

ANNOUNCEMENT



NZX / MEDIA RELEASE

11 September 2019

Notification of issue of securities

For the purposes of Listing Rule 3.13.1 of the NZX Limited Main Board/Debt Market Listing Rules, SeaDragon Limited (NZX:SEA) (the **Company**) advises that the following securities have been issued:

| Section 1: Issuer information | |
|--|--|
| Name of issuer | SeaDragon Limited |
| NZX ticker code | SEA |
| Class of financial product | Loan Notes |
| ISIN (If unknown, check on NZX website) | Not applicable |
| Currency | New Zealand Dollar (NZD) |
| Section 2: Capital change details | |
| Number issued/acquired/redeemed | 500,000 (five hundred thousand). |
| Nominal value (if any) | \$1.00 (one dollar) per loan note. |
| Issue/acquisition/redemption price per security | \$1.00 (one dollar) per loan note. |
| Nature of the payment (for example, cash or other consideration) | Cash |
| Amount paid up (if not in full) | In full. |
| Percentage of total class of Financial Products issued/acquired/redeemed/ (calculated on the number of Financial Products of the Class, excluding any Treasury Stock, in existence) | The loan notes issued comprise 20.0% of the total issued Securities of that Class. |
| For an issue of Convertible Financial Products or Options, the principal terms of Conversion (for example the Conversion price and Conversion date and the ranking of the Financial Product in relation to other Classes of Financial Product) or the Option (for example, the exercise price and exercise date) | Conversion price: The loan notes are convertible into ordinary shares in the Company at \$0.002 per share. Conversion date: Unless previously repaid or converted, and provided that the Company is not in default or insolvent, the loan notes will automatically convert on maturity at 5:00 p.m. on 31 March 2021. |
| Reason for issue/acquisition/redemption and specific authority for issue/acquisition/redemption (the reason for change must be identified here) | To assist the Company with its immediate and medium term funding requirements, as announced by the Company on 25 March 2019. |
| Total number of Financial Products of the Class after the issue/acquisition/redemption/conversion (excluding Treasury Stock) and the total number of Financial Products of the Class held as Treasury Stock after the issue/acquisition/redemption. | 2,500,000 (two million). No loan notes held as treasury stock. |
| In the case of an acquisition of shares, whether those shares are to be held as treasury stock | Not applicable. |

| | |
|---|---|
| Specific authority for the issue, acquisition, or redemption, including a reference to the rule pursuant to which the issue, acquisition, or redemption is made | Board resolution. The issue of shares upon conversion of the loan notes was approved pursuant to Listing Rule 7.3.10(b)(ii). |
| Terms or details of the issue, acquisition, or redemption (for example: restrictions, escrow arrangements) | <ul style="list-style-type: none"> • Pescado Holdings Limited (Pescado) made available to the Company a convertible loan note facility of up to \$4,000,000 (the 2019 Pescado Loan). • Interest on the 2019 Pescado Loan is nil prior to an event of default, and 9.95% per annum while an event of defaulting is subsisting. Accrued and unpaid interest is payable in cash and does not convert to ordinary shares in the Company. • The Company may repay its indebtedness under the 2019 Pescado Loan at any time in full. All payments under the 2019 Pescado Loan must be made pari passu with payments under other existing convertible loan note agreements. • Unless previously repaid or converted, and provided that the Company is not in default or insolvent, the loan notes will automatically convert on maturity at 5:00 p.m. on 31 March 2021. Pescado also has the option to convert the loan notes to ordinary shares in the Company. • All indebtedness under the 2019 Pescado Loan is secured over all of the assets of the Company and its subsidiaries, in each case under existing security arrangements. |
| Date of issue/acquisition/redemption | 11 Sep. 19 |
| Section 3: Authority for this announcement and contact person | |
| Name of person authorised to make this announcement | Tracey Castleton |
| Contact person for this announcement | Bryan Mogridge |
| Contact phone number | +64 21 931 355 |
| Contact email address | investor@seadragon.co.nz |
| Date of release through MAP | 11 Sep. 19 |

For further information contact:

Bryan Mogridge
Chairman
+64 21 931 355

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.