

ANNOUNCEMENT



NZX / MEDIA RELEASE

11 October 2016

SEADRAGON ENJOYS STRONG SUPPORT FOR RIGHTS ISSUE

Acceptances and over subscriptions for one-for-two renounceable rights offer raise \$8.8 million, representing 70.03% of rights issued

New Zealand's largest refiner and blender of Omega-3 fish oils SeaDragon is enjoying strong support for its ongoing capital raising.

As of 5.00pm on 10 October 2016, SeaDragon had received acceptances and oversubscriptions representing \$8.8 million and 70.03% of the rights issued. Included in the acceptances are long-standing SeaDragon shareholders.

SeaDragon is pleased to advise that an existing shareholder, Pescado Holdings Limited, exercised 652,029,123 rights (including rights acquired from other shareholders) on 10 October 2016 for a total exercise price of \$5,216,232.99 (representing 59.18% of the rights exercised as of 5.00pm on 10 October 2016). Pescado Holdings Limited is a member of the Masthead group of companies.

The remaining unexercised rights will be offered to eligible investors as part of a Shortfall Bookbuild, which is due to close on Thursday 13 October 2016.

SeaDragon Chairman Colin Groves said investor support for the rights offer was a strong endorsement of the company's strategy and its potential to develop international markets for sustainably-sourced New Zealand and South Pacific Omega-3 fish oils.

"We are delighted with the level of support we have received and we are looking forward to engaging with our new substantial shareholder over its investment in the company," Mr Groves said.

"SeaDragon is well positioned to benefit from the strong reputation New Zealand enjoys in international markets. The country operates fisheries that are recognised for their sustainability, it is synonymous with clean, pure, fresh and cool, deep blue oceans and it is regarded internationally as producing food of the highest quality and purity."

"The cash raised from the rights issue will accelerate our progress towards realising this potential. It will be used to pay the costs of the offer, provide additional working capital as we undertake a staged exit from imported Omega-2 raw materials and transition to Omega-3 markets, provide additional capital for potential value-add processing capability and for the retirement of bank debt " Mr Groves said.

The Shortfall Bookbuild will endeavour to sell those rights that have not (or cannot) be exercised by shareholders who were granted rights. Any proceeds from this process (net of share subscriptions at NZ0.008 per share and other costs, if any) will be returned to those shareholders on a pro-rata basis.

Should SeaDragon receive applications for rights in the Shortfall Bookbuild in excess of those available, SeaDragon's Board will consider meeting that demand with a share placement.

Further details of the Shortfall Bookbuild are contained in the renounceable rights offer document released to the NZX on 5 September 2016.

Investors interested in participating in the Shortfall Bookbuild may do so by contacting an NZX Primary Market Participant Firm, or SeaDragon Non-Executive Director Richard Alderton at:

Richard Alderton
Email: rich.alderton@seadragon.co.nz
Tel: +64 27 865 6565

All participants must be Eligible Bookbuild Investors as described in the offer document.

Renounceable Rights Offer Timetable:

- Shortfall Bookbuild – closes Thursday, 13 October 2016
- New shares allotted – Monday, 17 October 2016
- Expected date of quotation of new shares – Monday, 17 October 2016
- Shareholder statements dispatched to successful applicants – No later than Tuesday, 25 October 2016

For further information, contact:

Investors:
Colin Groves
Chairman
Tel: +64 21 928 003

Media:
Richard Inder
The Project
Tel +64 21 645 643

About SeaDragon: www.seadragon.co.nz

SeaDragon Limited (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.