

NZX / MEDIA RELEASE

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SeaDragon announces new Pescado funding

SeaDragon Limited (NZX:SEA) is pleased to announce that it has today signed a secured loan agreement with cornerstone shareholder, Pescado, under which Pescado has agreed to advance up to \$2 million to the company (the “2020 Pescado Facility”). The 2020 Pescado Facility is conditional on shareholders approving:

- the delisting of the company from the NZX Main Board;
- the listing of the company on the Unlisted Securities Exchange; and
- certain alterations to the company’s constitution.

The company expects to release the relevant notice of meeting seeking that shareholder approval on or about 6 May 2020, with the special shareholder meeting to be held on or about 22 May 2020. Full details of the matters requiring shareholder approval will be set out in that notice of meeting.

The 2020 Pescado Facility is also conditional on NZX Regulation granting the company a waiver from NZX Listing Rule 5.1.2 (for material, related party transactions) in connection with the 2020 Pescado Facility. The company will update shareholders on the grant (or otherwise) of that waiver.

By way of further information about the 2020 Pescado Facility:

- it is expected that, based on management’s current estimates, the company would draw down \$1.5 million of the 2020 Pescado Facility shortly after the special shareholder meeting. That first draw down must be used to repay amounts outstanding to Pescado under the unsecured loan agreement (details of which were announced on 18 February 2020), being \$1 million plus accrued interest. Other proceeds of the 2020 Pescado Facility are to be used to finance general corporate and working capital purposes of the company;
- any loans drawn under the 2020 Pescado Facility (“New Loans”) have a repayment date of 31 December 2021;
- New Loans have an interest rate of 12% per annum, payable on 30 November 2020, 31 May 2021, 30 November 2021 and 31 December 2021; and
- New Loans are secured by a new general security deed over all of the assets of the company and its subsidiaries.

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.