

# ANNOUNCEMENT



SEA: NZX and Media Release

30 September 2015

## **SeaDragon raises \$10.009 million via rights offer and shortfall bookbuild, and additional placement**

*Successful capital raising at \$0.008 per share facilitates the completion of the company's new Omega-3 fish oil refinery.*

New Zealand's leading refiner and blender of high-quality fish oils SeaDragon Limited (NZX:SEA) today announces it has raised \$10.009 million to complete the company's new Omega-3 fish oil refinery and assist with its future growth.

The new capital includes the maximum \$9,009,140 from SeaDragon's three-for-five rights offer and shortfall bookbuild, which concluded yesterday. It also includes an additional \$1,000,000 the company has raised by placing 125,000,000 shares and options to a number of qualifying wholesale investors who sought to invest in excess of the amount available through the shortfall bookbuild process. These additional shares and options were issued for the same consideration and on the same terms as those issued through the rights offer and shortfall bookbuild.

In total, SeaDragon will issue 1,251,142,517 new shares and options.

SeaDragon Chairman Colin Groves said: "Investors have given a strong endorsement to SeaDragon's strategy to transition to the production of high-quality sustainably sourced Omega-3 fish oils.

"In yesterday's shortfall bookbuild, the company received demand for shares well in excess of the amount provided by the rights offer and was facing the prospect of having to scale bids. However, after receiving expressions of interest from a number of qualifying wholesale investors, we decided to raise additional capital to give the company greater flexibility to pursue its growth plans.

"SeaDragon is now on a very strong footing. The capital we have raised is sufficient to meet our investment requirements for the immediate future including: the completion of our new Omega-3 refinery in Nelson; the addition of a fractionation plant to the new refinery and the upgrade of our existing Omega-2 facility. It will also allow us to satisfy our ongoing working capital requirements and meet the costs associated with the rights offer.

"The SeaDragon board is delighted with the results and thanks all existing shareholders and new investors for their support. Additionally, the board would like to thank major shareholders MerSea Holdings and BioScience Managers as well as SeaDragon's management and staff, who have continued to apply themselves to the business despite this period of uncertainty.

“Finally, the SeaDragon board formally welcomes new investors to its share register including the NZX-listed global natural health company Comvita. The underwriting and supply agreements announced earlier this week with Comvita not only assured the successful completion of the capital raising, it has also put in place a partnership that will maximise the value of New Zealand’s sustainably harvested local seafood resources.”

**Capital raising details:**

- *Short fall bookbuild and rights offer*

Following the conclusion of shortfall bookbuild and the rights offer, SeaDragon will issue 1,126,142,517 new shares at \$0.008 cents per share on Friday 2 October 2015, with trading due to commence on the same day. It will also issue 1,126,142,517 options to buy shares at \$0.015 exercisable at any time between 1 October 2015 and 28 September 2018.

As part of the bookbuild, BioScience Managers elected not to receive interest on the convertible loan note in cash. The interest payable on the convertible loan note was therefore capitalised and then converted into shares and options through the shortfall bookbuild process.

- *Share placement*

SeaDragon has resolved to place additional shares to qualifying wholesale investors under listing rule 7.3.5 on identical terms to the Rights Offer. Therefore a further 125,000,000 new shares at \$0.008 cents per share, and a further 125,000,000 options to buy shares at \$0.015 at any time between 1 October 2015 and 28 September 2018, will be issued to qualifying wholesale investors on Friday 2 October 2015.

**Offer timetable**

New shares and options allotted	Friday 2 October 2015
Placement shares and options allotted	Friday 2 October 2015
Expected date of quotation of new shares	Friday 2 October 2015
Shareholder statements dispatched to successful applicants no later than:	Thursday 8 October 2015

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**About SeaDragon [www.seadragon.co.nz](http://www.seadragon.co.nz)**

SeaDragon (NZX:SEA) is New Zealand’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.