

ANNOUNCEMENT



NZX and media release

07 February 2018

MARKET UPDATE

SeaDragon (NZX: SEA) wishes to update the market on current business activity.

Since our last update the company has had some pleasing sales momentum. Through December and January over 100 tonnes of tuna oil was shipped to multiple customers. Customers have now indicated solid demand over the next year. The minimum volume we have firm orders for is close to 400 tonnes of semi-refined tuna oil, with strong signals from these customers that their combined demand over the next year will increase further.

We continue to make good progress on discussions with a number of other customers worldwide and we are now starting to see a steady ramp up in order interest.

The company continues to carry no debt, but it will require cash to fund its working capital requirements to achieve the projected sales growth. The Board is currently exploring options for funding this working capital requirement and has strong support from its cornerstone shareholders.

Our forecast EBITDA for year-end 2018 continues to be an improvement on the last full year.

We maintain strong relationships from a good geographic spread of suppliers and are confident of having sufficient supply of crude oil to meet our projected sales demand.

For further information, contact:

Colin Groves
Chairman
Tel: +64 21 928 003

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.