

ANNOUNCEMENT



NZX / MEDIA RELEASE

25 May 2020

SeaDragon delisting announcement

Dear Shareholder

On 22 May 2020, a special meeting of shareholders (**Meeting**) of SeaDragon Limited (**SeaDragon** or **Company**) was held by an online/telephone meeting using the Company's share registrar's virtual meeting platform, at which the shareholders of the Company (**Shareholders**) resolved as follows:

1. that the delisting of the Company with NZX Limited, including that its ordinary shares cease to be quoted on the NZX Main Board, be approved, and the directors of the Company be authorised to undertake all actions and enter into any agreements and other documents necessary to achieve this outcome;
2. subject to the Company ceasing to be listed on the NZX Main Board, that the listing of the Company on the Unlisted Securities Exchange be approved and the directors of the Company be authorised:
 - (a) to work with Efficient Market Services Limited such that the Company will have its ordinary shares quoted and traded on the Unlisted Securities Exchange when it ceases to be listed on the NZX Main Board; and
 - (b) to undertake all actions and enter into any agreements and other documents necessary to achieve this outcome; and
3. that the existing constitution of the Company be altered, and an amended constitution of the Company in the form tabled at the special meeting of shareholders, referred to in the explanatory notes and signed by the Chairman for the purposes of identification be adopted, subject to and with effect from the day after the Company ceases to be listed on the NZX Main Board.

As a result, the Company is now in the process of delisting from the NZX Main Board and listing its ordinary shares on the Unlisted Securities Exchange (or **USX**). The delisting process, its implications and a timetable of key dates are outlined in the accompanying Notice to Shareholders (which reflects information provided to Shareholders in the notice of meeting dated 6 May 2020).

Please call Bryan Mogridge at SeaDragon Limited on +64 21 931 355 if you have any queries about this announcement.

Notice to Shareholders – delisting from NZX Main Board and listing on USX

Process of delisting from the NZX Main Board and listing on USX

1. As Shareholders approved the delisting of the Company from the NZX Main Board at the Meeting, the Company will, after paying all fees owing to NZX Limited (**NZX**), including the delisting fee and NZX Regulation (**NZXR**) fees for reviewing the delisting, the notice of meeting dated 6 May 2020 and the NZX Regulation Decision dated 5 May 2020 for the Company's application for waiver from NZX Listing Rule 5.2.1, have satisfied the conditions required for NZXR approval for delisting under NZX Listing Rule 9.9.1(c) of the NZX Listing Rules dated 1 January 2020.
2. The Company expects to confirm its delisting from the NZX Main Board by close of business on 29 June 2020, with a trading halt commencing at close of business on 25 June 2020 to ensure that all trades are settled prior to delisting. This indicative timetable is subject to change at the Company's discretion (as a result of market conditions or otherwise) and due to any other legal or regulatory requirements (including those of NZX or USX). The Company will announce to Shareholders any changes to the indicative timetable.
3. The Company intends to enter into a listing agreement with Efficient Market Services Limited (**EMS**, the operator of USX), such that the Company will be listed on USX.
4. The Company expects to confirm with EMS the listing of the Company's ordinary shares on USX and begin trading on 30 June 2020.

Timetable

5. A timetable of key dates is set out below:

Date	Impact on Shareholders
Until 25 June 2020	Shares continue to be listed on the NZX Main Board
25 June 2020	Trading halt commences on shares at close of business
29 June 2020	Shares delisted from NZX Main Board
30 June 2020	Share trading commences on USX

Impact of delisting on New Zealand Shareholders' ability to trade

6. The key impact on New Zealand Shareholders is that any share trading from 30 June 2020, being the day after the date the shares are delisted from the NZX Main Board will need to be undertaken on USX rather than the NZX Main Board as is the case at the present time. If you are not seeking to buy or sell your shares in the Company, there will be relatively little practical impact on you as a Shareholder.

Any costs to Shareholders of the delisting and move to USX

7. Company profitability for the financial year ending 31 March 2021 will be negatively impacted by between \$60,000 and \$70,000 due to the fees associated with the delisting process, including:
 - (a) the NZX delisting fee of \$16,500;
 - (b) NZXR fees to review and approve the documents associated with delisting;

- (c) legal fees for advice requested by the Company; and
 - (d) the costs associated with printing and distributing the notices to Shareholders.
8. The above costs are all one-off costs and the Company expects the effect on profitability to be marginal as the ongoing savings to the Company from delisting will over time outweigh these one-off delisting costs.

Share registrar

9. Link Market Services Limited (**Link**) is the Company's share registrar and will continue to act as the Company's share registrar both prior to delisting from the NZX Main Board and after listing and trading on USX commences. Link will update the Company's share register with trading information it receives from NZX (prior to delisting from the NZX Main Board) and from USX (after share trading commences on USX). Link's contact details are:

Link Market Services Limited
Level 11, Deloitte Centre
80 Queen Street
Auckland 1010
Email: enquiries@linkmarketservices.com

Delisting from NZX Main Board

10. The Company is currently listed with NZX and its ordinary shares are quoted on the NZX Main Board.
11. It is currently expected that a trading halt will be placed on the Company's ordinary shares on the NZX Main Board at 5:00 p.m. on 25 June 2020. This is to allow time for share trades to be settled by NZX prior to the Company's ordinary shares being delisted from the NZX Main Board at 5:00 p.m. on 29 June 2020. Any trades placed prior to that trading halt will be processed in the normal way.
12. Shareholders will be able to continue trading their ordinary shares on the NZX Main Board from today's date until 5:00 p.m. on 25 June 2020.

Listing, quotation and trading on USX

13. It is currently expected that the Company's ordinary shares will begin to be quoted and traded on USX from 9:00 a.m. on 30 June 2020.
14. Full information on trading ordinary shares on USX can also be found on USX's website www.usx.co.nz. USX is a well-established facility that:
- (a) provides a cost-effective share trading platform for shareholders; and
 - (b) is public, transparent and centralised.
15. USX has no additional direct costs over and above the annual listing fee (currently, \$8,400 plus GST), no service charges, and no requirement for a security bond. On an ongoing basis, total compliance costs for the Company will be significantly lower than those of the NZX Main Board.

Buying and selling shares on USX

16. USX operates in a similar manner to the NZX Main Board. In particular:
- (a) brokers enter buy and sell orders on behalf of clients and where the price bid and offered matches the buy and sell orders are matched and a trade is completed. This matching is on a continuous basis during trading hours. The board of the Company

expects the Company's share price on USX to be similar to that as currently stated on the NZX Main Board on the basis that the value of the Company would be the same immediately before and after delisting. The first quoted price will be based on buy and sell orders placed on USX by brokers on behalf of their clients;

- (b) on USX's website, shareholders can view market information and the current bids and offers listed on the market and recent company announcements and an Issuer Profile which is prepared by USX on each issuer. Full information on trading ordinary shares on USX can also be found on USX's website www.usx.co.nz;
 - (c) a list of brokers who trade on USX can be found at www.usx.co.nz/brokers. The brokers who trade on USX will require shareholders to sign an Investor Information and Disclaimer form prior to entering a trade into the market. This is a one-off requirement to confirm that the shareholder recognises that USX is exempt from the financial product market licensing requirements of the FMCA and that the obligations for issuers on USX are different to those applying to issuers whose shares are traded on a licensed financial product market (i.e., the NZX Main Board);
 - (d) to trade shares on USX, a shareholder will need to place an order to buy or sell shares with a USX broker. The broker will put the 'buy or sell order' into the market. Upon the matching of an order, the broker is advised by USX of such order being matched. The broker will then arrange for clearing and settlement of the trade with the other broker and Link using electronic means; and
 - (e) most USX brokers charge a similar fee as for an NZX Main Board trade. No other fees are payable by the investor.
17. Shareholders will still be able to undertake off-market private sales in the usual way by updating the share registry, to be maintained by Link (see details in paragraph 9 above).