



Our Ref: SFG ASX Media Release – Legune EIS Assessment Report (508)

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Media Release Re: Project Sea Dragon Environmental Impact Study (EIS)

Seafarms Group Limited (**Seafarms**) is pleased with the progress of its environmental approvals after the Northern Territory Environment Protection Authority (NT EPA) today released its Assessment Report on the Stage 1 Legune Grow-Out Facility.

Stage 1 of the Project Sea Dragon Facility is to consist of 1,120 hectares of land-based production ponds and 324 hectares of internal recycling ponds at Legune Station, 110 kilometres north east of Kununurra. Stage 1 will ultimately produce 14,000 tonnes of prawns each year.

Seafarms Executive Director Dr Chris Mitchell said the Environmental Impact Study (EIS) process required a comprehensive assessment of the environmental values of the remote, actively grazed pastoral property. The Company conducted extensive consultations with communities and stakeholders across the Northern Territory and Western Australia, including Kununurra, Wyndham, Timber Creek, Katherine and Darwin.

Stage 1 Legune Grow-Out Facility is also being assessed under the requirements of the Commonwealth Government *Environment Protection and Biodiversity Conservation Act*.

More than 18 scientists and engineers worked over a two-year period to assess the Project including regular water sampling, flora and fauna surveys, ecological investigations and soil studies.

The key recommendations from the NT EPA include:

- conducting a review of water quality monitoring
- establishing a scientific advisory group to establish a waterbird monitoring and mitigation program
- putting in place Seafarms' comprehensive environmental management plan
- geotechnical testing and soil monitoring to achieve the best pond construction.

In releasing the Assessment Report, the NT EPA considers "the potential impacts and risks of the Project have been adequately identified and are relatively understood", and that "the Project can be managed in a manner that is highly likely to meet the NT EPA's objectives and avoids significant or unacceptable environmental impacts".

"With the NT EPA's Assessment now complete, we look forward to Ministerial approvals and to discussions with the NT EPA to progress effective implementation of their recommendations," Dr Mitchell said. "Seafarms water quality monitoring program can now be refined based on the data collected during the study period and on the guidance provided by the NT EPA in its assessment."

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Seafarms recognises the importance of migratory waterbirds and the need for high quality science to provide the evidence for management. The company therefore supports the NT EPA's recommendation to establish a scientific advisory group to advise on matters relating to waterbirds potentially impacted by the Project.

"This is an important step towards obtaining the approvals and government permission needed to enable Project Sea Dragon to go ahead. This has been a rigorous process and the Project will establish a viable new export industry in Northern Australia that will provide significant economic and social benefits for the Northern Territory and Western Australia for years to come," Dr Mitchell said.

The Traditional Owners are considering the Project and an Indigenous Land Use Agreement is also under consideration.

The two-year construction period for Stage 1 at Legune Station is expected to create 444 full time construction jobs and about 300 full time operation jobs.

At full scale and at full operation Project Sea Dragon is estimated to create about 700 jobs for local people on the ground at Legune Station, 300 jobs at a Darwin-based hatchery and breeding facilities and 500 jobs in Kununurra.

Seafarms has partnered with the local Industry Capability Network to ensure all employment and contract opportunities are made publicly available to Northern Territory businesses.

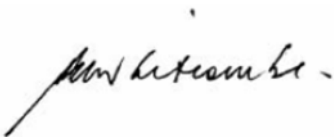
Project Sea Dragon will ultimately be the world's largest aquaculture development and at full scale will create the capacity to produce over 100,000 tonnes of Black Tiger prawns a year for export.

The NT EPA's Assessment Report can be found at www.ntepa.nt.gov.au/environmental-assessments/projects-completed.

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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