

28 August 2018

Client Market Services  
NZX Limited  
Level 1, NZX Centre  
11 Cable Street  
WELLINGTON 6011

### **Notice of Offer of Same Class Financial Products for Issue**

SeaDragon Limited (**SeaDragon**) intends to undertake a pro-rata 1 for 1 renounceable rights offer of ordinary shares (the **Rights Offer**), together with a shortfall bookbuild of rights not taken up under the Rights Offer (**Shortfall Bookbuild**), to collectively raise new capital (the Rights Offer and the Shortfall Bookbuild are referred to together as the **Offer**).

The Rights Offer is an offer to eligible SeaDragon shareholders (those with registered addresses in New Zealand as at 5:00pm, 29 August 2018 (the **Record Date**) or other persons that SeaDragon is satisfied can participate in the rights offer in compliance with all applicable laws) (**Eligible Shareholders**) of the right to acquire one new ordinary share (a **Right**). Eligible Shareholders will be granted 1 Right for every 1 existing share held on the Record Date at a price of \$0.0033 per Right.

Pursuant to clause 20 of Schedule 8 of the Financial Markets Conduct Regulations 2014 (the **Regulations**) and clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (the **FMCA**), SeaDragon advises that:

1. The Offer is being made in reliance upon the exclusion in clause 19 of Schedule 1 of the FMCA.
2. SeaDragon is giving this notice (**Cleansing Notice**) under clause 20(1)(a) of Schedule 8 of the Regulations.
3. As at the date of this Cleansing Notice, SeaDragon is in compliance with:
  - (a) the continuous disclosure obligations that apply to it in relation to SeaDragon's quoted financial products; and
  - (b) its financial reporting obligations within the meaning set out in clause 20(5) of Schedule 8 of the Regulations.
4. As at the date of this Cleansing Notice, there is no "excluded information" within the meaning set out in clause 20(5) of Schedule 8 of the Regulations.

The potential effects that the Offer and the grant of the Rights will have on the "control" (within the meaning of clause 48 of Schedule 1 of the FMCA) of SeaDragon and the consequences of those effects will depend on a number of factors, including the extent to which eligible shareholders participate in the Rights Offer. However, for completeness,

SeaDragon makes the following comments in relation to the potential effect that the Offer will have on the control of SeaDragon:

- (a) If all eligible shareholders take up their pro rata entitlements under the Offer, then their percentage shareholding in SeaDragon will remain the same and there will be no effect on the control of SeaDragon, to the extent that any entitlements of shareholders who do not (or cannot) take up their Rights are taken up by parties in such proportions that do not affect the control of SeaDragon.
- (b) As of the date of this Cleansing Notice, SeaDragon has not sought in respect of the Offer any waiver for, or passed an ordinary resolution of shareholders in respect of, NZX Listing Rule 7.5, and the Takeovers Code will prevent any person (together with their associates) with more than a 20% shareholding increasing their percentage shareholding.
- (c) Eligible shareholders who accept their entitlements may apply through an oversubscription facility in addition to their entitlement that are not otherwise taken up under the Offer.
- (d) Shareholders who are not eligible to participate in the Offer and eligible shareholders who do not take up their entitlement, or who sell their entitlement, will be diluted as a result of the issue of the new shares issued under the Offer.

A copy of the Offer Document for the Offer is available at [www.nzx.com](http://www.nzx.com) under stock code SEA. Eligible shareholders will be sent a copy of the Offer Document together with a Letter of Entitlement and Acceptance on 30 August 2018.

Yours faithfully

Colin Groves  
Chair

For further information contact:

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**Background information**

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