

THIS DOCUMENT IS IMPORTANT

This is an important document and requires your immediate attention. If you are in doubt as to the course of action you should follow, you should consult your accountant, solicitor, investment adviser or other professional adviser immediately.

Bidder's Statement

Offer by

BARRAMUNDI ASIA PTE LTD

to acquire all your shares in

MARINE PRODUCE AUSTRALIA LTD

for

A\$0.50 per MPA Share

TO ACCEPT THE OFFER YOU MUST

Complete and sign the Acceptance Form accompanying this Bidder's Statement and return it to the address set out on the form before the Offer closes.

The Offer Period will officially commence on **Thursday, 31 May 2018** and will close at 5pm (Perth time) on **Monday, 2 July 2018** unless extended.

Important Notices

Important Dates	Date
Date of this Bidder's Statement	Tuesday, 29 May 2018
Date of Offer	Thursday, 31 May 2018
Offer ends (unless extended or withdrawn)	5pm Perth time on Monday, 2 July 2018

Please note that the above dates are indicative only and subject to change.

Nature of this document

This document is a Bidder's Statement issued by Barramundi Asia Pte Ltd (**BAPL**) to Marine Produce Australia Ltd (**MPA**) and MPA Shareholders under Part 6.5 Chapter 6 of the Corporations Act.

Role of ASIC

A copy of this Bidder's Statement has been lodged with ASIC. Neither ASIC nor any of its respective officers take any responsibility for the content of this Bidder's Statement.

Investment decisions

This Bidder's Statement is not intended to provide financial or taxation advice and has been prepared without taking into account your personal circumstances. You should obtain your own independent professional advice before making any decisions regarding the matters contained in this Bidder's Statement.

Forward looking statements

This Bidder's Statement contains forward looking statements which are not based solely on historical facts but are based on current expectations about future events and results. These forward looking statements are subject to risks, uncertainties and assumptions including factors and risks specific to the industries in which BAPL and MPA operate, as well as general economic conditions, prevailing exchange rates and interest rates, conditions in financial markets, government policies and regulation, competitive pressures and changes in technology. Actual events or results may differ materially from the expectations expressed or implied in such forward looking statements.

None of BAPL or any of the directors, officers, employees and advisers of BAPL makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law.

Accordingly, you are cautioned about relying on forward looking statements contained in this Bidder's Statement.

Privacy

BAPL has collected your personal information from the register of MPA Shareholders for the purposes of making the Offer. The Corporations Act requires the names and address of MPA Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to BAPL's related bodies corporate and holders of securities in BAPL and its related bodies corporate, service providers and advisers, and may be required to be disclosed to regulators such as ASIC.

Enquiries

If any MPA Shareholders have any queries in relation to the Offer they can call +65 6261 0010 or email bapl@barramundiasia.

Glossary

Capitalised terms used in this Bidder's Statement are defined in the Glossary set out in section 11.1 of this Bidder's Statement.

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A message from the Chairman of Barramundi Asia Pte Ltd

Dear MPA Shareholders,

After 3 months of due diligence by the management of Barramundi Asia Pte. Ltd (**BAPL**) together with our appointed financial and legal advisors, we have come to a better understanding of Marine Produce Australia's (**MPA**) present circumstances and its potential. It is our intention to provide a fair consideration and an exit opportunity for those MPA Shareholders who wish to monetise their MPA Shares.

By way of an introduction, BAPL is a Singapore based company founded in 2007 and it operates the largest ocean-based fish farm in the country by biomass. It has been granted the only two fish farming licenses in the Southern waters of Singapore. BAPL operates a farm-to-fork model from hatchery, nursery, sea cage farm, post-harvest processing to an e-commerce platform under its registered Kühlbarra™ brand for a business to consumer and a business to business reach. BAPL's vision is to become the world's largest supplier of fresh sustainable barramundi. BAPL has also developed and wholly owns an autogenous vaccines business and production lab, which develops and supplies proprietary autogenous vaccines for its own and third-party farm operations.

If our takeover bid is successful, post completion, the management of BAPL intends to work with the current team at MPA to share our respective best practices and to provide the necessary resources and attention to help MPA achieve its full production. We anticipate that it will require a substantial amount of financial resources and management attention. But we believe in our mission to play a role in providing a high quality protein to an increasing world population.

As would be new owners of MPA, we intend to provide the capital required to support MPA's growth. Amongst some of the matters that we believe need to be addressed immediately is the increase of cage capacity to reduce fish densities. Additional capital expenditure will be required to bring MPA to the next level of development, some of which is needed immediately to mitigate potential risks to the biological assets. Mortality risk increases with the high stocking densities presently found in the cages.

BAPL would like to assure MPA Shareholders that our offer was arrived at after careful and deliberate consideration. Given that MPA is currently loss-making and is cash flow negative, we expect that post-completion, further substantial cash injections will be required to fund the operating losses as well as the required capital expenditures to execute a turnaround. As such, MPA Shareholders who do not accept the Offer may be given the option to join BAPL to co-fund their portion of these expected cash calls. We anticipate that these will take the form of a rights offer pari-passu among all the remaining MPA Shareholders, up to the time in which the company becomes cash flow positive.

Ours is an Offer for 100% of the outstanding shares of MPA and the offer is open for acceptance until Monday, 2 July 2018. We intend to operate MPA as a going concern and are committed to secure the requisite resources, managerial talent and attention to improve the operations of the business.

We look forward to engaging with you over the next few weeks to bring this transaction to fruition.

Yours sincerely,

Andrew Kwan

Chairman

Barramundi Asia Pte Ltd

Bidder's Statement

1. Summary of the offer

The information set out in this Section is intended to provide an overview of BAPL and the Offer that BAPL is making for MPA Shares.

The information in this section is not intended to be exhaustive and should be read in conjunction with the detailed information contained in this Bidder's Statement.

Question	Answer	More Information
Who is making the Offer	The Offer is being made by Barramundi Asia Pte. Ltd (BAPL).	See Section 3 for more details on BAPL.
What is the Offer price and what happens if I accept the Offer?	The price payable to you under the Offer is \$0.50 per MPA Share in cash. If you accept the Offer and the Offer is declared unconditional, you will be paid \$0.50 for each of the MPA Shares accepted under the Offer.	See Section 9 for details of the Offer.
What is valuation of the Offer	The offer is derived using the current book value of MPA as a starting point and adjusting for all additional costs and adjustments to be borne by BAPL post completion (set out in Section 2.1).	See Section 2.1 for details of the Offer.
Is the Offer subject to conditions?	<p>The Offer is conditional. In summary, the key Conditions to the Offer are:</p> <ul style="list-style-type: none"> • 70% minimum acceptance; • no Material Adverse Change; • no Prescribed Occurrences; • no action by a regulatory authority adversely affecting the Offer; • no material acquisitions or disposals; • cancelation of existing MPA Options; and • no breach of warranties given by MPA. <p>BAPL may choose to waive any of these conditions in accordance with the Offer, other than the minimum acceptance condition.</p> <p>BAPL will declare the Offer unconditional immediately after it has received acceptances to satisfy the minimum acceptance condition of 70%.</p>	See Section 9.2 for more details of these and the other Conditions.
What happens if the Conditions of the Offer are not satisfied or waived?	If the Conditions are not satisfied or BAPL does not declare the Offer free from Conditions by end of the Offer Period, then the Offer will lapse and your acceptance will be cancelled. You will continue to hold your MPA Shares and be free to deal with your MPA Shares as though the Offer had not been made.	See section 9.3(c) for more information.

Question	Answer	More Information
Date BAPL must give notice of status of defeating conditions	BAPL will give notice of status of Conditions on Monday, 25 June 2018 (subject to postponement in accordance with the Corporations Act if the Offer Period is extended).	
How do I accept the Offer	To accept the Offer you must complete the Acceptance Form and deliver it together with any relevant documents to BAPL.	See Section 9.5 for more information on how to accept the Offer.
What happens if I accept?	You will be bound to sell and transfer your MPA Shares to BAPL, subject to the Offer becoming or being declared unconditional. If the Offer becomes or is declared unconditional you will receive \$0.50 for each of your MPA Shares.	See Section 9.6 for more information on the effect of acceptance.
If I accept the Offer, when will I be paid?	You will receive your Offer Consideration by the earlier of: <ul style="list-style-type: none"> • 1 month after the date of your acceptance of the Offer or, if the Offer is subject to a condition when you accept the Offer, within 1 month after the contract arising from your acceptance of the Offer becomes unconditional; and • 21 days after the end of the Offer Period. 	See Section 9.7 for more information on when you'll be paid the consideration under the Offer.
When does the Offer close?	The Offer is scheduled to close at 5pm, Perth time, on Monday, 2 July 2018 unless extended or withdrawn in accordance with the Corporations Act.	See Section 9.4 for more information on the Offer Period.
Can the Offer Period be extended?	The Offer Period can be extended by BAPL's election (subject to compliance with requirements of the Corporations Act).	See Section 9.10 for details on how the Offer may be extended.
Do I have to pay costs or expenses associated with the Offer?	You will not be liable to pay any stamp duty on the transfer of MPA Shares as a result of an acceptance of an Offer.	See Section 7.4 for more information.
What happens if I do not accept the Offer?	If you do not accept the Offer you will remain a MPA Shareholder. However, if BAPL becomes entitled to compulsorily acquire your MPA Shares, it will be on the same terms (including the same consideration for each MPA Share acquired) as the Offer.	
What are the taxation implications of accepting the Offer?	A general outline of certain Australian taxation implications for certain Australian resident and non-resident MPA Shareholders of accepting the Offer is in Section 7 of this Bidder's Statement. As that outline is general in nature and does not take into account your individual circumstances, you should not rely on that outline as taxation advice for your particular circumstances. You should seek your own independent taxation advice as to the taxation implications applicable to your specific circumstances.	See Section 7 for more information.

2. Reasons why you should accept the Offer

2.1 The Offer represents the current book value for MPA

The Offer is \$0.50 for each MPA Share.

The Offer of \$0.50 for each MPA Share implies an equity value of \$18.5M based on the 37,008,364 MPA Shares, which includes 500,000 MPA Shares approved by MPA Shareholders to be issued during the Offer Period to senior management. The acquisition value was derived based on the adjusted latest net asset value of MPA on March 2018, using management accounts provided to BAPL during the due diligence process.

The adjustments and considerations to the net asset value in deriving the final Offer amount include the following factors:

- (a) transaction costs to be borne by MPA as part of the transaction of this nature, including fees payable to the various advisors acting on the behalf of MPA, and other contractually binding payments to be made upon the completion of the transaction, including bonus payments payable to senior management pursuant to a change of control;
- (b) adjustments to working capital to reflect normal operations;
- (c) MPA is currently loss making (MPA's Interim Financial Report from Company Auditor indicates losses of \$5,337,535 attributable to shareholders for the 6 months ended 31 December 2017) and is expected to continue making losses for the next 12 months post completion. These losses will need to be borne by BAPL as the new owner of MPA; and
- (d) MPA requires further capital investment and further additional working capital to fund the negative operating cash flow of the company over the next 24 months.

On the above basis, we believe that our offer is fair and provides MPA Shareholders an avenue to sell their shares and not be subject to further additional capital calls.

2.2 All MPA Directors have confirmed that they will accept the Offer in respect of their MPA Shares, in the absence of a Superior Proposal

All MPA Directors, including Miles Kennedy, who own or control MPA Shares have confirmed they will accept the Offer in respect of the MPA Shares they own or control, in the absence of a Superior Proposal.

Two of your MPA Directors consider that the Offer is not fair, but reasonable and make no other recommendation in respect of the Offer.

MPA Director Miles Kennedy considers that the Offer is not fair and not reasonable and makes no other recommendation in respect of the Offer.

2.3 Consequences of not accepting

If BAPL acquires more than 70% but less than 90% of the MPA Shares then, assuming all Conditions of the Offer are satisfied or waived, BAPL will acquire a majority shareholding in MPA.

Accordingly, MPA Shareholders who do not accept the Offer will become minority shareholders in MPA. This has a number of possible implications, including:

- (a) in this situation BAPL will be in a position to cast the majority of votes at a general meeting of MPA;

- (b) this will enable BAPL to control the composition of the MPA Board and in turn the company's strategic direction; and
- (c) the liquidity of MPA Shares may be lower than at present.

3. Information on BAPL

3.1 General overview

BAPL is a Singapore based company founded in 2007 and is the largest sea cage based barramundi farm in the country by biomass. It has been granted the only two fish farming licenses in the Southern waters of Singapore. BAPL operates a farm-to-fork model from hatchery, nursery, sea cage farm, post-harvest processing to an e-commerce platform under its registered Kühlbarra™ brand for a business to consumer and a business to business reach. BAPL's vision is to become the world's largest supplier of fresh sustainable Barramundi. BAPL has also developed and wholly owns an autogenous vaccines business and production lab, which develops and supplies proprietary autogenous vaccines for its own and third-party farm operations.

3.2 BAPL's operations

BAPL is GAP certified and operates its farm at the P. Senang and P. Semakau farm site in Singapore and is the only commercial aquaculture operation in the Southern Isles, located away from all other traditional "kelong" fishing operations in Singapore. The currents ensure that the barramundi grow in natural sea water conditions allowing them to grow into the unique 4-6kg fish that have become a hallmark of Kühlbarra™.

After harvesting, the fish are processed at BAPL's processing facility. Here fish are descaled and gutted before filleting in climate-controlled HACCP and BAP certified facility. Depending on the market, products may be vacuum-sealed and packed according to specific import guidelines. Operational and audit measures at BAPL conform to the strict ISO22000 and SS 590 Food Safety and Handling standards. Moreover, cold-chain integrity is maintained throughout the entire process from harvest to the processing facility, ensuring products arrive at BAPL's business to business and business to customers in their freshest state.

3.3 BAPL capital structure

BAPL currently has 145,485,821 ordinary shares on issue. BAPL's shareholding structure is set out in the table below.

Shareholder	Ord Shares	Ownership
Barramundi Asia Holdings Pte. Ltd.	63,145,808	43.4%
Commonwealth Harvests Pte. Ltd.	18,237,158	12.5%
Far East Ventures Pte. Ltd.	10,000,000	6.9%
Optinator I Goteborg Aktiebolag	9,991,927	6.9%
Chlorophil SA	6,923,077	4.8%
Others	37,187,851	25.6%
Total	145,485,821	100.0%

BAPL's only wholly-owned subsidiary is UVAXX Private Limited.

3.4 Directors

(a) **Andrew Kwan: Chairman of the Board**

Andrew Kwan is the Group Managing Director of Commonwealth Capital Pte Ltd, which has investments across the food vertical. Apart from its 300,000 sqft fully integrated food production & logistic platform, the Commonwealth Capital group also has investments in over 80 restaurants and cafes including PastaMania, Swissbake, Udders ice cream, The Soup Spoon, Baker & Cook and NYC Bagel Factory. Andrew was named Entrepreneur of the Year and his companies have won numerous accolades over the years including the Business Times Enterprise50, Fastest Growing50 and consecutive "Franchisor of the Year" awards for two separate businesses in different industries from the Franchise and Licensing Association. He holds a BBA (Hons) from Schulich School of Business, York University, Canada.

(b) **Hans den Bieman: Co-founder / Co-Chairman**

Hans is the co-founder of BAPL. He is an industry veteran with distinguished credentials of operating and expanding companies in the aquaculture industry. Hans has an extensive network within the global aquaculture industry and has headed various seafood multinationals. He was the CEO of Heiploeg, CEO of Marine Harvest, COO of Nutreco and served as board member of multiple listed aquaculture companies in Chile, Netherlands and the USA. He is a graduate of the Wageningen University, Netherlands.

(c) **David Goh: Board Member**

David Goh is the Chief Investment Officer and Chief Strategist of the Tecity Group, and a Non-Independent and Non-Executive Director of The Straits Trading Company Ltd, one of the oldest listed companies in Singapore. David also serves as Director of Pastamatrix International Pte Ltd, Stewardship Equity Pte Ltd and NPE Print Communications Pte Ltd. He holds a Bachelor of Arts (Hons) degree in Economics, York University, Canada, a Master of Science in Management (System Dynamics, Finance and Strategy), Massachusetts Institute of Technology's Sloan School of Management, USA and is a CFA Charter Holder.

(d) **Matthew Ridgwell: Board Member**

Matthew Ridgwell has nearly thirty years of business and investing experience in a wide variety of sectors. The majority of his working experience has been in Asia, with his first nine years spent with the Swire Group. He has a BA from Oxford University and an MBA (with honours) from IMD, Switzerland.

(e) **Colonel (Ret.) Wee Hian Woon: Board Member**

Colonel (Ret.) Wee is a director of Commonwealth Capital Pte. Ltd. His professional career of over two decades in the Armed Forces spanned various command, staff and instructional positions serving his pinnacle appointment as Acting Chief of General Staff. He currently sits on multiple boards and businesses with a broad portfolio of food retail and manufacturing brands like Pastamania, Swiss Bake, Kraftwich, Zac Meats, Udders, The Soup Spoon, as well as other non-food businesses. He holds an Electrical and Electronics Engineering (First Class) from Royal Military College of Science, England.

(f) **Tristan Sjoberg: Board Member**

Tristan is the co-owner and Director of Knutsson Holdings AB, a diversified investment company based in Gothenburg, Sweden, as well as co-owner and Executive Chairman of TCSJOHNHUXLEY group of companies. He holds a B.Sc. (Hons.) in Marine Biology/Oceanography from UCNW Bangor, Wales, a MBA from

Oxford, England and a PhD in Marine Biogeochemistry from the University of East Anglia, England.

(g) **Tan Poh Hong: Board Member**

Tan Poh Hong was the Chief Executive Officer of Agri-Food & Veterinary Authority (AVA) of Singapore from 2009 to 2017 and was responsible for the implementation of the organisation's policies and strategies. Prior to her appointment at AVA, Ms Tan was the Deputy CEO of the Housing and Development Board (HDB) from 2004 to 2009 where she was responsible for the planning, development and management of HDB properties. Ms Tan also held various leadership positions in the HDB, including as a Director of Corporate Development.

(h) **Edward Ng: Board Member**

Edward Ng is the co-founder of Far East Ventures, the venture capital arm of Far East Organization. It focuses on investments in entrepreneurs that build disruptive technologies and companies, investing at every stage from seed to growth, in all sectors including technology and healthcare. He holds an engineering degree from Stanford University.

(i) **Joep Staarman: Board Member**

Joep Staarman is the co-founder of BAPL and its current Managing Director. He was the Asia Pacific Managing Director of Marine Harvest and developed the Asia-Pacific market for Marine Harvest salmon that reached 60,000 tonnes per year. He holds a Bachelor of Science in Molecular Biology from the University of Groningen, Netherlands and a Master of Science from Wageningen University, Netherlands.

(j) **Julien Halley: Board Member**

Julien Halley is one of the founders of Trei's and Manor Group and is based in Singapore. His experience stems from working in corporate finance and asset management in the UK and in the USA. As an investment banker, Julien worked in a number of sectors, ranging from telecommunications, retail and automotive to media and entertainment.

4. Information on MPA

The information in this section concerning MPA has been prepared based on a review of publicly available information which BAPL has not independently verified. BAPL makes no representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on MPA in this Bidder's Statement should not be considered comprehensive.

Information about MPA may be obtained from MPA's website at www.marineproduce.com.

4.1 General overview

MPA is a Western Australian based unlisted public company, and is involved in the seafood and aquaculture industry including farming of barramundi in sea cages out of Cone Bay in the Kimberley, Western Australia. MPA's objective is to continue to be a sustainable low cost producer of premium quality white fleshed finfish for the domestic and international markets.

4.2 MPA's operations

MPA has developed and operated its barramundi sea cage farm in the strong tidal ocean waters of Cone Bay in the Kimberley, for over twelve years and has had 100% ownership of its Cone Bay Ocean Barramundi project.

MPA has matured into a business that is now involved in the entirety of the fish farming process, from brood-stock through to sales. The company actively facilitates communication between all stages of the process in order to ensure production planning is closely tied to an informed understanding of the barramundi market.

MPA's operation is located on 1,340 hectares of sheltered ocean water in the Buccaneer Archipelago, and MPA's farm now has 37 cages housing over 1.5 million fish.

There are three stages in the Cone Bay ocean Barramundi farming operation with the first stage being the rearing of small healthy and elite juveniles chosen from the very best broodstock. The juveniles are graded regularly for size and quality with the best of each group being transported direct to the farm, where they are then hand reared in the Cone Bay nursery. When they are at the perfect time of their development they are delicately moved to the grow-out ocean cages where they remain swimming against the twice daily tides. Tides ranging between seven and eleven meters flow through Cone Bay daily ensuring that Cone Bay ocean barramundi are constantly swimming – just like they are in the wild. The Cone Bay ocean barramundi are finally harvested directly from their sea-cages onto the harvest board, where the fish are packed and transported fresh to markets around Australia.

4.3 MPA capital structure

MPA currently has 36,508,364 ordinary shares on issue, and 3,400,000 unlisted options held by MPA Directors. In addition, MPA Shareholders recently approved the issue of a further 500,000 MPA Shares to senior management and MPA is proposing to issue those shares during the Offer Period.

MPA has two wholly-owned subsidiaries, namely:

- (a) MPA Fish Farms; and
- (b) MPA Marketing.

4.4 MPA's directors

The directors of MPA are set out below:

(a) **Desiree Allen**

Dr Allen joined MPA in 2011 with a strong background in both genetics (animal breeding) and environmental toxicology. She has a Bachelor of Science from Murdoch University (Australia), a Masters in Environmental Biology from the University of North Carolina (USA) and a PhD in Genetics from Indiana University (USA). Prior to joining Marine Produce Australia Limited, Dr Allen was a Research Fellow at the University of Edinburgh (UK).

(b) **Damien Kelly**

Mr Kelly is a director of Western Tiger Corporate Advisers, a Perth-based corporate advisory and financial services firm. He has broad corporate and commercial experience spanning over 17 years, providing professional services to ASX and AIM listed companies predominantly in the mining and energy sector. Mr Kelly has an MBA, Bachelor of Commerce, Graduate Diploma in Applied Finance and Investment and is a former officer in the Australian Armed Services, having graduated from the Royal Military College, Duntroon. He is also a Fellow of the Financial Services Institute of Australia and a member of CPA Australia.

(c) **Miles Kennedy**

Mr Kennedy has held directorships of Australian listed resource companies for over 30 years. He is the nonexecutive Chairman of Lucapa Diamond Company Limited NL. Mr Kennedy practised as a Barrister and Solicitor of the Supreme Court of

4.5 Substantial shareholders in MPA

As at the date of MPA's last annual report, for the year ended 30 June 2017, the top 20 largest Shareholders of MPA were:

Substantial Shareholder	Number of MPA Shares	% of total
1. Lasborough Investments Limited	10,765,149	29.49%
2. Weybridge Pty Ltd	4,476,694	12.26%
3. Ms Denise M Hutton	2,819,729	7.72%
4. Faustus Nominees Pty Ltd	2,208,414	6.05%
5. Illovo 2009 Limited	2,168,891	5.94%
6. Maxima Pearling Company Pty Ltd	1,933,873	5.30%
7. Kennedy Holdings (WA) Pty Ltd	1,831,500	5.02%
8. Sunden Pty Ltd	1,330,607	3.64%
9. JCO Investments Pty Ltd	1,071,307	2.93%
10. Ms Jane Elizabeth Somes	930,372	2.55%
11. Emerald River Pty Ltd	606,367	1.66%
12. Lental Pty Ltd	602,886	1.65%
13. Nutsville Pty Ltd	557,624	1.53%
14. T & E Allen Investments Pty Ltd	465,914	1.28%
15. AWB Nominees Pty Ltd	441,987	1.21%
16. Mathry Pty Ltd	380,000	1.04%
17. Logica (Overseas) SA	375,000	1.03%
18. Norvest Projects Pty Ltd	300,000	0.82%
19. Mako Bay Holdings Pty Ltd	200,000	0.55%
20. KCS Superannuation Pty Ltd	198,926	0.54%
Total	33,665,240	92.21%

4.6 No relevant interest in MPA Shares held by BAPL

BAPL has no legal or beneficial interest in any MPA Shares or other securities as at the date of this Bidder's Statement.

Except as disclosed elsewhere in this Bidder's Statement, no:

- (a) director or proposed director of BAPL;

(b) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement; or

(c) promoter of BAPL,

(together **Interested Persons**) holds, or held at any time during the 2 years before the date of this Bidder's Statement any interests in:

(d) the formation or promotion of MPA; or

(e) property acquired or proposed to be acquired by BAPL in connection with its formation or promotion.

4.7 Consideration provided for MPA Shares during the previous 4 months

Neither BAPL nor any associate of BAPL provided, or agreed to provide, consideration for any MPA Shares under a purchase or agreement during the four months before the date lodgement of this Bidder's Statement with ASIC.

4.8 No inducing benefits given during the previous 4 months

During the period of four months before the date of lodgement of this Bidder's Statement with ASIC, neither BAPL nor any associate of BAPL gave or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an associate, to:

(a) accept the Offer; or

(b) dispose of MPA Shares,

which benefit is not offered to all MPA Shareholders under the Offer.

5. Sources of bid consideration

5.1 Total cash consideration under the Offer

Based on the number of MPA Shares on issue at the date of this Bidder's Statement, the maximum amount of which would be payable by BAPL in relation to the Offer is approximately A\$18.5M.

5.2 Sources of cash consideration

As at the date of this Bidder's Statement, BAPL has available to it funds in excess of A\$5M for the acquisition of MPA Shares.

Concurrent to the acquisition process, BAPL has embarked on a rights issue to raise an additional A \$15M in cash to fund the acquisition of shares in MPA. BAPL has already secured the support of its shareholder base to underwrite the rights issue. Based on commitments from key BAPL shareholders, the rights issue will be 100% subscribed. In any event, ultimate major shareholder Commonwealth Capital Pte. Ltd has fully underwritten the rights issue and will take up any balance that is not subscribed by BAPL Shareholders.

On this basis of the arrangements described above, BAPL has reasonable grounds to believe, and does believe, that BAPL will be able to provide the consideration offered in respect of all MPA Shares and otherwise fund the consideration in sufficient time to enable BAPL to discharge its obligations to MPA Shareholders who have accepted the Offer.

6. Bidder's intentions

6.1 Intentions generally

BAPL intends to run MPA as a going concern, and provide it with the necessary financial and management resources to grow the business and achieve its full production capacity of 15,000 tons of biomass. It intends to retain all operational staff and grant a large degree of autonomy to the local management team to manage the business. BAPL will further support MPA by leveraging on its global sales network and the Kühlbarra™ brand to help MPA sell its products into international markets.

6.2 Directors

BAPL intends to reconstitute the MPA Board with nominees of BAPL as soon as practicable following the Offer being declared unconditional. These nominees have not yet been identified by BAPL. A final decision on the selection of BAPL's nominees will be made in light of the circumstances at the relevant time.

6.3 Operational review

Following the close of the Offer, BAPL intends to conduct a review of the operations and receive current employee input on assets and structure of MPA to identify:

- (a) business opportunities and areas of revenue generation which may provide overall strategic operational benefit;
- (b) areas of costs saving which may provide overall strategic and operational benefit; and
- (c) any aspect of the business which does not fit into the strategic plan for MPA and to evaluate the best and most appropriate way of organising such business or businesses.

Final decisions will only be reached after that review and in light of all material facts and circumstances.

While BAPL does not currently have any specific intentions in relation to this review or its outcomes, its current expectation is that existing staff will have input on how to simplify and rationalise the current business. The review will focus on identifying the most effective means of utilising MPA's assets and maximising the investment BAPL has made in MPA through identification and implementation of the processes and investments needed to achieve this.

BAPL will also review the insurance that MPA currently has in place to ensure that it adequately covers the business. This review includes MPA's bio asset insurance.

6.4 Funding

BAPL may conduct further funding including by way of a rights issue, a placement or debt funding. Based on BAPL's plans and analysis of MPA's business in its current form, it assesses that it has the following additional cash needs over the next 12-24 months which cannot be provided by MPA's existing operations. BAPL expects that it will require:

- (a) additional working capital to fund the ongoing operational losses and the growth of biomass in the water; and
- (b) additional capital to fund capital expenditure to sustain the existing business and provide the necessary foundation for rationalisation and growth. This will take place over the next 24 months and includes the need to exit the current land base, Turtle Island, which may not be sufficient to support MPA's growth plans.

6.5 Employees

BAPL believes that most of MPA's management and employees, having built MPA up to the company it is today, have appropriate skills and experience. BAPL will consult with employees on possibilities to simplify and rationalise MPA's operations. After finalisation of the resulting plan for MPA, BAPL hopes that most employees will want to remain at MPA as it continues to grow.

It is the current intention of BAPL that the terms of employment of MPA's employees will not be adversely affected. BAPL intends that any employees made redundant as a result of any changes to MPA's business would receive payments and other benefits to which they are entitled.

6.6 Intentions upon ownership of 70% or more of MPA but less than 90%

This Section 6.6 sets out BAPL's current intentions if MPA becomes controlled by BAPL (i.e. BAPL acquires 70% or more of MPA) but BAPL is not entitled to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act. In that circumstance, BAPL's intentions are as follows:

(a) Directors

BAPL intends to procure the appointment of nominees of BAPL to the MPA Board. No decision has been made as to who those nominees would be, and their identity would depend on the relevant circumstances at the time.

(b) Review

BAPL will propose, through its nominees on the MPA Board, that a review of MPA below be undertaken with the aim of pursuing, to the maximum extent possible and appropriate, the types of strategies and intentions, which might have been pursued if BAPL had acquired 100% of MPA.

(c) Capital structure

BAPL intends that a review of MPA's capital structure would be undertaken as part of the operational review. That review will consider MPA's need to retain sufficient funds to meet its ongoing activities and requirements for additional capital, as well as whether MPA's capital structure is efficient and maximises shareholder value.

(d) Information protocols

BAPL will seek access to all books and records of MPA to assist it to achieve its corporate objectives. Whether such access is given would be a decision for the independent directors of MPA at the time, after complying with their statutory and fiduciary duties. If access is given, those books and records may contain confidential information concerning the MPA Group. BAPL contemplates that such access would be given under an appropriate confidentiality agreement.

(e) Limitations on intentions

The implementation of BAPL's intentions in the event of less than 100% ownership of MPA will be subject to the Corporations Act and the MPA constitution, and to the obligations of the MPA Directors to act in the best interests of MPA and all MPA Shareholders.

In particular, if BAPL obtains control (but not 100%) of MPA, the "related party" provisions of Chapter 2E of the Corporations Act will apply.

BAPL would only make a decision on its courses of action in these circumstances after it receives appropriate legal and financial advice on such matters, including in relation to any requirements for MPA Shareholder approval.

7. Taxation implications

7.1 Introduction

The following is a general description of certain Australian income tax (including capital gains tax (**CGT**)), goods and services tax (**GST**) and stamp duty consequences to MPA Shareholders of the acceptance of the Offer and does not take into account the specific circumstances of any particular MPA Shareholder. It does not constitute tax advice and should not be relied upon as such. All investors should seek independent professional advice on the taxation consequences of the sale of their MPA Shares, based on their particular circumstances.

The general outline reflects the current provisions of the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth) and the *Taxation Administration Act 1953* (Cth) and the regulations made under those Acts. The general outline does not otherwise take into account or anticipate any changes in the law, whether by way of judicial decision or legislative action, nor does it take into account tax legislation from countries apart from Australia.

The comments below are not exhaustive of all possible Australian income tax, CGT, GST and stamp duty considerations that could apply to MPA Shareholders. In particular, the comments are relevant to those MPA Shareholders who are individuals, complying superannuation entities and companies that hold their investments on capital account. The tax treatment for MPA Shareholders who hold their investments on revenue account, such as banks and other trading entities, has not been addressed. In addition, these comments do not take into account the circumstances of MPA Shareholders who acquired their MPA Shares in respect of their, or an associate's, employment with (or other service relationship, including directorships) MPA or any member of the MPA group (such as under an employee share or option plan). For MPA Shareholders who are non-residents of Australia for Australian taxation purposes, it is assumed that the MPA Shares are not held or used, and never have been held or used, as an asset of a business carried on through a permanent establishment of that MPA Shareholder in Australia.

7.2 Australian resident MPA Shareholders

Upon disposal of a MPA Share for CGT purposes, an Australian resident MPA Shareholder should make a capital gain if the Offer Consideration received exceeds the cost base of the MPA Share. An Australian resident MPA Shareholder should make a capital loss if the Offer Consideration received is less than reduced the cost base of the MPA Share.

No CGT rollover applies as Australian resident MPA Shareholders do not acquire any BAPL shares under the bid.

For MPA Shareholders who accept the Offer, the date of disposal for CGT purposes of their MPA Shares will be the date the contract to dispose of the MPA Shares is formed.

For MPA Shares which are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act, the date of disposal for CGT purposes of those MPA Shares will be when BAPL becomes the owner of those MPA Shares.

In broad terms, the cost base of an MPA Share would generally be the amount the Australian resident MPA Shareholder paid for that share (including incidental costs of acquisition and sale that are not deductible to the MPA Shareholder).

The taxable amount of any capital gain may be reduced if the CGT discount applies. If an Australian resident MPA Shareholder is an individual, a complying superannuation entity or a trustee (subject to a proposed limitation for managed investment trusts and attribution

managed investment trusts as set out in the 2018-19 Federal Budget), the amount of the Australian resident MPA Shareholder's capital gain may be reduced by any applicable CGT discount. If an Australian resident MPA Shareholder who is an individual or trustee applies the CGT discount method, the shareholder's taxable capital gain (after offsetting any current year capital losses or carry forward net capital losses from previous income years) will be reduced by one half (or one third if the Australian resident MPA Shareholder is a complying superannuation entity).

The CGT discount is not available to an Australian resident MPA Shareholder that is an individual, a complying superannuation entity, or a trustee where the disposal of the relevant MPA Shares occur in the first 12 months after the acquisition (for CGT purposes) of the MPA Shares. That is, the MPA Shares must have been taken to be held for 12 months prior to accepting the Offer for the CGT discount to be available (excluding the date of acquisition and disposal for CGT purposes). If the Australian resident MPA Shareholder is a company, the CGT discount is not available at any time.

On the basis that no Australian resident MPA Shareholder acquired their MPA Shares prior to 11:45am on 21 September 1999, the 'indexation method' cannot be used by an Australian resident MPA Shareholder to calculate any capital gain related to the sale of a MPA Share.

7.3 Non-resident MPA Shareholders

A MPA Shareholder who is not a resident of Australia for Australian income tax purposes will generally not have to pay Australian tax on any capital gain made when disposing of MPA Shares.

However, a non-resident MPA Shareholder may be required to pay Australian tax if both of the following requirements are satisfied:

- (a) the interest held by the MPA Shareholder in MPA is a "non-portfolio" interest; and
- (b) the MPA Shares pass the "principal asset test" at the time of disposal.

If either of these elements is absent, any capital gain made on the disposal of the MPA Shares should not be subject to income tax in Australia.

A non-resident MPA Shareholder will hold a "non-portfolio interest" in MPA if (together with any associates) they own 10% or more of all of the shares in MPA:

- (a) at the time of the disposal (for CGT purposes) of their MPA Shares under the Offer or;
- (b) throughout a 12 month period within the 2 years preceding the disposal (for CGT purposes) of their MPA Shares under the Offer.

The MPA Shares would pass the "principal asset test" if the market value of MPA's direct and indirect interests in Australian real property (including leases and mining rights) is more than the market value of its other assets at the time of the disposal (for CGT purposes) of MPA Shares by a non-resident MPA Shareholder.

7.4 Foreign Resident CGT Withholding

Under Australian taxation law, there are special rules that can apply a 12.5% non-final withholding tax (i.e. foreign resident CGT withholding tax) to certain sales of taxable Australian property (which can include shares in certain circumstances).

In broad terms, a liability to foreign resident CGT withholding tax will arise (and be payable by BAPL to the Australian Taxation Office (**ATO**)) in respect of an MPA Shareholder's sale of MPA Shares to BAPL under the Offer if:

- (a) the interest held by the MPA Shareholder in MPA is a "non-portfolio" interest (see Section 7.3 above);
- (b) MPA pass the "principal asset test" (see Section 7.3 above); and
- (c) either, BAPL:
 - (i) knows, or reasonably believes that an MPA Shareholder is a foreign resident for Australian taxation purposes; or
 - (ii) does not reasonably believe that an MPA Shareholder is an Australian resident for Australian taxation purposes, and either:
 - A. the MPA Shareholder has an address outside Australia (according to any record that is in BAPL's possession, or is kept or maintained on BAPL's behalf, about the sale of MPA Shares under the terms of the Offer); or
 - B. BAPL is authorised to pay the MPA Shareholder's entitlement to Offer Consideration to a place outside Australia (whether to the MPA Shareholder or anyone else).

If BAPL reasonably believes on the basis of professional advice that a liability to foreign resident CGT withholding tax will arise, in respect of the sale of MPA Shares by a particular MPA Shareholder, then BAPL will withhold an amount of the Offer Consideration from the particular MPA Shareholder on account of the foreign resident CGT withholding tax and remit such amount to the ATO. In such circumstances, the particular MPA Shareholder will receive the Offer Consideration net of any such amount remitted (or to be remitted) to the ATO on account of the foreign resident CGT withholding tax. Such net amount is taken to be full payment of the Offer Consideration to the MPA Shareholder for the purposes of the Offer.

If BAPL considers it likely that a withholding on account of the foreign resident CGT withholding tax is required to be made in respect of any particular MPA Shareholder, then it will endeavour to notify the relevant MPA Shareholder in writing at their registered address. A MPA Shareholder who believes the sale of their MPA Shares could trigger foreign resident CGT withholding tax should obtain independent taxation advice and consider contacting BAPL.

BAPL may, in the course of its communications with relevant MPA Shareholders, request that an MPA Shareholder sign and return a declaration provided for in the relevant tax legislation which may assist in mitigating the risk of withholding.

7.5 Tax related withholding

Notwithstanding anything else in this Bidder's Statement including Sections 7 and 9, if BAPL receives professional advice that:

- (a) any withholding or other tax is, or is reasonably likely to be required by law to be withheld from payment of the Offer Consideration by BAPL to a MPA Shareholder on account of the address shown for that MPA Shareholder in the register of MPA shareholders being a jurisdiction outside Australia; or
- (b) BAPL is, or is reasonably likely to be, required to pay an amount under Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth) in respect of the sale of MPA Shares by a particular MPA Shareholder (ie, the foreign resident CGT withholding referred to in section 7.4),

7.6 BAPL will be entitled to withhold the relevant amount from the Offer Consideration (with the payment of the net amount to the MPA Shareholder by BAPL being taken to be full payment of the Offer Consideration to the MPA Shareholder by BAPL for the purposes of the Offer) and BAPL must remit the relevant amount to the ATO within the relevant legislative timeframe. On

request from the MPA Shareholder, BAPL will provide to the MPA Shareholder a receipt or other evidence of such remittance the ATO by BAPL.

7.7 GST

MPA Shareholder will not be liable for Australian GST in respect of a sale of MPA Shares under the Offer.

7.8 Stamp Duty and other expenses

An MPA Shareholder will not be liable to pay any Australian stamp duty on the transfer of MPA Shares as a result of an acceptance of an Offer. BAPL will pay all costs and expenses of the preparation and circulation of this Offer and any stamp duty payable on the transfer of any MPA Shares to BAPL under this Offer.

8. Other material information

8.1 Bid implementation agreement

MPA and BAPL have entered into a Bid Implementation Agreement in respect of the Offer, which sets out the key terms and conditions on which BAPL agrees to bid for MPA.

Consistent with the negotiated and recommended nature of the Offer, the Bid Implementation Agreement contains certain restrictions on the conduct of MPA's business and exclusivity arrangements in favour of BAPL.

MPA has made certain representations and warranties in favour of BAPL in relation to the MPA business. These representations and warranties are the subject of a warranty insurance policy taken out by BAPL. The premium and ancillary costs in relation to this insurance policy have been paid for in full by BAPL. Should BAPL have a claim against MPA for a breach of a representation and/or warranty, BAPL's recourse is limited to its applicable claims under the terms of the insurance policy.

A copy of the Bid Implementation Agreement is available from BAPL.

8.2 Related party arrangements

Other than the agreements set out below, there are no formal related party arrangements at the moment, although that may change post completion.

(a) Offtake Agreement

In February 2018, BAPL extended to MPA a \$2,000,000 cash advance for the purpose of purchasing fish to be delivered at a later time. This is only a one-off facility and does not constitute an on-going off-take agreement.

(b) Loan Agreement

BAPL and MPA have entered into a loan agreement for BAPL to provide a loan to MPA in the amount of up to \$2,000,000 (**Principal Sum**) on the following terms:

- (i) the amount of \$1,000,000 may be drawn down in whole or instalments by MPA giving 3 business days written notice to BAPL of the amount it intends to draw at any time after the receipt of acceptances of the Bid giving BAPL a Relevant Interest in at least 70% (by number) of all of the ordinary shares of MPA including the MPA Shares in which the MPA Board have a Relevant Interest;
- (ii) the additional amount of \$1,000,000 may be drawn down in whole or instalments by MPA giving 3 business days written notice to BAPL of the

amount it intends to draw at any time after the Bid is declared unconditional by BAPL;

- (iii) the loan is for a term of 12 months from the date of the Bid Implementation Agreement (**Loan Term**);
- (iv) MPA will repay the Principal Sum at the end of the Loan Term;
- (v) MPA may prepay the Principal Sum in whole or in part before end of the Loan Term;
- (vi) MPA will pay to BAPL interest on the outstanding balance of the Principal Sum calculated at the rate of 5.6% on an annual basis, and shall pay to BAPL all interest accrued at the end of the Loan Term;
- (vii) at the option of BAPL, the outstanding balance of the Principal Sum will become due and payable by MPA to BAPL 10 Business Days after a written demand is made by BAPL to MPA, despite any previous delay or waiver by BAPL, if:
 - A. MPA breaches any provision of this document; or
 - B. the Bid is not successfully implemented pursuant to the terms of the Bid Implementation Agreement, and
- (viii) a nominee of BAPL is to be appointed as a signatory to payments by MPA from the loan as drawn and will jointly authorise the payment of all invoices by MPA, payments are commercially reasonable and not to be withheld if the payments are in the ordinary course of business.

8.3 Legal proceedings

There is no current litigation of a material nature against BAPL or any controlled entity of BAPL. The Directors of BAPL have no knowledge of any potential material litigation.

8.4 Withdrawal of Offers

In accordance with section 652B of the Corporations Act, this Offer may only be withdrawn with the consent of ASIC which consent may be given subject to such conditions (if any) as are specified in the consent of ASIC. If that happens, BAPL will send a notice of withdrawal to MPA and to each person to whom an Offer has been made.

8.5 Variation

BAPL may at any time, and from time to time, vary this Offer in accordance with Part 6.6 of Chapter 6 of the Corporations Act.

9. Terms of offer

9.1 Offer

BAPL offers to acquire all your MPA Shares on the terms and conditions set out in this section 9. The Offer relates to MPA Shares that exist or will exist as at the Record Date as well as 500,000 MPA Shares approved by MPA Shareholders to be issued to senior management that will be issued after the Record Date.

BAPL offers to acquire all MPA Shares (being 37,008,364 MPA Shares, which includes 500,000 MPA Shares to be issued during the Offer Period) for \$0.50 per MPA Share.

9.2 Conditions of this Offer

Subject to Section 9.3, this Offer and any contract resulting from your acceptance of this Offer are subject to the fulfilment of the following Conditions:

(a) **Minimum Acceptance Condition**

During, or at the end of the Offer Period, BAPL has a Relevant Interest in at least 70% (by number) of all of the ordinary shares of MPA.

(b) **No Material Adverse Change**

During the period from the date of the Bid Implementation Agreement to the end of the Offer Period, there is no Material Adverse Change in relation to MPA or a MPA Company.

(c) **No Prescribed Occurrences**

During the period from the date of the Bid Implementation Agreement to the end of the Offer Period, no Prescribed Occurrence occurs.

(d) **No action by Regulatory Authority adversely affecting the Bid**

During the period from the date of the Bid Implementation Agreement to the end of the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority;
- (ii) no action or investigation is instituted, or threatened by any Regulatory Authority; or
- (iii) no application is made to any Regulatory Authority (other than an application by BAPL, an application under s657C of the Corporations Act, or an application commenced by a person specified in s659B of the Corporations Act in relation to the Bid),

in consequence of, or in conjunction with, the Offer, which restrains or prohibits or threatens to restrain or prohibit, or may otherwise materially adversely, impact upon, the making of the Offer or the objectives of the Offer or seeks to require the divestiture by BAPL of any MPA Shares, or the divestiture of any assets of MPA.

(e) **No Material Acquisitions, Disposals, etc.**

During the period from the date of the Bid Implementation Agreement to the end of the Offer Period, none of the following events occur:

- (i) MPA or any of its Subsidiaries acquires or agrees to acquire any assets, properties or businesses, or incurs, agrees to incur or enters into a commitment or a series of commitments involving capital expenditure by the MPA Companies, whether in one or more transactions, where the amounts or value involved in such transaction, transactions, commitments or series of commitments exceeds \$50,000 in aggregate;
- (ii) MPA or any of its Subsidiaries disposes of, or agrees to dispose of, any assets, properties or businesses, whether in one transaction or a number of such transactions, where the amount or value involved in such transaction or transactions exceeds \$25,000 in aggregate;
- (iii) MPA or any of its Subsidiaries creates, or agrees to create, any mortgage, charge, lien or other encumbrance (**Encumbrance**) over its

business or any part of its property where the value of the assets or property secured or affected by such Encumbrance exceeds \$25,000 in aggregate;

- (iv) MPA or any of its Subsidiaries makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in MPA or any wholly-owned Subsidiary of MPA in the ordinary course of business).

(f) **MPA Options**

All holders of Options have agreed with BAPL and MPA in writing subject to and simultaneously upon the completion of the Offer and otherwise on terms and conditions acceptable to BAPL, to cancel or transfer (as the case may be) all their Options for consideration per Option not exceeding the aggregate of the difference between the Offer Consideration and the exercise price of such Option.

(g) **MPA Warranties**

During the period from the date of the Bid Implementation Agreement to the end of the Offer Period, the MPA Warranties remain true and correct in all material respect.

9.3 Nature and operation of Conditions

- (a) Each of the conditions in Section 9.2 is a separate and distinct condition and shall not merge on completion of any contract arising from acceptance of this Offer.
- (b) Each of the conditions set out in Section 9.2 is a condition subsequent.
- (c) The breach or non-fulfilment of any of the conditions in Section 9.2 does not prevent a contract to sell any of your MPA Shares resulting from acceptance of this Offer, but if:
 - (i) BAPL has not declared all Offers to be free from the Conditions in Section 9.2 before the date applicable under subsection 650F(1) or (2) of the Corporations Act; and
 - (ii) the Conditions in Section 9.2 have not been fulfilled at the end of the Offer Period,all contracts resulting from the acceptance of Offers and all acceptances that have not resulted in binding contracts are void. In such a case, BAPL will return the Acceptance Form (if any) together with all documents forwarded by you to the address shown in the Acceptance Form.
- (d) Subject to the provisions of the Corporations Act, BAPL alone shall be entitled to the benefit of the Conditions in Section 9.2 and any non-fulfilment of such conditions may be relied upon only by BAPL.
- (e) Subject to section 650F of the Corporations Act, BAPL may, at any time at its sole discretion, declare all Offers free from all or any of the Conditions referred to in Section 9.2 by giving notice in writing to MPA. This notice may be given in relation to the conditions in:
 - (i) Section 9.2(c) - not later than 3 business days after the end of the Offer Period; and
 - (ii) other Conditions in Section 9.2 - not later than 7 days before the end of the Offer Period.

- (f) The date for giving the notice required by section 630(3) of the Corporations Act is Monday, 25 June 2018, subject to variation in accordance with section 630(2) of the Corporations Act if the period during which this Offer remains open for acceptance is extended.
- (g) BAPL has agreed to declare the Offer unconditional immediately after it has received acceptances to satisfy the minimum acceptance condition of 70%.

9.4 Offer period

Unless withdrawn, this Offer will remain open for acceptance during the period commencing on the date of this Offer, being Thursday, 31 May 2018, and ending at 5pm pm (Perth time) on the later of Monday, 2 July 2018 and any date to which the Offer Period is extended in accordance with the Corporations Act. BAPL expressly reserves its rights to extend the Offer Period in accordance with the Corporations Act.

9.5 How to accept the Offer

(a) **Accept for all your MPA Shares**

You may only accept this Offer for all of your MPA Shares. The Offer relates to MPA Shares that exist or will exist as at the Record Date as well as 500,000 MPA Shares that will be issued after the Record Date to senior management (as approved by MPA Shareholders). The Offer also extends to all MPA Shares that are issued between that date and the end of the Offer Period as a result of the exercise of MPA Options which exist as at the Record Date. This means that holders of MPA Options who exercise their MPA Options will be able to participate in the Offer in respect of those MPA Shares issued during the Offer Period on the relevant exercise or vesting. However, BAPL is not offering to acquire any MPA Options.

(b) **Acceptance Form**

To accept the offer in respect of your MPA Shares you must:

- (i) complete and sign the Acceptance Form in accordance with the instructions in the Acceptance Form; and
- (ii) return the Acceptance Form together with all other documents required by the instructions on the Acceptance Form, so that they are received before the end of the Offer Period at the address indicates on the Acceptance Form.

9.6 Effect of acceptance

By signing and returning an Acceptance Form in accordance with Section 9.5, you will or will be deemed to have:

- (a) accepted this Offer (and any variation of it) irrevocably in accordance with its terms in respect of all your MPA Shares;
- (b) agreed to transfer to BAPL your MPA Shares (regardless of the number of MPA Shares specified in the Acceptance Form or other acceptance);
- (c) authorised BAPL (by its directors, servants or agents) to complete on the Acceptance Form correct details of your MPA Shares, fill in any blanks remaining on the Acceptance Form and rectify any error in or omission from the Acceptance Form as may be necessary to make the Acceptance Form an effective acceptance of this Offer and transfer your MPA Shares to BAPL;

- (d) represented and warranted to BAPL as a fundamental condition going to the root of the contract resulting from your acceptance that, both at the time of acceptance of this Offer and at the time of registration of the transfer of your MPA Shares to BAPL, your MPA Shares are fully paid up and free from all mortgages, charges, liens, encumbrances (whether legal or equitable), adverse interests of any nature and restrictions on transfer of any kind and that you have full power, capacity and authority to accept this Offer and sell your MPA Shares (including the legal and beneficial ownership in those MPA Shares);
- (e) irrevocably appointed BAPL and each of its directors, secretaries and officers from time to time jointly and severally as your true and lawful exclusive attorney, agent and proxy in your name and on your behalf, with effect from the date that the Offer, or any contract resulting from your acceptance of the Offer, becomes unconditional, to do all things which you could lawfully do in relation to your MPA Shares or in exercise of any right derived from the holding of your MPA Shares including, without limitation, the rights to:
- (i) attend and vote in respect of your MPA Shares at any and all meetings of MPA;
 - (ii) requisition or join with other holders of MPA Shares in requisitioning and/or convening a meeting of the members of MPA;
 - (iii) demand a poll for any vote to be taken at any meeting of MPA Shareholders;
 - (iv) propose or second any resolutions to be considered at any and all meetings of MPA Shareholders;
 - (v) execute all forms, transfers, assignments, notices, documents, assurances, instruments (including instruments appointing a director of BAPL as a proxy in respect of all or any of your MPA Shares and a transfer form for your MPA Shares), proxies, transfers, consents, agreements and resolutions relating to your MPA Shares; and
 - (vi) request MPA to register in the name of BAPL or its nominee your MPA Shares which you hold on any register of MPA,

and to have agreed that in exercising the powers conferred by that power of attorney the attorney shall be entitled to act in the interests of BAPL as the beneficial owner and intended registered holder of your MPA Shares in respect of which you have accepted this Offer and to have further agreed to do all such acts, matters and things that BAPL may require to give effect to the matters the subject of this paragraph (including the execution of a written form of proxy to the same effect as this paragraph which complies in all respects with the requirements of the constitution of MPA) if requested by BAPL.

BAPL will indemnify you and keep you indemnified in respect of all costs, expenses and obligations which might otherwise be incurred or undertaken as a result of the exercise by an attorney of any powers under this paragraph. This appointment, being given for valuable consideration to secure the interest acquired in your MPA Shares, is irrevocable, and terminates upon registration of a transfer to BAPL or its nominee of your MPA Shares;

- (f) agreed not to attend or vote in person at any general meeting of MPA or to exercise or purport to exercise any of the powers conferred on BAPL or its nominee in paragraph (e) above;
- (g) agreed to indemnify BAPL in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a consequence of the transfer of your MPA Shares; and

- (h) authorised BAPL to notify MPA on your behalf that your place of address for the purpose of serving notices upon you in respect of your MPA Shares in respect of which you have accepted this Offer is at the address of BAPL as specified by BAPL in the notification, and that all such notices are to be marked care of BAPL and to have directed MPA to serve all correspondence, payments or notifications in respect of MPA Shares and other communications and documents whatsoever in respect of those MPA Shares to BAPL at that address.

The undertakings and authorities referred to in this Section 9.6 will (unless otherwise stated herein) remain in force after you receive the consideration for your MPA Shares acquired by BAPL and after BAPL becomes registered as holder of them.

9.7 When payment will be provided

(a) When you will be issued your Offer Consideration

The consideration will be issued or paid to you by the end of whichever of the following periods ends earlier:

- (i) one month after the date you accept the Offer or if the Offer is subject to a defeating condition, one month after the date the Offer becomes or is declared unconditional; and
- (ii) 21 days after the end of the Offer Period.

(b) Delivery of Offer Consideration

Payment of any cash amount to which you are entitled will be made by cheque drawn in Australian currency in your favour. The cheque will be sent to you, at your risk, by ordinary mail to your address shown on the Acceptance Form or the address for you last notified to BAPL by MPA.

(c) Where additional documents are required

Where the Acceptance Form requires any additional documents to be delivered with your Acceptance Form (such as a power of attorney) then:

- (i) if those documents are delivered with your Acceptance Form, BAPL will provide the consideration in accordance with Section 9.7;
- (ii) if those documents are delivered after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, BAPL will provide the consideration by the end of whichever of the following periods ends earlier:
 - A. one month after this Offer becomes unconditional; or
 - B. 21 days after the end of the Offer Period;
- (iii) if those documents are delivered after your Acceptance Form and before the end of the Offer Period while this Offer is unconditional, BAPL will provide the consideration by the end of whichever of the following periods ends earlier:
 - A. one month after that document is delivered; or
 - B. 21 days after the end of the Offer Period;
- (iv) if those documents are delivered after the end of the Offer Period while this Offer is unconditional, BAPL will provide the consideration within 21 days after those documents are delivered; and

- (v) if those documents are delivered after the end of the Offer Period while this Offer is subject to a defeating condition that relates only to the happening of a Prescribed Occurrence, BAPL will provide the consideration within 21 days after the Offer becomes unconditional.

(d) **Return of documents**

Subject to the Corporations Act, a notice or other communication given by BAPL to you in connection with the Offer will be deemed to be duly given if it is in writing and is signed or purports to be signed on behalf of BAPL by any director of BAPL and:

- (i) is delivered at your address as recorded in the register of MPA Shareholders; or
- (ii) is sent by prepaid ordinary post, or in the case of any address outside Australia, by prepaid airmail, to you at your address as recorded in the register of MPA Shareholders.

A notice to be given to BAPL by you in connection with the Offer will be deemed to be duly given to BAPL if it is in writing and is delivered or sent by post to BAPL (or other means provided for in this Bidder's Statement) to the following address:

Barramundi Asia Pte Ltd
35 Fishery Port Road
#02-116
Singapore 619742

9.8 Withdrawal

BAPL may withdraw the Offer in respect of unaccepted Offers at any time with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

9.9 Variation

BAPL may vary this Offer in accordance with the Corporations Act. If you have sold your MPA Shares prior to any such announcement you will not receive any benefit from the variation.

9.10 Extension of Offer Period

BAPL may extend the Offer at any time but only if within the period of 1 month after the date of the Offer, BAPL has received acceptances giving BAPL a Relevant Interest in at least 70% of MPA Shares and the Offer has been declared unconditional, other than with the prior written approval of MPA.

If within the last 7 days of the Offer Period the Offer is varied to improve the consideration offered or if within the last 7 days of the Offer Period BAPL's voting power in MPA increases to more than 50%, then in either case, the Offer Period will be mandatorily extended in accordance with the Corporations Act, so that it ends 14 days after the relevant event.

10. Additional information

10.1 Consents

BAPL has given, and has not before the date of this Bidder's Statement withdrawn, its written consent:

- (a) to be named in this Bidder's Statement in the form and context in which it is named; and

- (b) to statements made by it in the Bidder's Statement, or statements said in the Bidder's Statement to be based on statements by it, in the form and context in which those statements are included in the Bidder's Statement.

Clayton Utz has given, and has not before the date of this Bidder's Statement withdrawn, its written consent to be named in this Bidder's Statement as legal adviser to the Offer.

Each person named in this Section 10.1 as having given its consent to the inclusion of a statement or being named in this Bidder's Statement:

- (a) does not make, or purport to make, any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based other than, in the case of a person referred to above as having given their consent to the inclusion of a statement included in this Bidder's Statement with the consent of that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than a reference to its name and, in the case of a person referred to above as having given their consent to the inclusion of a statement, any statement which has been included in this Bidder's Statement with the consent of that party.

10.2 Date for determining holders

The date for determining the persons to whom information is to be sent under item 6 of section 633(1) of the Corporations Act is 29 May 2018.

10.3 ASIC modifications

BAPL has not obtained from ASIC any modifications to, nor exemptions from, the Corporations Act in relation to the Offer. However, ASIC has published various instruments providing modifications and exemptions that apply generally to all persons, including BAPL, and on which BAPL may rely.

10.4 Governing law

This Bidder's Statement will be governed by the laws of Western Australia.

10.5 No other material information

Except as set out in this Bidder's Statement, there is no other information that is material to the making of the decision by a holder of MPA Shares whether or not to accept the Offer which is known to BAPL and has not previously been disclosed to MPA Shareholders.

11. Glossary and interpretation

11.1 Glossary

The following is a glossary of certain terms used in this Bidder's Statement unless the context clearly requires otherwise.

Expression	Meaning
A\$, AU or AUD	the lawful currency of Australia
Acceptance Form	the form of Acceptance Form accompanying this Bidder's Statement
ASIC	Australian Securities & Investments Commission
BAPL	Barramundi Asia Pte Ltd incorporated in Singapore
BAPL Board	the board of directors of BAPL
BAPL Shareholder	a holder of BAPL Shares from time to time
Bid Implementation Agreement	the takeover bid implementation agreement between MPA and BAPL dated 13 May 2018
Bidder	BAPL
Bidder's Statement	this document including its annexures
Closing Date	5pm (Perth time) on Monday, 2 July 2018 or such later date to which the Offer is extended
Competing Proposal	<p>a transaction or arrangement, or proposed transaction or arrangement, pursuant to which if entered into or completed substantially in accordance with its terms, a person would, directly or indirectly:</p> <ul style="list-style-type: none">(a) acquire a Voting Power in MPA of more than 10%;(b) acquire a Relevant Interest in, an interest (including an economic interest) in, or become the holder of, 10% or more of all MPA Shares;(c) acquire or have a right to acquire an interest (including an economic interest) in all or a substantial part of the business or property of the MPA Companies;(d) acquire control (within the meaning of section 50AA of the Corporations Act) of MPA or a substantial or material part of the MPA Companies; or(e) otherwise acquire or merge with MPA, <p>whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buy back, securities issue, sale or purchase of assets, joint venture, reverse takeover, dual-listed company structure, other synthetic merger, transaction or arrangement or otherwise</p>
Conditions	each condition set out in Section 9.2

Expression	Meaning
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Material Adverse Change	<p>any event, change, matter, thing or condition (which individually or when aggregated with all such events, changes, matters, things or conditions) which has occurred since the date of this agreement and which had, or could reasonably be expected to have (whether now or in the future), a material adverse effect on the assets, liabilities, financial or trading position, profitability or prospects of the MPA Companies (taken as a whole) other than:</p> <p>(a) an event, occurrence or matter required to be done or procured by MPA pursuant to this document;</p> <p>(b) an event, occurrence or matter that was fully and fairly disclosed in and otherwise apparent or reasonably ascertainable by BAPL from the due diligence materials; and</p> <p>(c) any change in accounting standards, law, regulation or policy</p>
MPA	Marine Produce Australia Ltd ACN 091 805 480
MPA Company	any one of MPA or its Subsidiaries
MPA Director	a director of MPA as at the date of this document
MPA Fish Farms	MPA Fish Farms Pty Ltd ACN 108 494 079
MPA Marketing	MPA Marketing Pty Ltd ACN 096 149 727
MPA Options	the 3,400,000 unlisted options issued in MPA, each option entitles the optionholder to acquire one MPA Share
MPA Share	a fully paid ordinary share issued in the capital of MPA
MPA Shareholder	a person who is recorded in MPA's Register as the holder of one or more MPA Shares
MPA Warranties	each of the representations and warranties given by MPA under the Bid Implementation Agreement
NAB	National Australia Bank Limited
Offer	the offer for MPA Shares as set out in this Bidder's Statement
Offer Consideration	the consideration payable by BAPL to MPA Shareholders under the Offer, being \$0.50 per MPA Share.
Offer Period	the period during which the Offer is open for acceptance being Thursday, 31 May 2018 to the Closing Date
Prescribed	the occurrence of any of the events as set out in section 652C of the

Expression	Meaning
Occurrence	Corporations Act
Record Date	Tuesday, 29 May 2018
Regulatory Authority	(a) any government or local authority and any department, minister or agency of any government; and (b) any other authority, agency, commission or similar entity having powers or jurisdiction under any law or regulation or the listing rules of any recognised stock or securities exchange
Relevant Interest	has the meaning given in the Corporations Act
Section	a section of this Bidder's Statement
Subsidiary	has the meaning given in the Corporations Act
Superior Proposal	a bona fide, written, Competing Proposal received after the date of this document which the MPA Directors have determined, in good faith and based on written external financial and legal advice from its advisers, to be superior to the Offer (or any BAPL counterproposal, if any), taking into account all the terms and conditions of such Competing Proposal (including its terms, identity of person or persons making it, price, certainty and conditionality)
Voting Power	has the meaning given in the Corporations Act

11.2 Interpretation

In this Bidder's Statement (except for documents annexed to this Bidder's Statement), unless the context clearly indicates otherwise:

- (a) a reference to legislation or a legislative provision includes any statutory modification or substitution of that legislation or legislative provision and any subordinate legislation issued under that legislation or legislative provision;
- (b) a reference to a body or authority which ceases to exist is a reference to a body or authority having substantially the same objects as the named body or authority;
- (c) a reference to a person includes a natural person, corporation, statutory corporation, partnership, the Crown or any other organisation or legal entity;
- (d) a reference to a natural person includes their personal representatives, successors and permitted assigns;
- (e) a reference to a corporation includes its successors and permitted assigns;
- (f) terms defined in the Corporations Act have the meaning given in the Corporations Act;
- (g) a reference to **\$** or **dollar** or **cents** is to Australian currency; and
- (h) including and includes are not words of limitation; and
- (i) a reference to a time is to that time in Perth, Western Australia.

Approval of Bidder's Statement

This Bidder's Statement has been approved by the directors of BAPL.

Signed for and on behalf of BAPL by Andrew Kwan, being a director of BAPL, who is authorised to sign by a resolution passed at a meeting of the directors of BAPL.



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Andrew Kwan
Director

Dated: 29 May 2018

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