



Our Ref: SFG ASX Announce Processing Plant Lease (521)

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ANNOUNCEMENT 521

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### Media Release

#### **Seafarms Group Limited secures land package for its Project Sea Dragon Processing Plant with the WA Government**

Seafarms Group Limited (**Seafarms**) is pleased to announce that it has secured a long term land lease agreement at the preferred site for its planned Project Sea Dragon (**PSD**) Processing Plant, which will be located near Kununurra. The lease agreement includes a land purchase option once certain capital improvements have been made. The agreement is with the WA Government's Department of Lands.

PSD is planned to be one of the world's largest aquaculture projects, producing over 150,000 tonnes of Black Tiger prawns at full production. The project is to be developed over a number of stages, with Stage 1 involving 1,180ha's of production ponds, increasing to over 2,000 ha's in Stage 2.

Development of the Stage 1 production ponds (and other head frame infrastructure to support a 10,000 ha production profile) at Legune Station is currently scheduled to commence in the Dry Season of 2018.

The 52 ha lease site is sufficient to provide expansion to process the volume of prawns for all stages of the project. The initial capacity of the facility is expected to be 140 tonnes of prawns per day, which can service processing for both Stage 1 and Stage 2 of the grow-out centre at Legune in the Northern Territory. Ultimately, a processing capacity of 420 tonnes per day will be required to manage the production from 10,000 ha of production ponds.

At the proposed plant the product will be sorted according to size and quality, individually quick-frozen and packaged ready for global markets, through the Port of Wyndham.

When operational, at Stage 1 the Processing Plant will provide approximately 120 Full Time Equivalent jobs with a range of other jobs based in Kununurra to support both the farms and the processing plant.

The 52 hectare land package is well positioned to existing infrastructure (water, power and roads), the Company's existing 230 room Garrjang Accommodation Village and is no more than 30 minutes from the Kununurra town centre. Importantly it is also located within a two hour trucking distance from the Legune production pond facility and is close to the Port of Wyndham.

The land has already been cleared for Aboriginal Heritage by Elders through the Yawoorroong Miriwung Gajerrong Yirrgeb Noong Dawang (**MG Corporation**). Seafarms appreciates the work done by the Elders and MG Corporation; and acknowledges the Traditional Owners of the land and pays respect to the Elders past and present.

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Seafarms Director Dr Chris Mitchell stated that, "Being able to identify and secure suitable land near Kununurra is of great benefit to both the project and the local economy."

"The processing plant will represent a much needed diversification in the local economy and provides lasting employment opportunities that will further underpin other economically and socially beneficial investments in the broader region."

As previously announced to market, the Company looks forward to building a workforce to provide direct sustainable jobs and contracting opportunities across the community and within local businesses in Western Australia and the Northern Territory.

The WA Government has previously committed \$16.3m to upgrade the Moonamang Road, this together with the ability to lease the government owned Garrjang Accommodation Village, and the land lease agreement for the processing plant provides tangible demonstration of the WA Government's support for the Project Sea Dragon development.

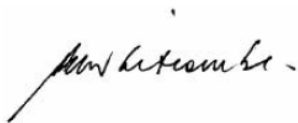
The WA Government granted PSD Major Project Status in September 2015.

"This agreement represents another significant milestone in the company's planned development of its world class PSD project, as it continues to demonstrate progress towards achieving all approvals necessary for a final financial decision".

Please telephone Harley Whitcombe on (08) 9321 4111 with any queries.

Yours faithfully

**Seafarms Group Limited**

A handwritten signature in black ink, appearing to read "Harley Whitcombe", written in a cursive style.

Harley Whitcombe  
Director and Company Secretary