Eligibility to participate

2.1. You are eligible to participate in the Offer if you were a registered holder of Shares at 5pm (Perth time) on Thursday, 1 June 2017 (**Record Date**) with a registered address in Australia (and its external territories) or New Zealand, unless:

(a) you hold Shares on behalf of another person who resides outside Australia (and its external territories) or New Zealand; or

(b) you are, or are acting for the account or benefit of, a US Person.

2.2. For New Zealand shareholders, you must still be a shareholder at the date of the Offer, that is Monday, 5 June 2017.

2.3. Seafarms has determined that it is either unlawful or impracticable for holders of Shares with registered addresses in jurisdictions outside Australia (and its external territories) and New Zealand to participate in the Offer.

2.4. If you are the only registered holder of a holding of Shares, but you receive more than one offer (for example, due to multiple registered holdings), you may only apply for a maximum parcel of New Shares of 250,000 in aggregate across those holdings.

2.5. Joint holders of Shares will be taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification under **clause 8.1(j)** by one joint holder will be effective in respect of the other joint holder(s).

2.6. If you are a Custodian for a beneficiary or beneficiaries, you may apply for one maximum parcel of New Shares for each beneficiary (or if you are a Custodian for two or more joint beneficiaries, for each such holding as if it was held by a single person). Further information in relation to how Custodians may apply for New Shares is set out in **clause 8.2**.

2.7. Directors and employees of Seafarms who hold Shares may be Eligible Shareholders.

3. Rights to apply for New Shares are non-renounceable

3.1. If you are an Eligible Shareholder, your rights under the Offer are personal to you and are non-renounceable, which means that you cannot transfer your rights to another person.

4. Offer Price

4.1. The Offer Price for each New Share issued under the Offer is \$0.06, representing a discount of 10.45% to Seafarms' closing Share price on ASX on Tuesday, 30 May 2017 (being the last trading day before the details of the Offer were announced).

4.2. This is also less than the volume weighted average market price of Seafarms' Shares over the last five trading days on which sales were recorded before the day on which the Offer was announced, being \$0.069.

4.3. The Offer Price is fixed, regardless of any changes in the market price of Seafarms' Shares during the Offer period.

5. Timing

- 5.1. The Offer opens on Monday, 5 June 2017 and closes at 5pm (Perth time) on Tuesday, 20 June 2017, unless extended. Seafarms proposes to allot New Shares on Friday, 30 June 2017 and send confirmations to shareholders by Monday, 3 July 2017.
- 5.2. Seafarms reserves the right to extend the Offer or the proposed Allotment Date at any time by making an announcement to ASX.

6. Applying for New Shares

- 6.1. You may apply for a parcel of New Shares under the Offer with one of the application amounts set out in the table below. The maximum investment by an Eligible Shareholder under the Offer is \$15,000.
- 6.2. The number of New Shares you will receive, at each of the available levels, is set out below. Where applicable, the number of New Shares for each parcel has been rounded down to the nearest whole number of New Shares:

Amount payable	Number of Shares
A\$15,000	250,000
A\$10,000	166,666
A\$5,000	83,333
A\$2,000	33,333
A\$1,000	16,666

- 6.3. You may not apply for more than \$15,000 of New Shares in aggregate under the Offer, even though you may receive more than one offer, or offers in more than one capacity, under the Offer.
- 6.4. If you wish to apply for New Shares under the Offer you should either:
 - (a) pay directly via BPAY[®] on the internet or by telephone, using the details on the Application Form (New Zealand based shareholders cannot apply using BPAY unless they have an Australian bank account). Please ensure that your payment is received by the Share Registry before 3pm (Perth time) on Tuesday, 20 June 2017. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should take this into consideration when making any electronic payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received in time. The Application Form does not need to be returned in this case; or
 - (b) complete the Application Form and forward it with your payment by cheque (or money order) in Australian dollars made payable to “Seafarms Group Limited” to the Share Registry, at the address set out on the Application Form. A reply paid envelope is enclosed for the convenience of Australian shareholders, and a self-addressed envelope is enclosed for the convenience of overseas shareholders. Application Forms (with application payments) must be received by the Share Registry by 5pm (Perth time) on Tuesday, 20 June 2017.
- 6.5. Do not forward cash. Receipts for payment will not be issued.
- 6.6. Funds paid via BPAY[®] or Application Forms (with application payments) must be received by the Share Registry by the applicable time (specified above) on Tuesday, 20 June 2017. Seafarms may reject applications received after this time. If your cheque does not clear, your application will not be accepted and you agree to be responsible for any dishonour fees or other costs incurred.

6.7. If your Application Form or application is incomplete, contains errors or is otherwise invalid or defective, Seafarms may, in its sole discretion, accept, reject, correct or amend your application, issue such number of New Shares to you as it considers appropriate, refund your application money, or take any combination of these actions. Any necessary refund will be paid to you shortly after the close of the Offer. No interest will be paid on any refunded money.

6.8. You cannot withdraw or revoke your application once you have sent in an Application Form or paid via BPAY®.

7. Proposed offer of options

7.1. Seafarms intends to offer each Eligible Shareholder who subscribes for New Shares under the Offer (and any investor to whom the Underwriter places any shortfall under the Offer) (together, **SPP Subscriber**) one bonus option (**Option**) for every two Shares issued to the SPP Subscribers under the Offer (**SPP Options Offer**). It is proposed that the Options will have an exercise price of \$0.10 and an expiry date of 17 July 2021.

7.2. New Zealand shareholders must be a shareholder of the Company at the date of the SPP Options Offer, that is Thursday, 6 July 2017, to be eligible to participate in the SPP Option Offer.

7.3. The Options will be offered by way of a prospectus (**Options Prospectus**) to be issued shortly after this Offer closes.

7.4. By signing the Application Form accompanying this Share Purchase Plan Offer, you appoint the Company and each of its directors as your attorney to sign all documents (including the application form that will accompany the Options Prospectus) and to do all things required to be done in connection with the issue and allotment to you, of the number of Options that you are entitled to.

7.5. If you are an SPP Subscriber but do not wish to participate in the SPP Options Offer, you may notify the Company Secretary of your intention on +61 8 9321 4111 at any time prior to the closing date of the SPP Options Offer and no Options will be issued to you.

8. Effect of making an application

8.1. If you submit a BPAY® payment or complete and return the Application Form:

(a) you will be deemed to have represented and warranted that you are an Eligible Shareholder, you have read and understood these Terms and Conditions and you subscribe for New Shares in accordance with these Terms and Conditions;

(b) you authorise Seafarms to correct or amend your Application Form as contemplated by **clause 6.7**;

(c) you acknowledge that the market price of Shares may rise or fall between the date of the Offer and the Allotment Date and that the Offer Price you pay for the New Shares may exceed the market price of the Shares on the Allotment Date;

(d) you accept the risk associated with any refund that may be despatched to you at your address as shown on the Share register;

(e) you are responsible for any dishonour fees or other costs Seafarms may incur in presenting a cheque for payment which is dishonoured;

(f) you acknowledge that the New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia (and its external territories) or New Zealand, and accordingly, the New Shares purchased under the Offer may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;

- (g) you represent and warrant that you are not a US Person, and are not applying under the Offer for or on behalf of a US Person;
- (h) you represent and warrant that you have not and will not send any materials relating to the Offer to any person in the United States that is, or is acting for the account or benefit of, a US Person;
- (i) you acknowledge that you have not been provided with investment advice or financial product advice by Seafarms or the Share Registry;
- (j) you certify that you have not applied for, or instructed a Custodian to apply on your behalf for, New Shares with an application price which, when aggregated with the application price for any Shares issued to you or a Custodian on your behalf under the Offer or any similar Seafarms arrangement in the 12 months prior to your application, exceeds \$15,000. This certification by one joint holder of Shares will be effective in respect of the other joint holder(s); and
- (k) you appoint the Company and each of its directors as your attorney for the purposes set out in **clause 7.4** (unless you have notified the Company Secretary of your intention not to participate in the SPP Options Offer in accordance with **clause 7.5**).

8.2. If you are a Custodian, you certify:

- (a) that, as at the Record Date, you hold Shares on behalf of one or more beneficiaries, and that those beneficiaries have been provided with a copy of this document and instructed you to apply for New Shares;
- (b) details of the number of beneficiaries who have instructed you to apply for New Shares on their behalf, their names and addresses, the number of Shares you hold on their behalf and the number of New Shares they have instructed you to apply for are correct;
- (c) you have not applied for New Shares on behalf of any beneficiary with an application price which, when aggregated with the application price for any Shares issued to you on behalf of that beneficiary under the Offer or any similar Seafarms arrangement in the 12 months prior to your application, exceed \$15,000; and
- (d) that you:
 - (i) hold an Australian financial services licence that covers the provision of a custodial or depository service (within the meaning given by section 766E of the Corporations Act) or covers the operation of an IDPS (as defined in ASIC Class Order CO 13/763); or
 - (ii) do not hold an Australian financial services licence for the provision of a custodial or depository service as described in the Class Order and are exempt from the requirement to hold such a licence; or
 - (iii) otherwise meet the definition of Custodian in the Class Order.

8.3. Custodians wishing to participate on behalf of one or more beneficiaries should contact the Share Registry to obtain more information on how to apply and the form of certification to be given.

8.4. Please note that if you hold Shares in the capacity of a trustee or a nominee for another person but you do not meet the definition of Custodian in the Class Order, you cannot participate for beneficiaries in the manner outlined in **clause 8.2** above. In this case, the rules for multiple registered holdings as described in **clause 2.4** apply.

9. Rights attached to the New Shares

9.1. New Shares issued under the Offer will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements as at the Allotment Date. Seafarms will apply for the New Shares to be quoted on ASX.

10. Costs of participation

10.1. No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and allotment of, New Shares under the Offer.

11. Right to scale back entitlements

- 11.1. Seafarms reserves the right to scale back your entitlement to acquire New Shares under the Offer (if, for example, the applications for New Shares would exceed the overall cap of \$4 million). If this occurs, excess funds will be returned to applicants without interest.
- 11.2. If there is a scale back, you may receive less than the parcel of New Shares for which you have applied.

12. Refunds

- 12.1. Refunds under the Offer may be paid under various circumstances. For example, if applications are made incorrectly the entire payment may be refunded, or if allocations are scaled back a partial refund may be made.
- 12.2. If a refund is made, payment will be by cheque mailed to your address as shown on the Share register.
- 12.3. You will not receive any interest on funds refunded to you.
- 12.4. Any refund made to you is despatched at your risk.

13. United States

- 13.1. Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person. Participation in the Offer, directly or indirectly, in violation of these restrictions is not permitted, and any such participation will be invalid.
- 13.2. This document is not an offer of securities for sale in the United States or to any person that is, or is acting for the account or benefit of, a US Person. Seafarms' Shares have not been, and will not be, registered under the US Securities Act and may not be offered, sold or delivered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person, except in accordance with an available exemption from registration.
- 13.3. Because of the legal restrictions summarised above, you must not send copies of any Offer materials to any of your clients (or any other person) in the United States or to any person that is, or is acting for the account or benefit of, a US Person. Consistent with the warranties set out above, you are also advised not to submit any Application Form or make payment by BPAY® or otherwise in respect of the purchase of New Shares under the Offer on behalf of any of your clients (or any other person) in the United States or that is, or is acting for the account or benefit of, a US Person. Failure to comply with these restrictions may result in violations of applicable securities laws.

14. Dispute resolution

- 14.1. Seafarms reserves the right to settle, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Offer. Seafarms' decision will be conclusive and binding on all shareholders and other persons to whom the determination relates.

15. Waiver, amendment, suspension and termination

- 15.1. Seafarms may, in its discretion, waive compliance with any provision of these Terms and Conditions, amend or vary these Terms and Conditions or suspend, withdraw or terminate the Offer at any time. Any such waiver, amendment, variation, suspension, withdrawal or termination will be binding on all Eligible Shareholders even where Seafarms does not notify you of the event.
- 15.2. Seafarms is not liable for loss, cost or expense arising out of any exercise of its discretions under these Terms and Conditions.

16. ASIC relief

- 16.1. The Offer is made in accordance with the Class Order. The Class Order grants relief from the requirement to prepare a prospectus for the offer of New Shares up to \$15,000 under the Offer, subject to certain terms and conditions.
- 16.2. In accordance with the terms of the Class Order, Seafarms will give a notice to ASX that complies with the Class Order.

17. Governing law

- 17.1. These Terms and Conditions are governed by the laws in force in Western Australia.

18. Binding terms

- 18.1. By accepting the offer to purchase New Shares under the Offer, you agree to be bound by these Terms and Conditions and the constitution of Seafarms.

19. Underwriting

- 19.1. The Offer is fully underwritten by Bell Potter Securities Limited (**Underwriter**) to an amount of \$2 million (**Underwritten Amount**). In the event that Eligible Shareholders do not subscribe for \$2 million worth of New Shares under the Offer, the resultant shortfall up to the Underwritten Amount will, subject to the terms of the underwriting agreement, be placed at the discretion of the Underwriter.
- 19.2. The underwriting agreement contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by either parties.
- 19.3. The underwriter will be entitled to a fee of 5% of the funds raised under the Offer.

20. Definitions

In this document the following terms have these meanings:

\$	Australian dollars.
Allotment Date	The date the New Shares are allotted, expected to be Friday, 30 June 2017.
Application Form	The application form which accompanies this document.
ASIC	The Australian Securities and Investments Commission.
ASX	ASX Limited or the Australian Securities Exchange, as the context requires.
Class Order	ASIC class order CO 09/425.
Corporations Act	<i>The Corporations Act 2001</i> (Cth).
Custodian	The meaning given in the Class Order.
Directors	The directors of Seafarms.
Eligible Shareholder	A person who is eligible to participate in the Offer in accordance with clause 2 of the Terms and Conditions.
New Shares	The Shares offered in the document.
Offer	The offer of New Shares in this document.
Offer Price	\$0.06 per New Share.
Options	The meaning given in clause 7.1 .
Options Prospectus	The meaning given in clause 7.3 .
Record Date	The record date for the Offer being 5.00pm (Perth time) on Thursday, 1 June 2017.
Share Purchase Plan Offer	This document.
Share Registry	Computershare Investor Services Pty Limited ACN 078 279 277.
Shares	Fully paid ordinary shares in Seafarms Group Limited.
Seafarms or the Company	Seafarms Group Limited ACN 009 317 846.
SPP Options Offer	The meaning given in clause 7.1 .
SPP Subscriber	The meaning given in clause 7.1 .
Terms and Conditions	The terms and conditions of the Offer set out in the annexure to this Share Purchase Plan Offer.
Underwriter	Bell Potter Securities Limited ACN 006 390 772.
Underwritten Amount	\$2 million.
US Person	A "U.S. person" as defined in Regulation S under the US Securities Act of 1933.
US Securities Act	The US Securities Act of 1933, as amended.

For all enquiries:**Phone:**

(within Australia) 1300 798 306
(outside Australia) +61 3 9415 4830

Web:

www.investorcentre.com/contact

SFG

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:

See overleaf for details of the Offer and how to make your payment

Share Purchase Plan Application Form

 **Your payment must be received by 5pm (Perth time) on Tuesday, 20 June 2017**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Seafarms Group Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Seafarms Group Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of the payment slip overleaf; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment, does not exceed \$15,000.

Seafarms Group Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Seafarms Group Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Seafarms Group Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Seafarms Group Limited does not notify you of that event.

Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Seafarms Group Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Seafarms Group Limited Share Purchase Plan Application Form
Payment must be received by 5pm (Perth time) on Tuesday, 20 June 2017

© Registered to BPAY Pty Limited ABN 69 079 137 518


Turn over for details of the Offer →

Share Purchase Plan Application Form

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STEP 1 Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: **5pm (Perth time) on Thursday, 1 June 2017**


Minimum value available to purchase: **\$1,000**

Maximum value available to purchase: **\$15,000**

STEP 2 Make Your Payment

 Biller Code: 267534
Ref No: 1234 5678 9123 4567 89

Pay by Mail:

 Make your cheque, bank draft or money order payable to "**Seafarms Group Limited**" and cross "**Not Negotiable**".

Return your cheque with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Contact your financial institution to make your payment from your cheque or savings account.

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 3pm (Perth time) on Tuesday, 20 June 2017. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Seafarms Group Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5pm (Perth time) on Tuesday, 20 June 2017. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Seafarms Group Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Purchase Details for Seafarms Group Limited (choose one option)

\$1,000 worth of securities OR \$2,000 worth of securities OR \$5,000 worth of securities
 \$10,000 worth of securities OR \$15,000 worth of securities



Entitlement No: 12345678

A\$

Payment must be received by 5pm (Perth time) on Tuesday, 20 June 2017

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

123456789123456789+000000001-3051+14