

ASX Announcement | 26 July 2021

Seafarms Group Limited (ASX:SFG)

SFG Announcement No. 692

NT Chief Minister embraces Project Sea Dragon progress

Investment Highlights

- NT Chief Minister welcomes progress with Project Sea Dragon at a joint media conference with Seafarms and construction partner Canstruct in Darwin today
- Local contracts awarded and jobs announced as construction starts for Stage 1a
 - 14 contracts awarded, including 11 contracts to businesses in NT and WA
 - 71 jobs supported in the early stage of construction

Sustainable aquaculture company Seafarms Group Limited (ASX:SFG) (“Seafarms” or “the Company”) is pleased to announce that local contracts have been awarded to local businesses as construction starts for Project Sea Dragon.

NT Chief Minister welcomes progress with construction starting



Northern Territory Minister for Agribusiness and Aquaculture Nicole Manison and Chief Minister Michael Gunner meet with Seafarms Chair Ian Trahar in Darwin today to announce the construction progress for Project Sea Dragon – Photo by Charlie Bliss.

Seafarms Chairman Ian Trahar was in Darwin today to provide a construction update on Project Sea Dragon at a joint media conference with Northern Territory Chief Minister Michael Gunner and its construction contractor Canstruct.

“When completed, Stage 1a is expected to produce 6000 tonnes of premium Black Tiger Prawns within the first 12 months of operation, with the first harvest in late 2023,” Mr Trahar said.

“At full-scale Project Sea Dragon has the potential to create around 1500 jobs in northern Australia, including 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 is committed to employing local people and businesses in this project and the development of Project Sea Dragon will have significant economic benefits for the Northern Territory, Western Australia and Australia as a whole.”

Seafarms has a framework agreement with Canstruct as the Managing Contractor for Stage 1 construction of Project Sea Dragon with the initial package of construction works enabling construction to start during this dry season.

Canstruct’s start of works is part of an initial \$78 million contract to the Grow Out Facility at Legune Station in the Northern Territory for Stage 1a to establish the first farm, which will include 36 ten hectare ponds and 36 one hectare nursery ponds when completed.

Canstruct is mobilising significant equipment to start moving, placing, and compacting approximately three million cubic metres of earth to establish the first farm.

Mobilisation is supported by the completed \$87 million extension of the Keep River Road from the WA/NT border to Legune, funded by the Australian and Northern Territory Governments, and the \$18.3 million upgrade of Moonamang Road, funded by the Western Australian Government.

Local contracts awarded

While it is very early days in terms of the build, Canstruct have awarded a total of 14 construction contracts comprising of 11 contracts with local businesses. Of these, two contracts were awarded to Northern Territory businesses and nine were awarded to Kununurra-based businesses in Western Australia.




These contracts will support a total of 71 jobs at this early stage of construction, of which 25 per cent are Indigenous employees.

The Project Sea Dragon management team has engaged 12 people so far to work on the project locally in Darwin with several staff members permanently relocating to the Territory to become part of the Darwin community.

Once operational, year-round production from Project Sea Dragon will lead to the creation of over 150 jobs in addition to a total of around 200 to 300 construction jobs, delivering at least \$63.3 million in benefits from local employment.

The first 21 buildings to establish the Legune Station construction accommodation village have been transported to site with construction contractor Canstruct beginning work. Up to 180 people are anticipated to be working on site by late September/early October.

Construction of the first part of Stage 1a of Project Sea Dragon – set to be one of the biggest prawn operations being developed in the world – will include:

-  Legune Station, NT – substantial infrastructure including 24 nursery ponds, 20 grow out ponds and seawater intake earthworks and internal roads
-  Exmouth, WA – expanding the Exmouth Founder Stock Centre with additional facilities completed to advance the Specific Pathogen Free Domestication Breeding Program
-  Bynoe Harbour, NT – construct Broodstock Maturation Centre Shed 1, water systems and ancillaries

completed to enable breeding of the domesticated population.

At both the Bynoe Harbour Breeding Facility and Exmouth Founder Stock Centre, packages have been awarded for detailed engineering of buildings and utilities and procurement water treatment components.

The estimated capital cost of Stage 1a, excluding contingency and escalation, is about A\$281 million, with A\$150 million of that funding shared infrastructure to service the entire first stage of the project, which will produce 18,000 tonnes of Black Tiger Prawns annually in Stage 1.

Project Sea Dragon is a Tier 1 development asset of global significance and, once fully developed, the project will boost the economy and jobs across northern Australia.



The construction camp for Project Sea Dragon moves through Kununurra as part of the recent mobilisation and start of construction. Photo by Ben Broady.

Approved and authorised for release by Seafarms' Disclosure Committee.

For a copy of the Chief Minister of the Northern Territory's media release go to: [Local Jobs Awarded As Project Sea Dragon Commences Construction](#).

Ends.

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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 130,000 – 180,000 tonnes of prawns and the high-quality, year-round volumes will target export markets. To learn more please visit: www.seafarms.com.au