

ANNOUNCEMENT



SEA: NZX MARKET UPDATE

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SeaDragon's new refinery to overcome Omega-3 quality issues highlighted in University of Auckland research

A new factory under construction in Nelson by SeaDragon (SEA:NZX), New Zealand's largest refiner and blender of high quality marine oils, will overcome fish oil deterioration highlighted by Auckland University's Liggins Institute.

SeaDragon read with interest the University of Auckland study, which suggested that many fish oil consumer products do not contain their stated active ingredient levels.

No oil produced by SeaDragon featured in the study.

SeaDragon Chief Executive Ross Keeley said: "The study highlights the long period of time between, fish harvest, oil refining and final packaging. This delay can be measured in months and during this time the products can oxidise and degrade.

"Nearly all of the supplements tested were derived from fish oil, which was sourced from international fisheries, predominantly the anchovy fisheries off the coasts of Peru and Chile. The process of refining this oil and encapsulation takes place in a variety of countries before the capsules are packaged in New Zealand.

"SeaDragon is currently building a purpose designed Omega 3 refinery, where we will be processing oils from sustainably-harvested, New Zealand-caught fish, and bringing these to market in the shortest time possible, ensuring the quality of the oil is of the highest standards. We plan to supply sustainably sourced high quality New Zealand Omega 3 oils, refined in Nelson, to New Zealand and international markets before the end of 2015," Mr Keeley said.

Mr Keeley said the Auckland University study does raise questions about the quality and country of origin of products for sale in New Zealand. Although as the Australian based Omega 3 Centre and the Global Organization for EPA and DHA Omega 3s (GOED) note, the testing methods used may have impacted the results and differ from industry practice.



Industry umbrella group Natural Products NZ (NPNZ) has meanwhile called for the rapid passage of the Natural Health and Supplementary Products Bill. The proposed legislation, which is now awaiting its third reading, will regulate the manufacturing and selling of natural health products in this country and help to ensure that dietary supplements are true to label.

"Regrettably brand names were not published in this report information that consumers would arguably want to know. Consumers do expect that label claims are true and accurate on the brands they buy.

"We will continue to undertake rigorous testing of our products, both in house and by external accredited laboratory agencies to ensure our oils meet or exceed all relevant standards," Mr Keeley said.

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About SeaDragon www.seadragon.co.nz

SeaDragon (NZX:SEA) is Australasia's largest refiner and blender of high-quality, internationally certified concentrated fish oils and fractions, including Omega-3 oils. Our oils are sourced from fish caught in the clean and pure waters around New Zealand, in the Southern Ocean, and elsewhere. We have more than 20 years' experience processing fish oils and we are recognised for the quality and purity of our products. We supply health supplement manufacturers around the world to meet the burgeoning demand for pure, high-quality fish oils, which are scientifically proven to deliver significant human health benefits such as lowering the risk of heart disease, improving brain function and joint health. The majority of our supply is exported.