



22 September 2022

### **Conversion of Pescado Loans to Equity**

SeaDragon Limited (the Company) has today entered into an agreement with its major shareholder, Pescado Holdings Limited (Pescado), pursuant to which the Company is to issue 175,000,000 fully paid ordinary shares in the Company to Pescado at \$0.03 per new share as repayment for \$5.25 million of loans (including, where applicable, accrued interest net of resident withholding tax) outstanding to Pescado. The majority of these loans were otherwise due for repayment on 30 September 2022, and the conversion saves SeaDragon approximately \$500,000 per year in interest.

For the purposes of determining the \$0.03 share price, the board engaged an independent adviser to opine on an appropriate share price – that independent adviser assessed an appropriate share price as being in the range of \$0.023 to \$0.038. \$0.03 is the midpoint of that range.

The transaction is expected to complete on 30 September 2022.

Following completion of the transaction, the Company's debt outstanding to Pescado will be comprised of approximately \$23,500 (plus accrued interest) of secured loans due for repayment on 31 December 2023 and approximately \$550,000 of convertible loan notes. As previously announced, unless previously repaid or converted, on maturity of the convertible loan notes (i.e., on or about 1 July 2023), the then-outstanding amount under the convertible loan notes will automatically convert into ordinary shares in the Company at a conversion price of \$0.045 per share.

For further information, contact:

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