

ANNOUNCEMENT



NZX / MEDIA RELEASE

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SEADRAGON FINANCIAL RESULTS FOR THE SIX MONTHS TO SEPTEMBER 2019

- *Revenue for the six months to 30 September 2019 increased 34% to \$3.110 million from \$2.317 million in the same period last year*
- *Normalised EBITDA losses for the six months to 30 September 2019 of \$(2.378) million were in line with losses of \$(2,501) million in the same period last year*

Over the last six months SeaDragon has achieved growth in its Omega-3 markets, including sales into the European Union infant formula market which have slowly built year to date. Over the six months to 30 September 2019 they represented 26% of sales compared to nil for the same period last year.

SeaDragon has recently partnered with an experienced producer of high quality DHA powder products. We have commenced production of commercial samples of refined tuna oil and other fish oil into powders for our customers. This enables SeaDragon to offer an ingredient to the higher value infant formula and medical foods space to customers in Australia, New Zealand and Asia, where the market prefers a powdered ingredient and helps position SeaDragon for the future. Dr Craig Patch, who has recently been appointed to the Board, has significant experience in powdered DHA and other ingredient platforms for infant nutrition.

We expect sales of fully refined oil to infant formula producers in Europe to grow over time, however there is a lengthy supplier approval process for access to this market, so we expect sales build to be steady rather than rapid.

As mentioned at our September Annual Shareholders Meeting the business is currently forecasting that it has sufficient cash to last until May 2020. Directors are currently reviewing options for providing additional cash to the business.

The financial results for the first six months for the company are attached.

For further information, contact:

Bryan Mogridge
Chairman
Tel: +64 (021) 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.