



ASX Announcement | 23 February 2024

Seafarms Group Limited (ASX: SFG)

SFG ASX Announcement No: 767

Project Sea Dragon Update

The Federal Court yesterday found in favour of Canstruct to set aside the deed of company arrangement entered in respect of Project Sea Dragon Pty Ltd (Administrators Appointed) (PSD), (DOCA) in March 2023.

There is no immediate impact to PSD's parent, Seafarms Group Limited (SFG). SFG does not become liable to Canstruct by operation of this judgment and SFG remains solvent.

Importantly, the Court initiated a stay of execution of the judgment to place PSD into liquidation until the expiry of the appeal period (being 28 days from 22 February 2024).

PSD and SFG intend to appeal the decision and will be seeking a further stay of the order until the appeal is heard. This means that Project Sea Dragon will continue its business as usual.

In the event the appeal is unsuccessful, any liquidator of PSD could bring an action under the Corporations Act 2001 (Cth) against SFG for insolvent trading.

Once a date for the appeal is set by the Full Court of the Federal Court, SFG will update the market.

SFG confirms that it is in compliance with Listing Rule 3.1.

Mr Dyer, CEO of SFG has commented that:

"The judgment delivered by the Federal Court today was surprising. On review of the judgement, our view is that it contains significant errors in both fact and law. Those significant errors provide a sound basis for an appeal that ultimately, we believe, will be successful."

Despite the judges decision to the contrary, we remain of the view that PSD is solvent because it is paying all of its debts as and when they fall due."

This announcement has been approved by the Board.

Ends.

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About Seafarms Group

Seafarms Group Limited (ASX: SFG) is a sustainable aquaculture company, producing the premium Crystal Bay® Prawns and developing the Project Sea Dragon prawn aquaculture project in northern Australia.