

ANNOUNCEMENT



NZX / MEDIA RELEASE

15 May 2018

SeaDragon announces short-term bridge funding arrangement with cornerstone shareholders

SeaDragon Limited (NZX:SEA) announced on 3 May 2018 and 4 May 2018 that its Board was negotiating the terms of funding to be advanced by certain cornerstone shareholders to the company to meet its immediate- to medium-term cash flow requirements.

SeaDragon is pleased to announce that two of its cornerstone shareholders – BioScience Managers (One Funds Management Limited) and Pescado Holdings Limited (a member of the Masthead group of companies) – have agreed to provide a short-term bridge facility of \$1 million in aggregate to the company. This short-term bridge facility will enable the company to meet its estimated cash requirements up to approximately 30 June 2018.

The short-term bridge facility will have the following features:

- **Repayment:** The repayment date is 15 June 2018 or such other date as agreed by SeaDragon and the lenders. The company intends to repay the loan in full prior to this repayment date using funds provided to the company under new funding arrangements to be agreed with cornerstone shareholders (described below).
- **Interest:** 12% per annum, payable monthly.
- **Security:** The loan will be secured by a second ranking security interest in all of SeaDragon's assets, behind Comvita's existing security interest.

Negotiations with cornerstone shareholders BioScience Managers, Pescado Holdings Limited and Comvita Limited, with respect to medium- and longer-term funding are continuing.

As previously announced, the Board is continuing to consider opportunities to allow other current shareholders to participate in a proposed capital raise, including potentially through a follow-on renounceable pro rata rights offer, which will further support the company's longer-term capital requirements.

Annual Meeting

SeaDragon announces that the Annual General Meeting of shareholders will be held earlier than usual this year, and will likely be held in July. Details will be provided closer to the time.

Unaudited financial results for the March 2018 financial year will be released to the market by 30 May 2018 and audited results will be released by 30 June 2018.

For further information, contact:

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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.