

FINANCIAL REVIEW

Seafarm undertakes \$105m capital raise

Alex Gluyas

Seafarms has announced it will undertake a \$105 million capital raising which will be used to commence construction activities for its “project sea dragon” (PSD).

It will allow the project to immediately begin construction of the stage 1a development program in northern Australia to drive towards first prawn harvest by the third quarter of 2023.

“The capital raising will launch Seafarms into the first construction activities towards making PSD one of the largest black tiger prawn operations in the world. We are at the beginning of creating a significant industrial-scale food production business,” said executive chairman Ian Trahar.

The raising consists of a share placement to raise \$90 million through a two tranche placement at 5.5¢ per share with a free, unlisted three for five, three-year option exercisable at 9.75¢ per share.

It will raise an additional \$15 million through a share purchase plan at 5.5¢ per share with the same conditions as the placement.

The capital raising will be underpinned by Mr Trahar – the largest shareholder – who will invest \$20 million into the capital raising and convert all loans approximating \$15.2 million to equity on the same terms as the placement.

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