



ASX Announcement | 21 January 2020
Seafarms Group Limited (ASX:SFG)
(SFG Media Release 640)

Seafarms Groups signs offtake agreement with major European seafood distributor Primstar B.V.

Investment Highlights

- Seafarms Group has signed an offtake and marketing agreement with Primstar B.V.
- Under the agreement, products from Seafarms' Project Sea Dragon will be marketed and sold by Primstar in Europe
- The agreement has a minimum term of 5 years from the commencement of Project Sea Dragon and may be extended by a further 5 years by agreement

Sustainable aquaculture company Seafarms Group Limited (ASX:SFG) ('Seafarms' or 'the Company') is pleased to announce that it has signed an extensive offtake and marketing agreement with Primstar B.V. ('Primstar') for the export and marketing of premium prawn products into Europe from Project Sea Dragon ('PSD'). The agreement will come into effect when PSD becomes operational.

Seafarms continues to progress PSD's development, funding and construction plans as it moves to implement the project at the earliest opportunity.

The Primstar offtake agreement is a comprehensive agreement setting out arrangements for the supply, sale and marketing of prawn products from PSD when operational. The key terms of the agreement include:

- Primstar will market black tiger prawns from PSD in European markets with the objective of building a high value, high quality and premium jointly branded product into these markets.
- Primstar has the right and obligation to take approximately 15% of the total annual production of the initial stage of PSD at market based prices. Volumes can be extended by agreement.
- The agreement has a minimum term of 5 years after commencement of PSD and may be extended for a further 5 years by agreement.

Primstar is a large European seafood supply and distribution company. Based in the Netherlands, Primstar and its related entities are substantial seafood producers and distributors handling approximately 12,000 metric tons of shrimp and other seafood products annually.

The Primstar group and Atlantic Shrimpers Ltd are partly owned by the privately-owned fishing company Cornelis Vrolijk. Atlantic Shrimpers Ltd provides Primstar with exclusive marketing and distribution from their large fishing company in Nigeria.

Seafarms Chairman Ian Trahar said: “This offtake commitment by Primstar is an endorsement of the Company’s world class Project Sea Dragon and further supports the financing case for the Project. The Primstar arrangements and the previously announced arrangements with Nissui, in total provide market-based offtake arrangements for up to approximately 35% of production from the initial stage of development of Project Sea Dragon.”

Primstar CEO Richard Oerlemans said: “We are excited by the opportunity to be the exclusive European sales and marketing partner for Project Sea Dragon. The Project has the potential to be one of the world’s largest, producing premium quality prawn product, from operations located in a biosecure area with an experienced operator and state of the art infrastructure. Our involvement enhances our ability to provide high quality prawn products to our customers and is consistent with Primstar’s strategy of “from pond to plate in the European market.”

Seafarms Executive Director in charge of the PSD development Dr Chris Mitchell said: “It’s pleasing to sign the Primstar offtake agreement, another important milestone on our path to financing PSD. Primstar is a highly credible industry participant who provides access to key European markets. We look forward to working with the experienced and like-minded team at Primstar to develop branded premium prawn products for Europe.”

Authorised by the Board of Seafarms Group Limited.

Ends.

For further information, please contact:

Seafarms Group

Harley Whitcombe
Company Secretary
P: (08) 9216 5200

Media Enquiries

True North Strategic Communication
Bridget McCue
P: +61 447 298 752
E: bridget@truenorthcomm.com.au

Investor Enquiries

The Capital Network
Julia Maguire
P: +61 419 815 386
E: julia@thecapitalnetwork.com.au

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 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

For more detailed information concerning Seafarms and Project Sea Dragon please refer to the company's website – www.seafarms.com.au.