



Our Ref: SFG ASX Announce Media Release Legune Earthworks Trial (477)

9 August 2016

ANNOUNCEMENT 477

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

By ASX Online
Number of pages: 4
(including this page)

Media Release

RE: Successful earthworks trial completed for Project Sea Dragon grow-out farms at Legune Station, Northern Territory.

Seafarms Group Limited (Seafarms) is pleased to announce the successful completion of an earthworks trial at Legune Station, Northern Territory. The trial was an important part of the current Feasibility Study due to conclude in the 3rd quarter of 2016.

The trials have confirmed the suitability of Legune Station to host the grow-out ponds for Project Sea Dragon.

- The trial showed that the soils have good workability and that lightweight equipment such as small scrapers, laser buckets and tractors, can be used to develop the project rather than heavyweight equipment commonly used in mining (Figure 1).
- Seepage rates were demonstrated to be very low (Figure 2) confirming the water-holding capability of the Legune soils and thus the suitability of the compacted clay to line ponds.
- As well as proving the design concepts, the results have been used to refine the project capital costs.

The trial was conducted on an area of the land designated for the Company's Grow-out Centre for large scale prawn farming, an integral part of Project Sea Dragon, in collaboration with the Legune Station owners and local experts on black soil plains.

The trial was designed to:

- Provide additional field data to support findings from an earlier geotechnical investigation;
- Test the range of equipment likely to be used to build farms;
- Determine the compactive effort required to ensure pond and channel structural safety;
- Conduct tests under different soil moisture conditions to simulate seasonal variations across each Dry Season, and
- Measure seepage rates.

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FIGURE 1



FIGURE 2



FIGURE 3

The cleared area shown in Figure 3 above (5 ha) is half the size of each pond when constructed.

The trial was designed and managed by Seafarms and consultants Aurecon-Golders.

Seafarms has been afforded excellent support in the region through knowledge-sharing of large-scale earthworks in similar soil and environmental conditions.

The trial was conducted using the equipment and knowledge of local contractors and personnel.

Stage 1 of Project Sea Dragon will comprise three grow-out farms for prawn stock, supplied by a hatchery that is proposed to be built in the Darwin environs. Each farm will have approximately 36 ponds of 10 hectares each, plus channels and recycling ponds. Farm earthworks for Stage 1 will involve moving and compaction of more than five million cubic metres of surface soils for water retaining embankments.

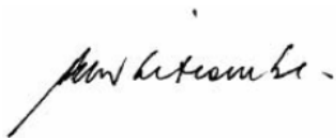
The Feasibility Study for Project Sea Dragon is being conducted in parallel to preparation of an Environmental Impacts Statement for the Legune Grow-out Centre – expected to be complete last quarter of 2016, and also in parallel with Sacred Site investigations and discussions with indigenous stakeholders.

Completing the earthworks trial represents an important milestone in the project planning for Project Sea Dragon and confirms Seafarm's strong commitment to this significant world class project.

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.

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