

Disclosure of movement of 1% or more in substantial holding
or change in nature of relevant interest, or both

Sections 277 and 278, Financial Markets Conduct Act 2013

To NZX Limited
and
To SeaDragon Limited

Relevant event being disclosed: Movement of 1% or more in substantial holding

Date of relevant event: 8 August 2018

Date this disclosure made: 8 August 2018

Date last disclosure made: 5 July 2018

Substantial product holder(s) giving disclosure

Full name(s): Comvita Limited

Summary of substantial holding

Class of quoted voting products: Ordinary Shares (SEA) and Options and Convertible Notes to acquire further Ordinary Shares

Summary for Comvita Limited

For **this** disclosure,—

- (a) total number held in class: 410,987,830 Ordinary Shares (and up to 2,640,157,478 Ordinary Shares if all Options are exercised by Comvita Limited and if all Convertible Notes are converted)
- (b) total in class: 4,513,618,718 ordinary shares (and up to 6,742,788,366 if all Options are exercised and all Convertible Notes held by Comvita are converted, and no other shares are issued by SeaDragon.)
- (c) total percentage held in class: 9.1055% (and up to 39.15% if all Options are exercised and all Convertible Notes held by Comvita are converted, and no other shares are issued by SeaDragon.)

For **last** disclosure,—

- (a) total number held in class: 410,987,830 Ordinary Shares (and up to 2,640,157,478 Ordinary Shares if all Options are exercised by Comvita Limited and if all Convertible Notes are converted)
- (b) total in class: 4,513,618,718 ordinary shares (and up to 6,742,788,366 if all Options are exercised and all Convertible Notes held by Comvita are converted, and no other shares are issued by SeaDragon.)

- (c) total percentage held in class: 9.1055% (and up to 39.15% if all Options are exercised and all Convertible Notes held by Comvita are converted, and no other shares are issued by SeaDragon.)

Details of transactions and events giving rise to relevant event

On 5 July 2018, Comvita Limited (**Comvita**) entered into a deed of amendment and restatement (**DoA**) with SeaDragon Limited (**SeaDragon**), Pescado Holdings Limited (**Pescado**), One Funds Management Limited as trustee for Asia Pacific Healthcare Fund II (**OFM**), BioScience Managers Ventures Pty Ltd as general partner of BioScience Management Partnership LP (**BMV**) (OFM and BMV together, **BioScience**). The DoA relates to, among other documents, a convertible loan note agreement dated 30 May 2016 entered into between SeaDragon and Comvita (**Original CLN**).

Under the Original CLN, SeaDragon had issued convertible loan notes to Comvita having a face value of \$3,000,000. The conversion price of these existing notes was \$0.008 per share. Following shareholder approval obtained on 8 August 2018, the conversion price was reduced to \$0.0033 per share.

Under the Original Option Deed, SeaDragon had issued 375,000,000 options to Comvita with a price per share of \$0.008. Under the Original CLN, the maturity date of these options was extended to 28 September 2018. Following shareholder approval obtained on 8 August 2018, the number of options has changed to 909,090,909, the price per share was reduced to \$0.0033 and the maturity date extended to 31 March 2020.

Under the DoA, Pescado and BioScience have become party to the Original CLN (as amended and restated), and each of them may be required by SeaDragon to subscribe for loan notes having an aggregate face value of up to \$3,000,000 per subscriber (of which \$875,000 of notes have been issued to Pescado at the date of this notice).

Certain aspects of the DoA were conditional on approval by ordinary resolution of SeaDragon's shareholders. Shareholder approval was obtained at a meeting of shareholders held on 8 August 2018. As a result of shareholder approval, the loan notes will convert into shares in SeaDragon (at a conversion price of \$0.0033 per share) on maturity (31 March 2020) or earlier at the option of the relevant subscriber. Accordingly, the nature of the relevant interest arising pursuant to the convertible loan notes has changed because conversion is no longer conditional on shareholder approval.

Details after relevant event

Details for Comvita Limited

Nature of relevant interest(s): Registered holder and beneficial interest in options.

For that relevant interest,—

- (a) total number held in class: Currently 410,987,830 Ordinary Shares (and up to 2,640,157,478 Ordinary Shares if all Options are exercised by Comvita Limited and if all Convertible Notes are converted, and no other shares are issued by SeaDragon)
- (b) total percentage held in class: 9.1055% (and up to 39.15% if all Options are exercised and all Convertible Notes held by Comvita are converted, and no other shares are issued by SeaDragon.)

(c) current registered holder(s): Comvita Limited

(d) registered holder(s) once transfers are registered: Comvita Limited

Relevant Agreement: The relevant agreement document (being the second amended and restated CLN as extracted from schedule 3 of the DoA) (comprising 30 pages) was attached to the previous disclosure dated 5 July 2018.

Additional information

Address(es) of substantial product holder(s): Private Bag 1, Te Puke, 3189

Contact details: Julianne Keast, Chief Financial Officer, Comvita Limited, 027-420-1286, julianne.keast@comvita.com

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: N/A

Certification

I, Julianne Keast, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.