

13 January 2025

ASX Compliance

cc: ListingsCompliancePerth@asx.com.au

Dear Sir/Madam

Response to ASX Aware Letter

New Zealand Coastal Seafoods Limited (ASX:NZS) (**Company**) refers to ASX's Aware Letter of 7 January 2025 (**Aware Letter**) and responds as follows (adopting ASX's numbering):

1. Material Terms of the Convertible Note Subscription:
 - 1.1 The lenders under the Convertible Note issued under the Convertible Note Subscription are: Mr. Luke McKensie and Ms. Tamari Gibbons.
 - 1.2 The issue price for the Convertible Note under the Convertible Note Subscription is \$1.00
 - 1.3 The interest rate payable upon conversion of the Convertible Note issued under the Convertible Note Subscription, in the event of redemption, is 12%pa.
 - 1.4 The maturity date of the Convertible Note under the Convertible Note Subscription is 12 months from the Subscription Date.
 - 1.5 The conversion price for the Convertible Note under the Convertible Note Subscription is \$0.006 per NZS share (on a pre-consolidation basis).
 - 1.6 There is no security provided by NZS to the lenders under the Convertible Note Subscription.
 - 1.7 Yes, shareholder approval is required in the event the Convertible Note is exchanged for NZS shares.
 - 1.8 There are no other material terms of the Convertible Note Subscription.
- 2 No.
- 3 On commitment to subscribing to the Convertible Note, the Lenders informed NZS that they require 28 days or more for the funds to become available. In view of the delay, the company believed it did not warrant a stand-alone announcement given the lack of clarity on the timing of the payment and therefore considered this Convertible Note was insufficiently definite to warrant disclosure at that time. The Company's view not to announce the convertible note is not related to the Company's cash position, revenue and comprehensive loss as reported for the period ended 30 June 2024
- 4 N/A
- 5 No, the Company did not make an announcement prior to the release of the Annual Report. The information was not released to the market at an earlier time for the reasons set out in point 3 above.

The lenders further informed NZS on or around 23 December 2024 that the funds will be available to NZS in January 2025. Therefore, The Company believed it now had information sufficiently definite to warrant disclosure.

- 6 Yes, NZS is in compliance with the Listing Rules and in particular, Listing Rule 3.1.
- 7 The Company confirms that the above responses have been authorised and approved by its Board of Directors.



Yours sincerely
Peter Chai
Director

New Zealand Coastal Seafoods Limited

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7 January 2025

Reference: 105032

Ms Melinda Orrock
Company Secretary
New Zealand Coastal Seafoods Limited

By email: mel@orrock.au

Dear Ms Orrock

New Zealand Coastal Seafoods Limited ('NZS'): ASX Aware Letter

ASX refers to the following:

- A. NZS's annual report for the period ended 30 June 2024 (the 'Annual Report') released on the ASX Market Announcements Platform at 4.31 PM AWST on 23 December 2024 disclosing the following:
 - 1.1 *"On 5 November 2024, the Company has received commitments from two professional and sophisticated investors, for a new investment of funds in the Company of \$270,000 (before costs) through a Convertible Note subscription"* ('Convertible Note Subscription');
 - 1.2 NZS's cash and cash equivalents for the full year period ended 30 June 2024 was \$152,997;
 - 1.3 NZS' revenue for the full year period ended 30 June 2024 was \$352,204; and
 - 1.4 NZS' comprehensive loss for the full year period ended 30 June 2024 was \$108,109.
2. NZS' request for voluntary suspension from trading lodged on MAP on 18 December 2023. ASX notes NZS' securities remain suspended from trading.
- B. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- C. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity."
- D. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"
- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

"3.1A *Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

3.1A.1 *One or more of the following 5 situations applies:*

 - *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*

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- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

- F. ASX's policy position on the continuous disclosure obligations of suspended entities, which is set out in section 4.23 of Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B ('Guidance Note 8'). In particular, Guidance Note 8 states that:

"Entities whose securities have been suspended from trading continue to be subject to the Listing Rules, including their continuous disclosure obligations under Listing Rule 3.1."

- G. The concept of "confidentiality" detailed in section 5.8 of Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule."

Request for information

Having regard to the above, ASX asks NZS to respond separately to each of the following questions:

1. What are the material terms of the Convertible Note Subscription? In answering this question, please specifically include reference to the following:
 - 1.1 the lender(s) under the Convertible Note Subscription;
 - 1.2 the issue price for each convertible note issued under the Convertible Note Subscription;
 - 1.3 the interest rate payable upon conversion of each convertible note issued under the Convertible Note Subscription;
 - 1.4 the maturity date of the convertible notes issued under the Convertible Note Subscription;
 - 1.5 the conversion price for each convertible note issued under the Convertible Note Subscription;
 - 1.6 any security provided by NZS to the lender(s) under the Convertible Note Subscription;
 - 1.7 any shareholder approvals required under the Convertible Note Subscription; and
 - 1.8 any other material terms of the Convertible Note Subscription.
2. Does NZS consider entry into the Convertible Note Subscription to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
3. If the answer to question 2 is "no", please advise the basis for that view, specifically referring to NZS cash position, revenue and comprehensive loss for the period ended 30 June 2024.
4. If the answer to question 2 is "yes", when did NZS first become aware of the Convertible Note Subscription?
5. If NZS first became aware of the Convertible Note Subscription before releasing the Annual Report on 23 December 2024, did NZS make any announcement prior to that date which disclosed that NZS had entered into the Convertible Note Subscription? If not, please explain why that information was not released to the

market at an earlier time, commenting specifically on when you believe NZS was obliged to release that information under Listing Rules 3.1 and 3.1A and what steps NZS took to ensure that information was released promptly and without delay.

6. Please confirm that NZS is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that NZS's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of NZS with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3.00 PM AWST Friday, 10 January 2025**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, NZS's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require NZS to request a trading halt immediately if trading in NZS's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in NZS's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to NZS's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that NZS's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Kind regards

ASX Compliance