



Fremantle Seaweed Pty Ltd

Crowd-sourced funding offer document

Dated 27/02/2024

Offer of fully-paid ordinary shares in Fremantle Seaweed Pty Ltd at \$5 per share to raise a maximum of \$2,000,000

This crowd-sourced funding (**CSF**) offer document relates to the Offer of fully-paid ordinary shares in Fremantle Seaweed Pty Ltd. This Offer is made under the CSF regime in Part 6D.3A of the *Corporations Act 2001* (**Corporations Act**).

Issuer

Fremantle Seaweed Pty Ltd ACN 644 635 996

Intermediary

Birchal Financial Services Pty Ltd ACN 621 812 646 AFSL 502618



Always consider the general CSF risk warning and offer document before investing

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Section 1: Risk warning

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.

Section 2: Information about the Company

Letter from the founders

This is our story

Fremantle Seaweed is an aquaculture company that grows seaweed as a sustainable food source from the ocean and the seaweed ingredient for a cattle feed supplement that significantly reduces methane emissions.

Born from a love of the ocean and a call to action against climate change, Mick and I realised the opportunity for seaweed to solve two of the biggest challenges of our time:

1. reducing GHG emissions, and
2. providing food security for a growing world population.

Inspired by Damon Gameau's documentary, 2040 and the message that if we adopt technologies available to us in 2020, such as seaweed, we can have a positive impact against climate change by 2040.

Mick and I share this vision for the future, that if we take action right now, we can leave the planet and oceans a better place for our kids (Chris) and grandkids (Mick!) We also work well together, we're proactive and like to see a project through to completion. Marooned on an Island for 30 days and nights, we put our heads together and came up with a plan on how we would grow seaweed and deliver on this vision.

Kelp for fertilizer, a host of delicious edible seaweeds, Eucheuma for carrageenan and Gracilaria for bioplastics (go ULUU!) we couldn't believe how versatile seaweed could be as a product. We were excited, and then we learned about Asparagopsis seaweed and it's ability to reduce cattle methane emissions by 80% and we became very excited¹! Then we got to work.

This is our mission

With all these diverse uses for seaweed, we quickly realised that it is easy to get swept up by the hype of the seaweed movement without realising that there are significant challenges to solve before we can grasp these opportunities. The ability to rapidly scale up production whilst reducing costs is a key challenge that the industry is currently faced with.

Fremantle Seaweed is a company that is solving this challenge through our fully approved 32ha aquaculture lease where we repurpose proven operational technologies from existing aquaculture industries, allowing us to explore various seaweed product opportunities. We have a team that includes one of Australia's leading seaweed scientists and a track record of proven project delivery. **We have been backed by the State of Western Australia with \$4M of grant funding which involved a government-level class of due diligence that significantly derisks Fremantle Seaweed expansion project.** With these building blocks we expect to scale up production of various seaweed products whilst utilising technology that are designed to reduce operational costs along with identifying future expansion aquaculture leases.

¹ <https://www.future-feed.com/the-science-of-asparagopsis>

Our mission? **It's all about seaweed grow lines in the water.** If we're going to have an impact against two of the biggest challenges of our time - reducing GHG emissions and providing food security for a growing population, we need more seaweed grow lines in the water.

This is what we have achieved

Fremantle Seaweed has overcome the most substantial barrier to entry, that of a high value operating lease and now, we are increasing production.

It's been an incredible journey and we've achieved a lot since 2020:

- A great team that includes one of Australia's leading seaweed scientists.
- Fully approved 32-hectare aquaculture lease.
- Awarded \$4M WA Investment Attraction Fund.
- Successful grow out trials for four seaweed species.
- Successful product trials.
- Two non-binding MoU to expand our operations in WA and Internationally.

This puts Fremantle Seaweed in an incredible position to capitalise on the seaweed opportunity. However, we need one more piece to solve the puzzle – you and your investment in us!

This is what we want to do next

Your investment will be matched \$ for \$, up to \$4M with an initial \$500,000 tranche by our fully executed grant through the State of WA, allowing us to:

- Increase aquaculture production equipment at our 32ha seaweed farm.
- Deploy a containerised hatchery facility at a pre-approved ocean-backed lease area.
- Design a purpose-built seaweed and harvesting vessel.
- Build and empower our team to solve the operational challenges and unlock research opportunities.
- Develop our partnerships to increase our portfolio of production assets in WA and internationally.

We are pleased to present this investment opportunity in Fremantle Seaweed, a company that can action the current opportunities in the seaweed industry by developing our operational technologies. The funding will enable us to expand our team and assets whilst we scale up production. The expansion of the Australian seaweed industry is possible through Fremantle Seaweed's practical approach to aquaculture.

Yours in seaweed,

Chris de Cuyper & Mick Holland

2.1 Company details

This offer of shares is made by Fremantle Seaweed Pty Ltd ACN 644 635 996 (**Company**).

Company name	Fremantle Seaweed Pty Ltd
ACN	644 635 996
Date of incorporation	25/09/2020
Registered office	Boyce Business Consultants Pty Ltd Unit 1, 47 Cedric Street Stirling WA 6021 Australia
Principal place of business	2 Hatch Place Bibra Lake WA 6163
Directors	Christopher de Cuyper Michael Holland Adam Lamond
Share registry	Compliance Engine www.complianceengine.com.au
Website	www.fremantleseaweed.com

2.2 Our business

About the Company

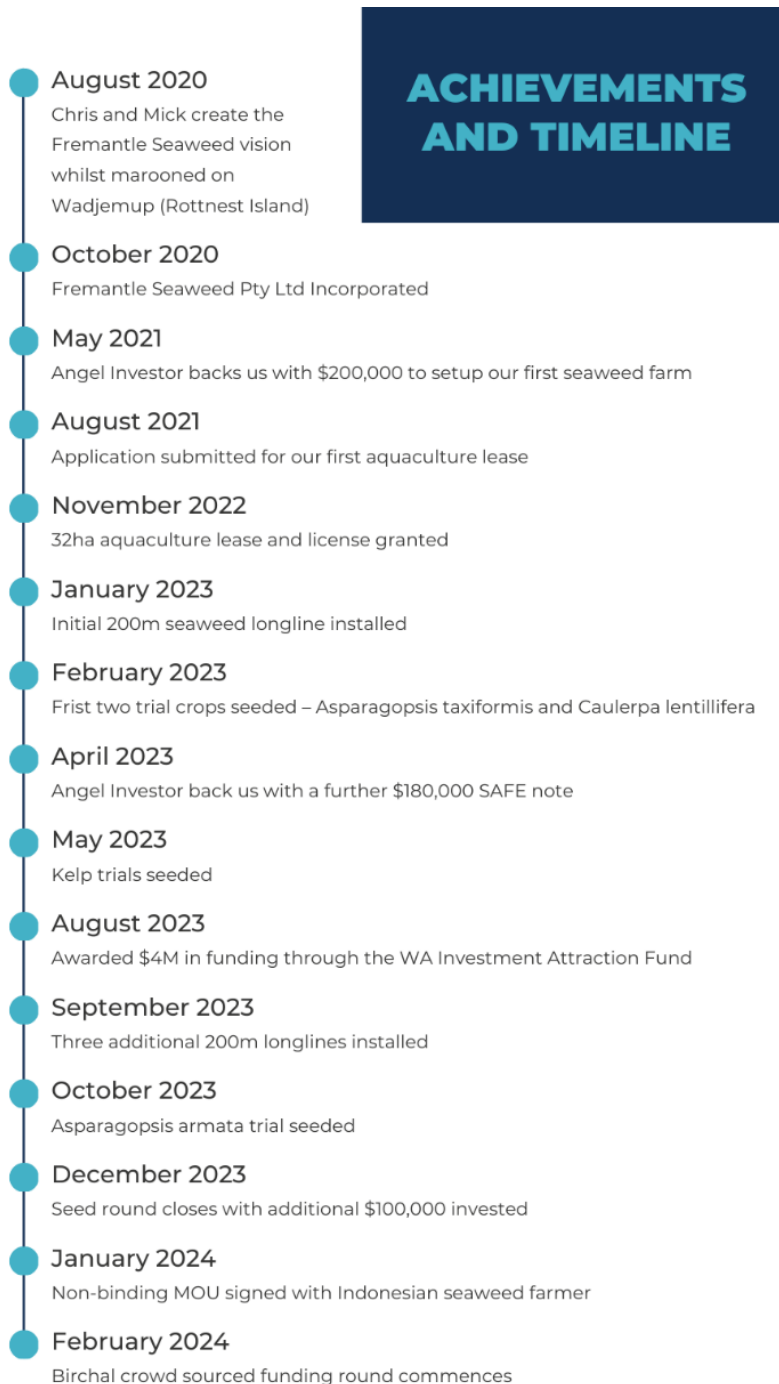
Fremantle Seaweed's core business is aquaculture operations.

We have a fully approved 32ha seaweed farm that can supply fresh edible seaweeds to the Australian restaurant market through a distribution partner. Meanwhile, our team is at the leading edge of developing the technology and methods to grow *Asparagopsis* seaweed at scale and we have secured non-binding MOUs to increase operations in Australia and Indonesia.

Our 3,600ha expansion site in WA is capable of producing enough Asparagopsis for 200,000 cows per year and an international partnership could provide access to the biggest market, Chinese and US cattle feedlots.

Fremantle Seaweed has a diversified model that allows us to capitalise on the attainable market for fresh local seaweed, whilst unlocking the operational technology and assets to deliver large scale production.

Milestones / Timeline to date



WA Investment Attraction Fund Grant

Fremantle Seaweed was deemed so critical by the State of WA that we were awarded a \$4M grant to increase production. The grant requires matched funding from a number of capital sources, including equity, debt, profit and other Federal grants (including the R&D tax incentive). Other WA State Government grants are not eligible. We have been issued the initial milestone payment of \$180,000 with \$3,820,000 remaining. Grant payment timing is indicative and can be brought forward or backward depending on milestone completion. The second milestone has been started with payment held until we can co-contribute \$500,000. The grant contract sets out the following funding milestones:

No	Milestone Description	Indicative Timing	Funding Amount	Recipient Co-contribution
1	Execution of the Financial Assistance Agreement (FAA)	8/08/2023	\$180,000	\$180,000
2	Fremantle expansion commencement: Commence aquaculture equipment installation at the existing 32-hectare lease in Owens Anchorage, Fremantle (site and lease one)	30/11/2023	\$500,000	\$500,000
3	Fremantle expansion completion: Complete 25- hectares, and more than one species under production.	31/01/2024	\$500,000	\$500,000
4	Fixed hatchery expansion commencement: Commence development of fixed hatchery	30/03/2024	\$500,000	\$500,000
5	Fixed hatchery expansion completion: Facility handover	31/07/2024	\$500,000	\$500,000
6	Containerised hatchery and processing facility fabrication commencement (expansion lease)	30/11/2024	\$410,000	\$410,000
7	Containerised hatchery and processing facility fabrication completion (expansion lease)	31/01/2025	\$410,000	\$410,000
8	Multisite expansion: aquaculture lease two approval and site installation commencement	31/01/2026	\$300,000	\$300,000
9	Multisite expansion: aquaculture lease two site installation completion	30/03/2026	\$300,000	\$300,000
10	Multisite expansion: aquaculture lease three site installation completion	31/07/2026	\$200,000	\$200,000
11	Final Report	31/07/2026	\$200,000	\$200,000

Our products and services

Fremantle Seaweed grows native Australian seaweed varieties at our aquaculture lease in Fremantle WA, including:

- Asparagopsis armata (cold water) and Asparagopsis taxiformis (warm water) for a methane reducing cattle feed supplement – requiring a license from FutureFeed to supply to cattle farmers.
- Seagrapes (*Caulerpa lentillifera*).
- Sealettuce (*Ulva lactuca*).
- Golden Kelp (*Ecklonia radiata*).

We are also licensed to grow ten additional seaweed's that we have targeted for their properties as food and extracts (carrageenan, agar, alginates) or as the raw material for bioplastics and fertilisers):

- Porphyra lucasi (Australian Nori).
- Gracilaria preissiana.
- Gelidium speciosus (Euchema).
- Cladosiphon filum (Mozuku).
- Sargassum spp.
- Pterocladia lucida.
- Gigartina Dumontiaceae.
- Gelidiaceae.
- Solieria robusta.

Fremantle Seaweed is an operational seaweed farmer. Our first 32ha aquaculture lease provides the perfect site to develop the R&D to scale up our Asparagopsis production. We have completed proof of concept for our edible seaweed varieties to begin supplying some of Australia's first fresh seaweed products.

Industry overview and competitor landscape

Global protein demand is growing by 4% pa² and traditional sources of protein such as livestock contribute 11% of national GHG emissions³. Our seaweed products can help to solve both the demand for protein rich food and by reducing methane emissions.

In 2020, the Australian Seaweed Institute and AgriFutures released a blueprint for the emerging seaweed industry, estimating that the Australian seaweed industry could be a \$1.5 billion industry by 2040, creating 9000 jobs and a 10% emissions reduction target.⁴

The biggest barrier to entry for seaweed farmers in Australia is being granted an aquaculture lease. Very few organisations have achieved the required approvals and permits to cultivate seaweed, however those who have, have achieved some successful advancements for our industry.

Fremantle Seaweed is a member of the Australian Sustainable Seaweed Alliance (ASSA) alongside many of our competitors. ASSA is the industry body that promotes collaboration amongst our peers and will develop the National Hatchery Network (NHN) to coordinate the research to unlock a methodology on the complete lifecycle cultivation of Asparagopsis spp. We are closely involved with ASSA as a corporate partner and our Scientific Advisor, Dr Margie Rule, is heading up ASSA's NHN as the Program Manager.

Let's have a look at the key players in the Australian Seaweed Industry

SeaForest⁵

Location: Triabunna, Tasmania

The pioneers of Asparagopsis cultivation, they have received significant media attention. Their 1,900ha ex-mussel aquaculture lease can grow Asparagopsis armata They have made commercial sales of their product to cattle feedlots that supply Grill'd burgers.

² <https://www.mordorintelligence.com/industry-reports/global-protein-market>

³ <https://www.agric.wa.gov.au/climate-land-water/breeding-lower-greenhouse-gas-emissions>

⁴ <https://agrifutures.com.au/product/australian-seaweed-industry-blueprint-implementation-plan/>

⁵ <https://www.seaforest.com.au/>

CH4 Global⁶

Location: South Australia

Having recently completed a significant capital raise round, they have commenced construction of an onshore production facility capable of supplying 30,000 cows per day. They have a commercial offtake agreement in place for their product and have reported successful trials.

FutureFeed⁷

Location: Queensland

Established by CSIRO, Meat and Livestock Australia (MLA) and James Cook University (JCU), FutureFeed holds global IP for the use of *Asparagopsis* seaweed as a livestock feed ingredient.

Other Players

- Australian Seaweed Institute – Queensland
- Immersion Group – Victoria
- CleanEyre Global – South Australia
- SeaStock – Western Australia
- Volta Greentech – Sweden
- Symbrosia – Hawaii
- Blue Ocean Barns – US
- Greener Grazing – US and Vietnam

As one of the first operational seaweed farms in Australia, Fremantle Seaweed is well positioned to move the dial on Australian seaweed industry. We have a team that includes one of Australia's leading seaweed scientists, a fully approved aquaculture lease, and State Government backing through our \$4M grant and opportunities to scale up our operations.

A key point of difference for Fremantle Seaweed is our geographic location and the latitudinal advantage of WA's 13,000km North-South facing coastline that allow us to grow a greater range of seaweed varieties, including both types of *Asparagopsis*. In a marine based aquaculture lease, not being limited to a single location's latitude and growing conditions allows Fremantle Seaweed to produce a continuous year-round supply.

2.3 Business and revenue model

2.3.1 Overview

We're primary producers and our model is simple, it's all about grow ropes in the water. We plan to scale up seaweed production by installing more equipment and developing expansion leases. As we install more infrastructure we will continue to work on the R&D to increase crop yield whilst evolving our technology and practices to reduce operational costs.

⁶ <https://ch4global.com/>

⁷ <https://www.future-feed.com/>

Distilled into a formula, our model = xyz-c

Where:

- x: rope length (m)
- y: yield
- z: sale price
- c: cost of operations

We have two seaweed product channels:

1. *Asparagopsis armata* and *Asparagopsis taxiformis* for a methane reducing cattle feed supplement supplied to the cattle feedlot and dairy industry requiring a license from FutureFeed that is not yet secured.
2. *Caulerpa lentillifera* (Seagrapes), *Ulva lactuca* (Sealettuce) and *Ecklonia radiata* (Golden Kelp) for fresh and dried edible products supplied directly to restaurant through a seafood wholesaler.

A third product channel to grow seaweed for extracts (carrageenan, agar, alginates) or as the raw material for bioplastics and fertilisers is not yet verified but has potential.

Initially, both product channels will be supplied wholesale or business to business (B2B). However, we aspire to have our seaweed products supplied direct to consumer (D2C) with supermarket shelves stocking our edible seaweed – imagine Seagrapes presented in a caviar tin, providing vegan and vegetarian with a premium seafood product.

Although we have grown seaweed and supplied to restaurants as product trials, we are a pre-revenue business. Initial funding has been used to acquire assets (lease, equipment, vessel & hatchery) and build an operational team. This strategy ensures that we have the capability for consistent supply as well as developing market interest for our products.

First revenue is an absolute priority.

Our first commercial crop of edible seaweed is in the water, and we expect to achieve first harvest in May. We have customers ready to receive this product to achieve first revenue.

Our revenue model described in a sentence: **Increasing production of edible seaweed products in the short term will provide first revenue whilst also evolving our operational team, technology and practices to support the development of our *Asparagopsis* product channel which has the hyperscale potential.**

2.3.2 Products

For our two product channels, the pathway to first revenue has three key drivers:

1. Ensure consistency and quality of product supply.
2. Develop market interest.
3. Scale up production.

Edible Seaweeds

For our edible seaweed products, we have completed the first two drivers, and we can begin to scale up production to meet demand. Our first 32ha aquaculture lease has four longlines installed that have been sufficient to grow and supply edible seaweed for product trials. Our lease can support 22 longlines, and we aim to install the remaining 18 longlines to increase production.

Global Market

Globally, the seaweed industry is the fastest growing component of global food production. According to fortune business insights it is growing at 7.51% CAGR and projected to grow from its 2021 level of US\$15.1bn to US\$25bn by 2028.⁸

Food products dominate the global seaweed market comprising over 85% of the products produced, with the remaining 15% used in commercial applications ranging from abalone food to cosmetics.⁹

Australian Market

The Australian Seaweed Industry Blueprint reports that Australia imports \$40M of seaweed products.¹⁰ In 2020 the Australian seaweed industry was valued at only AUD \$3 million with Australian Bureau of Statistics data showing that there was \$1.5 million of seaweed exports from Australia designated exclusively for industrial purposes. The remaining \$1.5m was related to a combination of domestic sectors including chemicals, food/nutrition and agricultural products¹¹.

There are several companies selling various “fresh” products into the human consumption market and nearly all is sourced internationally due to a lack of locally available produce. While the product is vacuum packed fresh, it is still sold with a 6-month shelf life and is not representative of an actual fresh product. It's notable that there is some concern over food poisoning risk particularly with *Caulerpa lentillifera* given its sensitivity to low temperatures and osmotic pressure. Anecdotal evidence also raises further questions around the safety of these imported products given many originate in areas where environmental or uncontrolled farming practices are likely to exist and heavy metals or waste pollution can occur.

The Australian restaurant sector appears to purchase the majority of its edible or fresh produce through wholesalers. While no data is available on exact quantities of seaweed used, there is an extensive list of high-end restaurants across Australia that are known to feature seaweed on their menus. Examples include Tetsuyas (NSW), Shobosho (SA), Longsong (Vic) and Wildflower (WA). Outside of these fine dining restaurants there are also numerous vegan/vegetarian restaurants catering to the growing vegetarian market. These restaurants are looking for new and differentiated sources of protein and are open minded to products such as seaweed.

⁸ <https://www.fortunebusinessinsights.com/press-release/commercial-seaweed-market-9069>

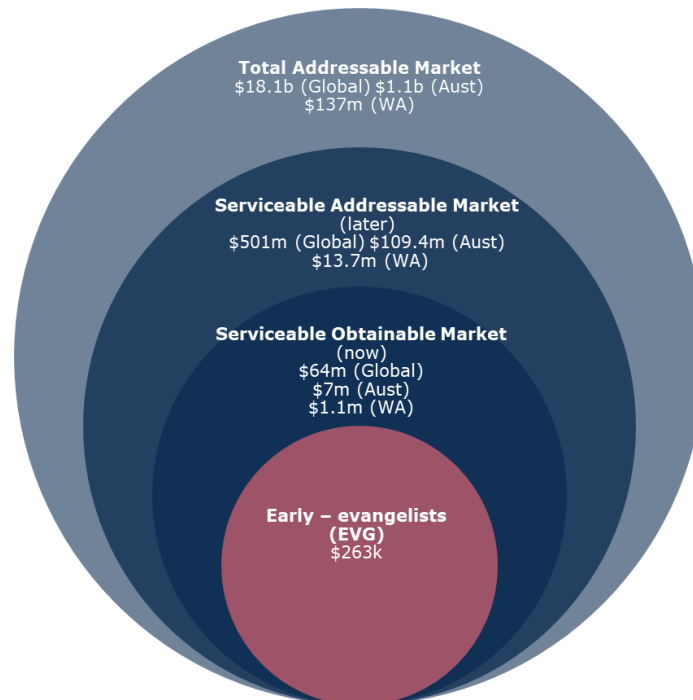
⁹ <https://doi.org/10.1002/jsfa.11166>

¹⁰ <https://www.australianseaweedinstitute.com.au/australian-national-seaweed-industry-blueprint-report-agrifutures>

¹¹ <https://www.australianseaweedinstitute.com.au/australian-national-seaweed-industry-blueprint-report-agrifutures>

Edible Market Opportunity

The following TAM, SAM, SOM analysis was completed by For Blue Pty Ltd, a specialist in the blue economy.



Asparagopsis

Our Asparagopsis revenue channel can be split into two sub channels:

1. Asparagopsis armata (A.arm) – cold water
2. Asparagopsis taxiformis (A.tax) – tropical water

It is important to note that we are unable to sell Asparagopsis feed supplement to cattle farmers without a FutureFeed license. There are currently nine licensees of the FutureFeed patent and Fremantle Seaweed has taken the initial steps to apply to become a licensee. If we are unable to obtain a license, we can still supply our raw Asparagopsis product to a licensee, however this will reduce our ability to influence sale price.

Research and Development

Fremantle Seaweed's fully approved 32ha aquaculture lease is located in the 'goldilocks zone' where both varieties of Asparagopsis species can be grown. In this narrow latitudinal band, the two species can be grown during opposite seasons. However, there are some research challenges to solve to unlock large scale production:

1. A.arm – Fremantle Seaweed has grown a trial crop of A.arm during the Spring of 2023. It is simpler to seed than A.tax on conventional aquaculture equipment as the gametophyte phase of the macroalgae has small hooks and when fragmented into small pieces it can be attached to

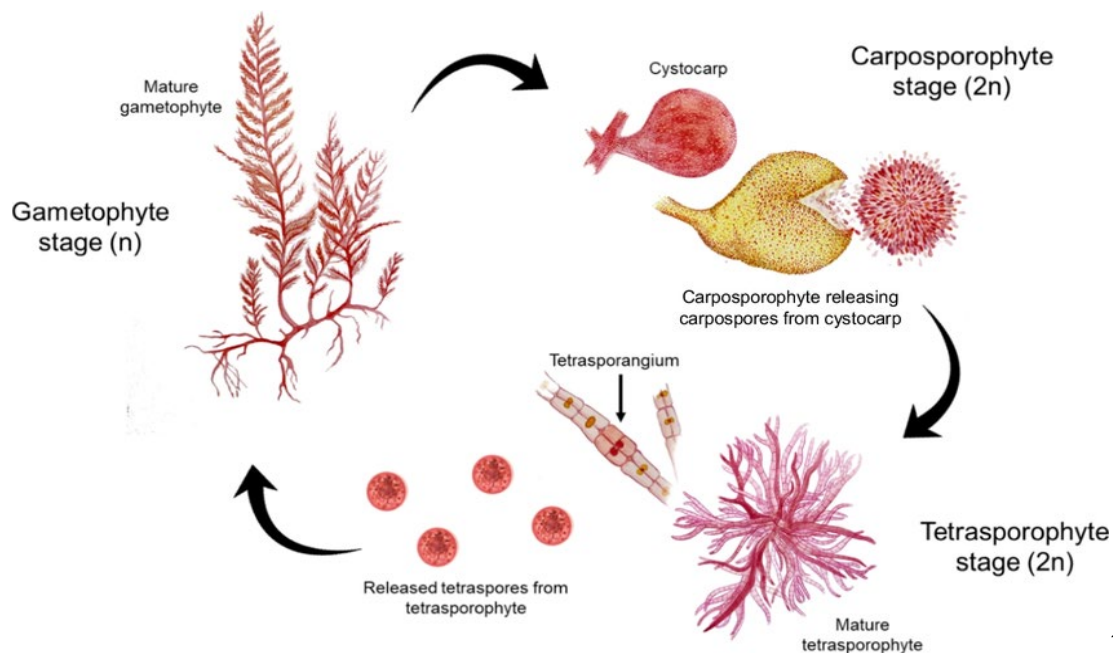
fibrous rope such as mussel spat rope. The fragmented gametophytes then grow to a full-sized specimen for harvest. We are limited to the amount of broodstock (wild harvest) that we can collect which is 20kg per year per bioregion. This limits our opportunity to scale, however we can still produce a small commercial quantity.

2. A.tax – Fremantle Seaweed has grown a trial crop during the Summer and Autumn of 2023 and we will be seeding our 2024 crop soon. A.tax is seeded onto our grow ropes by attaching gametophytes to various substrates. This is a manual process that is not scalable but worthwhile as we gather further data on the optimum growth conditions of A.tax. As with A.arm, we are limited to 20kg of broodstock per year.

Question: How do we solve the ability to scale up production?

Answer: Seeded substrate.

The following illustration describes the lifecycle of *Asparagopsis*.



Seeded substrate describes the mechanism of collecting spores onto a substrate that can then be deployed onto our aquaculture equipment for grow out. This is usually in the form of a length of twine coiled around a PVC pipe 'spool.' The twine is the same length as our grow ropes, and it is deployed by placing the spool over the grow rope and unravelling the twine over the rope. With help from our Scientific Advisors, we have deployed seeded substrate for *Ecklonia radiata* (Golden kelp) at our lease but are yet to develop *Asparagopsis* seeded substrate.

Seeded substrate is cultivated in our hatchery through the following procedure:

1. Collect tetrasporophytes from the wild.
2. Induce sporulation.
3. Collect tetraspores.

¹² Mihaila, Alisa & Lawton, Rebecca & Glasson, Christopher & Magnusson, Marie. (2023). Early hatchery protocols for tetrasporogenesis of the antimethanogenic seaweed *Asparagopsis armata*. *Journal of Applied Phycology*. 35. 1-13. 10.1007/s10811-023-03029-5.

4. Attach tetraspores onto substrate and grow out.

The Asparagopsis industry research is currently up to step 3. Multiple parties, including competitors, the NHN, and our scientists are working on solving step 4.

It may seem like we're giving away our IP by describing the process to create seeded substrate.

However, the above information is publicly available, and it will be the trade secrets and detailed methodologies that will unlock the barriers to repeatable seeded substrate. This IP will be commercially valuable, and Fremantle Seaweed is at the cutting edge of developing a methodology to create seeded substrate. However, we are also a member of the NHN, alongside Dr Margie Rule, which provides access to the seeded substrate methodology should it be solved by NHN scientists.

So, our Asparagopsis R&D strategy is as follows:

- Work on developing our own seeded substrate methodology with IP commercialised.
- Stay up to date with the latest advancements from the NHN and participate in trials.
- Develop aquaculture leases to ensure we have the infrastructure and skilled team in place to scale up Asparagopsis production once seeded substrate becomes available.

Market Demand

OK so that's the pathway to scale up production, what about the second channel – develop market interest? We need to do two things:

1. Establish customers in the form of a cattle feedlot or dairy farmer.
2. Become licensees under the FutureFeed patent to be able to supply Asparagopsis feed supplement to cattle.

Fremantle Seaweed will use this investment to hire a business development Manager, who's task it will be to develop relationships with feedlot and dairy farmers with the goal of establishing the pathway to an offtake agreement for our product.

Becoming a FutureFeed Licensee and developing the pathways to sell our product to feedlot and dairy farmers is an absolute priority.

National Demand

There are numerous indicators that the demand for Asparagopsis is healthy and poised to grow exponentially within the next 2-5 years. A combined AgriFutures and CommBank Feedlot Study¹³ undertook research into the demand side of the Asparagopsis market in June 2022 identifying that within the beef feedlot sector the annual demand for Asparagopsis in Australia equated to approximately 26,500 tonnes of product. It should be noted that the feedlot sector only constitutes 4% of livestock related emissions nationally.

Fremantle Seaweed's internal calculations of the Australian feedlots industries show lower, but still highly compelling figures due to a much more conservative approach to the assumed uptake of demand.

Internal calculations are based on:

- National average carcass weight of 315kg
- National processed head count of 6 million

¹³ <https://agrifutures.com.au/news/new-estimates-for-commercial-production-of-methane-reducing-seaweed-for-livestock/>

- Average feedlot duration 70 days
- Daily dose per head of 0.36mg/kg/day (CSIRO study)

These figures provide a National annual demand of 7,833 tonnes of Asparagopsis and a Western Australian demand of 400 tonnes.

Asparagopsis feed supplement is also approved for use in the dairy sector, however figures for the dairy industry are yet to be published, Publications released in late March 2023¹⁴ have indicated that the supplementation is safe, and the dairy industry is currently looking at opportunities within the sector. Internally Fremantle Seaweed has looked at the opportunity within dairy and found it to be substantially more compelling than the beef feedlot sector.

Inputs to the dairy study were:

- National dairy head count = 1.5m of mostly Holstein
- Holstein average body mass= 600kg
- Daily dose per head of 0.36mg/kg/day (CSIRO study)

National demand of 20,000 tonnes and 833 tonnes in Western Australia per year.

Global Demand

Within the global feedlot sector the USA, Canada and Australia can provide accurate data of animals on feed. Data from those countries in 2018 showed a combined head on feed total of 16.5 million animals. In Australia, head on feed count increased by a further 15% between 2018 and 2023,¹⁵ extrapolating out to a combined estimated headcount across USA, Canada and Australia of approximately 19 million animals.

Using the same feedlot animal weights and doses as identified above generates a global Asparagopsis demand in the feedlot sector of 131,000 tonnes or \$3.3bn at the current market price of \$25/kg for 6mg/g bromoform content.

Data on the global dairy sector eclipses the beef feedlot sector, due primarily to the immaturity and limited uptake of feedlotting globally. Adding in countries like India, EU and Brazil pushes the herd numbers significantly higher for dairy than beef. The global dairy herd exceeded 135 million animals in 2022 of which almost 60 million could be found in India.¹⁶ Removing herd numbers from countries that are highly unlikely to adopt or implement ruminant methane reduction strategies reduces relevant herd numbers to approximately 50 million animals. Using the 600kg Holstein as the milking benchmark and the CSIRO benchmark of 0.36mg/kg/day generates an annual demand of 666,680 tonnes of Asparagopsis for a \$16.5bn global market.

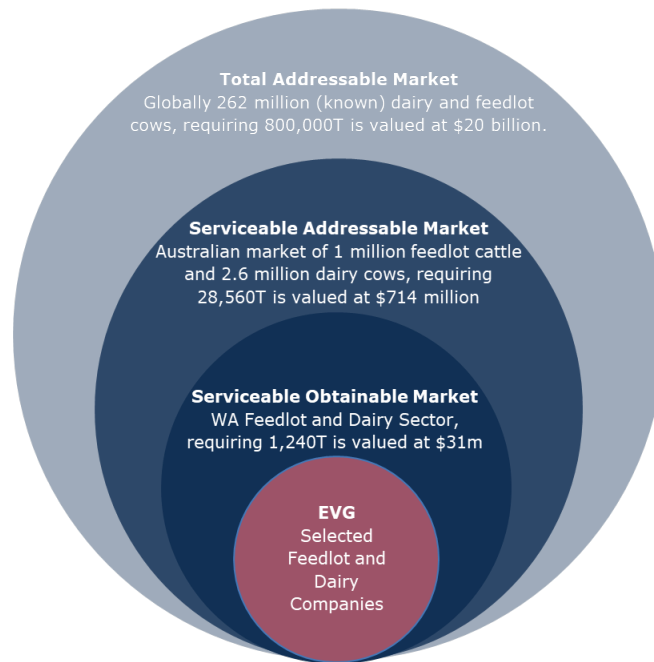
The combined dairy and feedlot numbers globally create a demand for 800,000 tonnes of Asparagopsis and a market of almost \$20bn.

The following TAM, SAM, SOM analysis was completed by For Blue Pty Ltd, a specialist in the blue economy.

¹⁴ <https://www.sciencedirect.com/science/article/abs/pii/S0377840123000135?via%3Dihub>

¹⁵ <https://www.drovers.com/markets/cattle-feed-numbers-look-around-world>

¹⁶ <https://www.feedandadditive.com/global-dairy-industry-and-trends/>



Demand vs Current Production Capacity

AgriFutures data, which contains some of the most current growing data from various Australian producers of Asparagopsis has identified that state of the art growing facilities are capable of producing 2.5 tonnes of Asparagopsis (dry)/hectare.¹⁷ Using this as a guide, Asparagopsis aquaculture will require a total lease area of 500ha for WA market, 8,000ha for the Australian market and 320,000ha for the global market.

Currently there are a total of between 2,000 and 3,000 hectares of Asparagopsis leases in Australia capable of providing around 25% of the projected Australian market demand.

2.3.4 Key Value Drivers

Seaweed price

Fremantle Seaweed has completed extensive market research for our seaweed products, however there are variables that affect price. Expected price are listed for our below seaweed products along with factors influencing price:

- Asparagopsis - \$25/kg (at 6mg/g bromoform)
 - FutureFeed's requirement for 60g/day/cow and supplement cost of \$1 - \$1.50.
 - Patent requirement for 6mg/g bromoform – Fremantle Seaweed has tested bromoform concentration with ranges from 6 – 12mg/g.
 - There are many factors that could affect bromoform and we will continue to complete R&D to discover natural triggers that influence bromoform.

¹⁷ <https://agrifutures.com.au/news/new-estimates-for-commercial-production-of-methane-reducing-seaweed-for-livestock/>

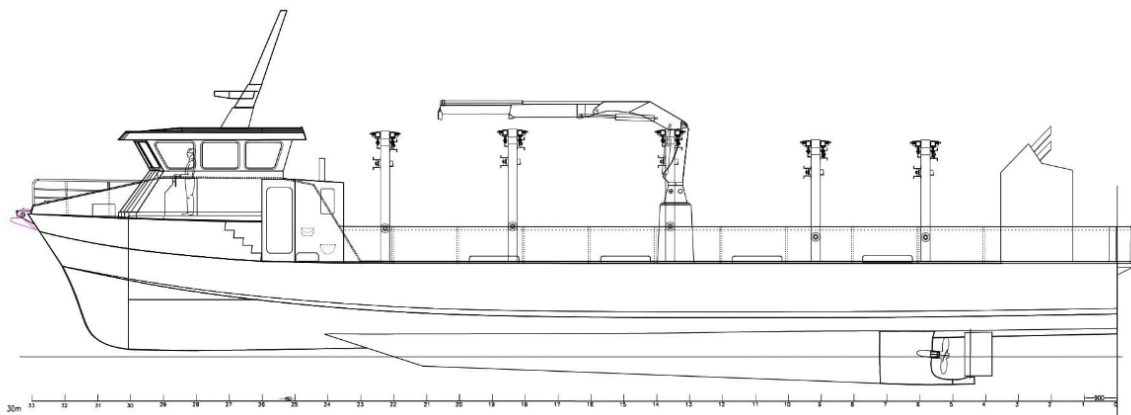
- *Caulerpa lentillifera* - \$100/kg (wet)
 - Sydney Seagrape product cost \$140/kg – imported from Vietnam.
 - Marketed as a premium product – vegan caviar.
- Price of *Ulva lactuca* - \$30/kg (wet)
 - Market acceptance price from product trials
- Price of *Ecklonia radiata* - \$20/kg (wet)
 - Based on NSW producers dried product at \$200/kg with a 90% reduction wet to dry conversion

Production costs

As with any new industry, start-up costs are high. Evolving operational technology and practices will reduce costs but at this early stage of the Australian seaweed industry we do not have the actual operational economic data to provide an accurate estimate of our current cost of production. Fremantle Seaweed's strategy is to learn from existing Australian aquaculture operators and repurpose technologies and practices that work in these other aquaculture sectors. Mussel farming is closely related to seaweed farming with products grown on ropes attached to longlines, so this forms a good basis to begin to develop our seaweed specific operational methodologies.

When compared to seaweed farming in South-East Asia, high Australian labour cost can't be ignored. How are we addressing this key cost factor? Our strategy is twofold:

1. We have signed a non-binding MoU with a leading Indonesian seaweed farmer to develop a partnership or joint venture that would see our *Asparagopsis* operating model and IP applied to existing seaweed farms in Indonesia. Led scientific advisor, Dr Margie Rule, this partnership will require an initial investment of US\$300,000. Fremantle Seaweed will assess the feasibility of this partnership to access exiting seaweed farming infrastructure and resources to accelerate production.
2. Despite high labour costs, Australia's industrial competitive advantage has often been our technologies and ability to scale. Fremantle Seaweed will design and construct a specialised seaweed aquaculture vessel that is capable of seeding and harvesting 8km of longline per day. Similar vessels have been proven for mussel aquaculture and our aim is to generate efficiencies as we deploy seeded substrate and harvest product at large scale aquaculture leases.



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¹⁸ <https://www.bairdmaritime.com/fishing-boat-world/aquaculture-world/vessel-review-vanguard-new-mussel-harvester-for-new-zealand-is-packed-full-of-innovations/>

Assets

Fremantle Seaweed has the following assets:

- Fully approved 32 hectare aquaculture lease.
- A 26 foot research vessel.
- A Hatchery facility.
- 4 Longline installed at the aquaculture lease.

Agreements

Fremantle Seaweed has signed two non-binding Memorandum of Understanding (MoU):

1. With a leading Indonesian Seaweed Farmer to develop a strategic partnership or joint venture to repurpose existing seaweed farms to produce Asparagopsis. The other party is seeking US\$300,000 and access to IP to apply our Asparagopsis growing model to their assets. Fremantle Seaweed will complete a due diligence process to investigate the commercial feasibility to this project.
2. With a pearling company in the North-West of WA to repurpose a 3,600ha ex-pearling aquaculture lease to grow Asparagopsis. This site has existing infrastructure in place from pearling operations and the potential to produce enough Asparagopsis feed supplement for 200,000 cows per year. We will require an approved variation from the Department of Primary Industries and Regional Development (DPIRD), Fremantle Seaweed is proposing the following staged development process:

Phase	Feasibility Study	Regulatory Approval	Trials	Expansion
Outcomes	Seaweed Seasonality Research Aquaculture Equipment Design for Cyclone Areas Supply Chain and Logistics Analysis Business Case Development Marine Lease Survey Fremantle Seaweed to complete site visit	DPIRD Aquaculture Lease Application (Variation) Management and Environmental Monitoring Plan (MEMP) Vessel Marking and Lighting Plan (DoT) Validated Business Case Environmental Impact Assessment	Install Prototype Seaweed Farm (300ha) Install Hatchery Container Seasonal Seaweed Trials Validate Logistics and Business Case	Scale up Operations 3,000ha Develop Deepwater Point Seaweed Aquaculture Hub: <ul style="list-style-type: none">- Hatchery Facility- Processing Facility- Storage Vessels- Vessel Transfer
Timeframe	12 Months	12 Months	3 Years	3 Years

2.4 Business strategy

Fremantle Seaweed has a diversified model that allows us to capitalise on the attainable market for fresh local seaweed, whilst unlocking the operational technology and assets to deliver large scale production.

Our goals for the year and quarter ending March are listed below:

Goals for the year	Goals for the Quarter
Close capital raise	Close Birchall round
First revenue	Fins Seafood wholesaler offtake agreement
Expand operational leases	3,600ha lease equipment stock take
Develop A.tax seeded substrate	Progress legal framework for Indonesian partnership/JV agreement
Build an awesome team	Setup Mick's Hatchery for 2024 Season
Build containerised hatchery	FutureFeed licensee application
FutureFeed license	Formalise an agreement with a feedlot and/pr dairy customer
FRDC grant	
Validate growing model	
Develop feedlot and dairy customers	

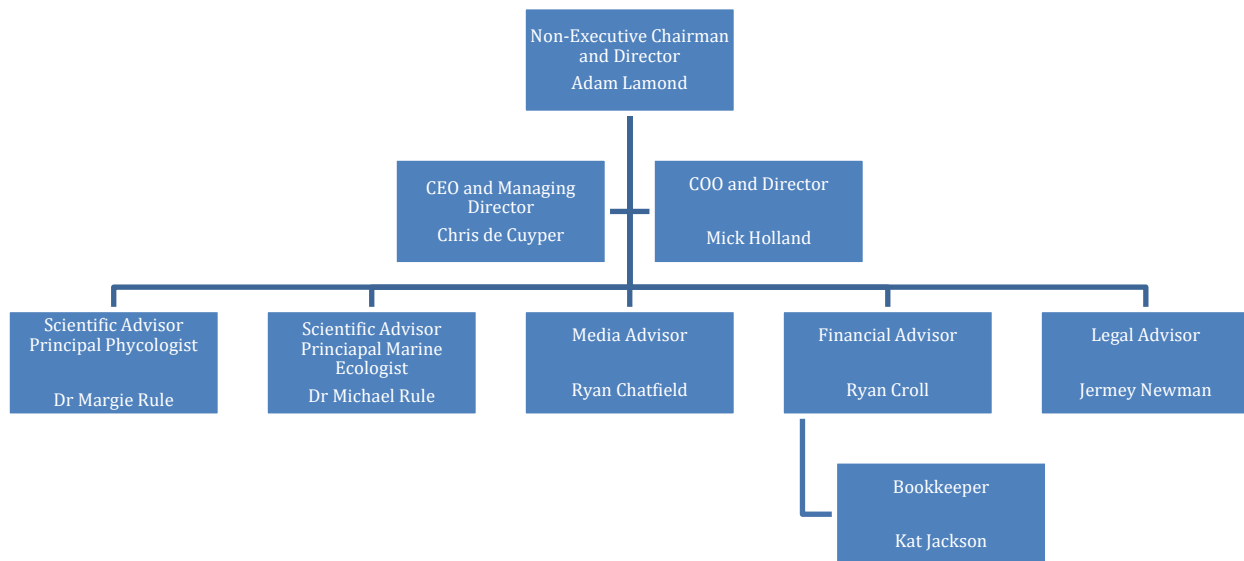
Big wins for the year	Quarter Key Priorities
Fully Funded	Close Birchall round
First Revenue	Fins offtake agreement
32ha Fully Operational	First seaweed harvest and sale

Our plan is to scale up our seaweed production with all investment matched \$ for \$, up to \$4M by our fully executed grant through the State of WA, allowing us to:

- Increase aquaculture production equipment at our 32ha seaweed farm.
- Deploy a containerised hatchery facility at a pre-approved ocean-backed lease area.
- Design a purpose built seaweed and harvesting vessel.
- Build and empower our team to solve the operational challenges and unlock research opportunities.
- Develop our partnerships to increase our portfolio of production assets in WA and Internationally

2.5 Our team

2.5.1 Organisational structure



2.5.2 Directors

Christopher (Chris) De Cuyper	Michael (Mick) Holland
Role Managing Director & CEO	Role Director & COO
Description of duties <ul style="list-style-type: none"> • Brand ambassador • Partnerships • Growth strategy • Team leadership • Advocacy • Marketing and sales 	Description of duties <ul style="list-style-type: none"> • Brand Ambassador • Operating Model • Asset Development • Operations and Maintenance • Production • Logistics
Skills and experience Chris is an entrepreneur with proven project delivery capability. Originally an electrician and mechanical engineer working in the mining industry, Chris transitioned into the construction industry to	Skills and experience In a career spanning from the docks of the Fremantle fisherman's wharf to setting up industrial processing operations and running large commercial and government irrigation contracts, Mick is an

<p>successfully deliver the URBNSURF Melbourne surfpark.</p> <p>Appointed as a Non-Executive Director on the Board of the Aquaculture Council of WA (ACWA), Chris will drive the seaweed industry forward through advocacy at the regulatory decision maker level.</p>	<p>experienced Operations Manager, horticulturalist and visual artist.</p> <p>Mick will use his experience to manage the Fremantle Seaweed operations team to deliver the practical results for a seaweed farming business. Mick has achieved significant advancements in the hatchery cultivation of Asparagopsis and will continue to run experiments to be at the cutting edge of seaweed science.</p>
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Adam Lamond	
<p>Role</p> <p>Non-Executive Chairman and Director</p>	
<p>Description of duties</p> <ul style="list-style-type: none"> • Corporate governance • Mentorship • Custodian of culture • Manage executive accountabilities • Strategic connections 	
<p>Skills and experience</p> <p>Adam is an award-winning founder, entrepreneur and investor, founding his first business Ocean to Outback Electrical (OTOE) in 2003 which listed on the ASX as Ocean to Outback Contracting (OTOC) in 2011. At this time they were employing over 300 people on projects in WA. As Managing Director of OTOC Limited Adam led the change in direction of the company into Veris Limited, Australia's largest digital and spatial business employing over 600 people around the country through 20 offices.</p> <p>As Chairman of Fremantle Seaweed, Adam's will use his experience in developing an exciting startup into a successful company and provide the counsel and guidance to be a steady hand at the helm.</p>	

2.6 Capital structure

2.6.1 Issued capital (before and after the Offer)

As at the date of this Offer Document, the Company has 1,288,542 ordinary shares on issue. The Company has also issued SAFEs. The majority of shares are held by the Company's founders/directors.

Table 1: Issued capital of the Company before the Offer

Shareholder	Share Type	Shares
Christopher de Cuyper	Ordinary	500,000 38.8%
Michael Holland	Ordinary	500,000 38.8%
LHO LA PTY LTD	Ordinary	250,000 19.4%
Adam Lamond	Ordinary	12,500 0.97%
PLT Capital	Ordinary	15,625 1.21%
Westbourne Investment Group	Ordinary	10,417 0.81%
Total		1,288,542 (100%)

Table 2 sets out the issued capital of the Company following the Offer on a fully diluted basis (i.e. presuming all convertible securities are exercised).

Table 2: Issued capital of the Company following the Offer (on a fully diluted basis)

Shares	Minimum Subscription \$200,000	Maximum Subscription \$2,000,000
Existing Ordinary Shares	1,288,542 (87.45%)	1,288,542 (73.78%)
SAFE Shares	144,961 (9.84%)	57,984 (3.32%)
Offer Shares	40,000 (2.71%)	400,000 (22.9%)
Total Shares	1,473,503 (100%)	1,746,526 (100%)

2.6.2 Rights and liabilities associated with securities

As at the date of this Offer, the only class of shares on issue are ordinary shares. The Company has also issued SAFEs. Set out below is a summary of the rights and liabilities associated with the securities in the Company. A copy of the Company's Constitution is available on the Intermediary's platform.

Ordinary Shares

The rights and liabilities associated with the ordinary shares are set out in the Company's constitution, including:

The Directors may decline to register any transfer of shares except in the case of shares transferred in the terms of clause 11 of the Constitution and except in the case of transmission without assigning any reason.

The ordinary shares confer on their holders:

- on a winding up of the Company, the right to participate *pari passu* with the holders of other ordinary shares in the repayment of paid up capital and distribution of any surplus assets or profits of the Company;
- the right to receive notice of and attend any general meeting of the Company;
- the right to cast one vote on a show of hands at a general meeting of the Company and to cast one vote for each ordinary share held on a poll; and
- the right to such dividends and bonus shares *pari passu* with the holders of other ordinary shares as the Directors in their absolute discretion from time to time determine.

The shares offered under this Offer are ordinary shares. A more detailed description of the rights and liabilities associated with the ordinary shares is set out in Section 3.3 below.

SAFE (Simple Agreement for Future Equity)

The Company has issued SAFEs to pre-seed investors. The SAFE may convert to ordinary shares when the Company raises over \$500,000 or the maturity date of 31/03/24 is reached. Key terms of the SAFE are as follows:

- Amount - \$180,000
- Discount Rate – 20%
- Qualifying Finance - \$500,000
- Maturity Date – 31/03/2024
- Agreed Valuation \$5,000,000
- Fallback Valuation (should the qualifying finance threshold not be achieved) \$2,000,000

Shareholders Agreement

Other than the Constitution, there is no shareholders agreement or other agreement between the existing shareholders of the Company.

2.6.3 Sources of financing, including debt financing and other financing

To date, the business has been funded through a combination of equity raises and grants.

Equity

To date, the Company has raised \$300,000 from professional investors with the two founders investing an initial \$100,000 of startup capital. 12,500 shares have been issued to Adam Lamond under the Chair appointment offer. See section 2.6.1 for more information.

SAFES

The Company has raised \$180,000 in SAFEs.

Grant funding

The Company has received \$180,000 in State Government grants with \$3,820,000 remaining in an agreed WA Investment Fund grant contract.

R&D tax incentive

Fremantle Seaweed has lodged three successful R&D tax incentive applications, totally \$115,000 in refunds for our R&D activities.

2.7 Key risks facing the business

An investment in the Company should be seen as high-risk and speculative. A description of the main risks that may impact the Company's business is below. Investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general risks associated with the Company (for example, risks relating to general economic conditions or the inability to quickly or easily sell your shares).

Risk	Description
Margin Risk	<p>The Company has assessed the current cost of imported and inferior products in the market and has used this information in the determination of wholesale and retail pricing. In the future, imported products may be offered at lower price than is currently in evidence. Fremantle Seaweed will always look for opportunities to decrease cost of production and maintain visibility of market competition to ensure products remain as competitive as possible.</p>
Quality Risk	<p>The quality of produce is fundamental to Fremantle Seaweeds market position and values. All products must consistently meet or exceed customer expectations to maintain the pedigree and value of the brand. Processes and systems are in place to ensure that Fremantle Seaweed will only sell products that maintain the brand reputation as the finest seaweed products globally.</p>
Toxicology Risk	<p>The US EPA states Bromoform has been classified as a Group B2, probable human carcinogen. However, according to Safe Work Australia it is not classified as a carcinogen according to the Globally Harmonized System of Classification and Labelling on Chemicals (GHS).</p> <p>Given the credibility of CSIRO and the work currently undertaken around toxicology, it is expected that this area will be addressed in the short to medium term with adequate validated data.</p>
Unforeseen Expenditure Risks	<p>Expenditure may need to be incurred that has not been considered in the preparation of this Offer Document. Although the Company is not aware of any such requirements, if such expenditure is subsequently incurred, this may adversely affect that forecast by the Company.</p>
Cash flow risk	<p>The Company's operating activities involve a series of cash inflows and outflows. Although the Company seeks to manage its cash flow efficiently, there is a risk that the Company may not have sufficient cash or working capital, at times, to fund both its operations and its expansion plans. This could affect the Company's profitability, future prospects, and its ability to meet its business objectives.</p>
Funding risk	<p>The Company is in the process of raising funds to achieve its strategic business objectives and to cover its projected operating expenses. The Company may not raise all of the required funding and therefore not achieve all of its business objectives.</p> <p>The Company may also need to raise additional funds in the future from investors or third parties. There is no assurance that the Company will be able to obtain additional rounds of funding on substantially the same terms as</p>

	outlined in this Offer Document or at all. The Company's value may be materially affected if the required additional funding is not available.
Competition risk	<p>The Company operates in a highly competitive market, with several known competitors domestically and internationally. There is a risk that existing competitors as well as new competitors, will have greater access to capital, economies of scale, resources and distribution compared to the Company.</p> <p>If the Company is unable to successfully compete with existing and/or new competitors, this would have a negative impact on the revenue, profitability and future prospects of the business.</p> <p>Fremantle Seaweed has overcome the most substantial barrier to entry, that of a high value operating lease and will continue to identify and secure similar leases into the future as part of its growth strategy and to maintain market position.</p>
Insolvency risk	The Company is not yet profitable. The Company is seeking to obtain further funding to achieve its objectives. There is no guarantee that funding will be available on favourable terms or that the Company will receive any level of funding at all.
Key person risk	As an early stage business, the Company is susceptible to the loss of key team members as they are considered critical to the continued success of the Company. If a key team member was lost, due to illness for example, this could significantly affect the Company's ability to continue its operations or achieve its business objectives as the case may be.
Startup risk	<p>The Company is a pre-revenue startup and will build the business with the funds raised through this crowd-sourced funding offer.</p> <p>As an early stage business, the Company is subject to all of the risks associated with early stage companies, including uncertainty around the volume and origin of revenue streams, size and existence of repeat customers, and risks associated with evolving technology. In particular, the Company is not yet profitable and is yet to generate revenue through certain anticipated revenue streams.</p> <p>The commercial success of the business will depend on many factors including the Company's ability to attract and retain quality staff and loyal customers.</p>
Brand risk	If the Company does not maintain consistent levels of quality and service in its offering, the Company's brand and reputation could be damaged. In an increasingly connected world, damage to a company's brand and reputation can be catastrophic. The Company is acutely aware of this risk and is vigilant to ensure that it maintains a consistently high level of product quality and customer service.

Business model risk	The Company is at the proof-of-concept stage of the business cycle. As such, it carries the risks of a start-up business. Given the limited trading history of the company, no assurance can be given that the Company will achieve commercial viability through the implementation of its business plan.
Regulatory risk	<p>The Company has not yet received regulatory approval to sell our Asparagopsis product to cattle in Australia or in any overseas jurisdictions. Our growth strategy depends on obtaining approvals from FutureFeed.</p> <p>The Company has applied to FutureFeed and is awaiting a response.</p> <p>There is no guarantee that we will receive all necessary regulatory approvals and we cannot predict with certainty the timelines for such approvals, or whether other requirements may be imposed by regulatory authorities (e.g. further requirements to prove the effectiveness of our product).</p>
Intellectual property risk	The protection of the Company's intellectual property is critical to our business and commercial success. If we are unable to protect or enforce the Company's intellectual property rights, there is a risk that other companies will copy our product and technology, which could adversely affect our ability to compete in the market.
Outsourcing risk	The Company's business structure also involves several outsourced functions. If the providers of these services ceased working with the Company, they would need to be replaced. A failure to replace a suitable provider on suitable terms may have a significant adverse impact on the Company's operations and ability to execute its plans.
Key contract risk	The Company relies on key contracts with third parties. Early termination by a counterparty of a key contract would materially affect the ability for the business to continue its operations if a suitable replacement was not found.
Recruiting risk	Attracting, training and retaining staff in the aquaculture industry in WA with a high skill level and plenty of experience can be difficult. The Company may fail to attract key personnel that are critical to the Company's growth and performance. Any delay in recruiting key personnel (or any failure to hire), may have a significant adverse impact on the management of the Company, and may, in turn, have adverse impacts on financial performance.
Project risk	The Company is undertaking a significant project to expand the business. As with any expansion project, there are risks that the new initiatives and programs may not perform as expected, or the project team does not execute effectively. The failure of this project could affect the Company's profitability and the future prospects of the business.
Legal or regulatory risk	The Company operates in a highly regulated industry. Regulatory changes to aquaculture laws or regulation in Australia or in other countries where the Company operates may have a material adverse effect on the Company's operations.

Currency risk	The Company has plans for significant operations in Australian and Indonesia. A negative movement in the Australian dollar against Indonesian rupiah which is not sufficiently hedged may negatively affect the margins and profitability of the Company.
Market risk	There is unproven market demand for the Company's seaweed products. The commercial success of the business will depend on many factors including the Company's ability to attract and retain loyal customers.
Dilution risk	If, in the future, the Company undertakes further funding activities, a shareholder's interest may be diluted (if they do not participate in future fundraising).



2.8 Financial information

Below are the financial statements of the Company for the financial years ended 30 June 2023 and 30 June 2022, which have been prepared in accordance with the Accounting Standards.

Financial information for the 7 months ending 31 January 2024 have also been included. The information has been prepared on a consistent basis based on management accounts, and accordingly may be subject to change.

2.8.1 Balance sheet

Fremantle Seaweed Pty Ltd

For 7 months ended 31 January 2024 and year ended 30 June 2022 and 30 June 2023

Account	31 Jan 2024	30 Jun 2023	30 Jun 2022
Assets			
Bank			
Cash and Equivalents	22,278	24,804	65,471
Total Bank	22,278	24,804	65,471
Current Assets			
ATO Clearing Account	(16,425)	0	0
GST	10,980	21,824	6,966
Income Tax Payable	43,652	71,043	27,412
Prepaid Insurance	7,247	15,725	0
Shareholder Loan - Chris De Cuyper	11,849	6,618	21,098
Shareholder Loan - Mick Holland	15,621	11,389	25,389
Total Current Assets	72,924	126,599	80,864
Fixed Assets			
Computer Equipment	3,725	3,725	0
Hatchery - at cost	30	0	0
Office Equipment	382	382	0
Production Equipment at cost	7,034	0	0
Research Equipment	2,734	2,639	0
Research Vessel	40,000	40,000	40,000
Research Vessel - Improvements	47,787	47,787	40,651
Less Acc Dep'n	(25,236)	(17,388)	(8,774)
Total Fixed Assets	76,457	77,145	71,877
Total Assets	171,659	228,548	218,212
Liabilities			
Current Liabilities			
Accounts Payable	95,259	0	0
ATO - SGC	8,180	0	0
Convertible SAFE Note - LHO LA PTY LTD (ACME)	180,000	180,000	0
PAYG Withholdings Payable	10,608	22,984	0
Premium Funding	4,395	17,490	0
Superannuation Payable	11,880	8,190	0
Suspense	(78)	0	0
Total Current Liabilities	310,244	228,664	0
Total Liabilities	310,244	228,664	0
Net Assets	(138,586)	(116)	218,212
Equity			
Current Year Earnings	(238,470)	(218,329)	(56,034)
Retained Earnings	(300,116)	(81,788)	(25,753)
Share Capital	400,000	300,000	300,000
Total Equity	(138,586)	(116)	218,212

2.8.2 Profit and loss statement

Fremantle Seaweed Pty Ltd

For 7 months ended 31 January 2024 and year ended 30 June 2022 and 30 June 2023

Account	31 Jan 2024	2023	2022
Trading Income			
Grant Income	223,652	71,043	29,162
Other Income	2,049	7,226	0
Total Trading Income	225,701	78,269	29,162
Cost of Sales			
Boat Expenses	8,237	39,005	12,422
DIRECT LABOUR - Contractors	176,875	58,347	6,250
MANAGEMENT – Wages, Salaries and Superannuation	206,460	86,190	4,881
Total Cost of Sales	383,335	183,840	23,553
Gross Profit	(157,634)	(105,570)	5,609
Operating Expenses			
ADMIN - Insurance	10,880	14,436	6,769
ADMIN – IT & Website	1,736	20,022	428
ADMIN – Legal Expenses	5,337	5,126	688
ADMIN – Tax and Accounting	13,657	5,580	10,100
ADMIN - Other	8,605	10,115	12,339
Consultancy Directors	0	6,000	5,600
Depreciation – Fixed Assets	7,848	8,615	8,065
Entertainment	562	664	0
Hatchery Equipment	0	2,268	0
Low Value Assets (Immediate Write Off)	0	380	1,810
MAINTENANCE - R&M	51	13,459	10,647
MARKETING	14,694	16,776	0
Motor Vehicle Expenses	0	0	444
Other expenses	1,121	1	1
RENT - Boat pen	8,109	9,318	4,636
Staff cost	0	0	115
Total Operating Expenses	80,836	112,759	61,643
Net Profit	(238,470)	(218,329)	(56,034)
Profit/(loss) before Taxation	(238,470)	(218,329)	(56,034)
Net Profit After Tax	(238,470)	(218,329)	(56,034)
Net Profit After Dividends Paid	(238,470)	(218,329)	(56,034)

2.8.3 Cash flow statement

Fremantle Seaweed Pty Ltd

For 7 months ended 31 January 2024 and year ended 30 June 2022 and 30 June 2023

Account	31 Jan 2024	2023	2022
Operating Activities			
Payments to suppliers and employees	(339,100)	(214,734)	(76,960)
Cash receipts from other operating activities	2,081	7,949	0
Net Cash Flows from Operating Activities	(337,018)	(206,785)	(76,960)
Investing Activities			
Payment for property, plant and equipment	(7,160)	(13,882)	0
Net Cash Flows from Investing Activities	(7,160)	(13,882)	0
Financing Activities			
Other cash items from financing activities	341,652	180,000	139,465
Net Cash Flows from Financing Activities	341,652	180,000	139,465
Net Cash Flows	(2,526)	(40,667)	62,505
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period	24,804	65,471	2,966
Net change in cash for period	(2,526)	(40,667)	62,505
Cash and cash equivalents at end of period	22,278	24,804	65,471

2.8.4 Statement of changes in equity

Fremantle Seaweed Pty Ltd

For 7 months ended 31 January 2024 and year ended 30 June 2022 and 30 June 2023

Account	31 Jan 2024	2023	2022
Equity			
Opening Balance	(116)	218,212	274,247
Current Year Earnings	(238,470)	(218,328)	(56,034)
Share Capital (movement in share capital / issue of shares)	100,000	0	0
Total Equity	(138,586)	(116)	218,212

2.8.5 Management comments on historical performance and outlook

Fremantle Seaweed's value lies within our assets, agreements, and strategic position to capitalise on opportunities within the emerging Australian seaweed industry. This position provides a significant ability to scale which is reflected in our Company valuation.

First revenue is an absolute priority and we have developed our edible seaweed products so that we are ready to begin supplying fresh seaweed to the restaurant market through a seafood wholesaler. With small amounts of *Caulerpa lentillifera* and *Ulva lactuca* to start with, we expect to scale up production by investing in additional infrastructure (longlines) and the operational team to ramp up to full production of 22 longlines.

At the same time, we will continue our efforts to scale up production of *Asparagopsis* by investing in R&D. Small trial crops will be harvested to sell to feedlot and dairy farmers (requiring a license from FutureFeed) or to an existing FutureFeed licensee.

As primary producers of seaweed our model is all about the length of grow rope in the ocean and the hectares under production. We have overcome the most significant barrier to entry with our first 32ha aquaculture lease and will continue to progress our agreements (non-binding MoUs) that we have made to expand operations in WA and Indonesia.

For any new start-up, burn rate and runway is front of mind. We have kept the team and operational costs lean since founding Fremantle Seaweed in 2020, and have achieved significant advancements (32ha lease, \$4M grant, team and trials) with minimal dilution. However, we must now enter a growth phase to capitalise on our position. \$2M in investment, which is matched by our grant for an additional \$2M will see Fremantle Seaweed strengthen our position to further expand operations beyond our 32ha aquaculture lease.

Section 3: Information about the Offer

3.1 Terms of the Offer

The Company is offering up to 400,000 shares at an issue price of \$5 per share to raise up to \$2,000,000. The key terms and conditions of the Offer are set out below.

Term	Details
Shares	Fully-paid ordinary shares
Price	\$5 per share
Minimum Subscription	\$200,000
Maximum Subscription	\$2,000,000
Opening date	27/02/2024
Closing date	14/03/2024

A description of the rights associated with the shares is set out in Section 3.3.

To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer at www.birchal.com.

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached or the Offer is closed but not completed, you will be refunded your application money.

Retail investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.

The Offer is not underwritten and there is no guarantee that these funds will be raised.

3.2 Use of funds

The table below sets out the intended use of funds raised under this Offer based on the minimum and maximum subscription amounts.

Intended use	Minimum Subscription	Maximum Subscription
Increase aquaculture equipment	\$50,000	\$177,200
Containerised hatchery facility	\$50,000	\$100,000
Design a seaweed harvesting vessel	\$0	\$500,000
Working capital (raise capital or build team)	\$85,200	\$500,000
Develop expansion projects	\$0	\$150,000
Directors remuneration	\$0	\$450,000
Offer costs	\$14,800	\$122,800
Total	\$200,000	\$2,000,000

The Offer costs includes the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are up to 6% of all funds raised by the Company through Birchal Financial Services Pty Ltd (Intermediary), plus \$2,800 for administration and setup costs.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 18–24 months.

If this CSF Offer is unsuccessful, or if only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 6 months. In such circumstances, the Company may consider alternative sources of funding, such as undertaking a further CSF offer under the CSF regime or other debt or equity funding. Until additional funding is obtained, we will scale back recruitment and continue to focus our cash resources on expanding production of our edible seaweed products.

3.3 Rights associated with the shares

Immediately after issue, the shares under this Offer will be fully-paid ordinary shares. There will be no liability on the part of shareholders and the shares will rank equally with the shares currently on issue.

The rights associated with the shares are set out in the Company's constitution. These rights are described below. A copy of the constitution is available on the Intermediary's platform.

3.3.1 Voting rights

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

3.3.2 Dividends

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

3.3.3 General meetings and notices

Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares.

3.3.4 Election and removal of directors

Shareholders may vote to elect and remove directors at a general meeting by way of ordinary resolution.

3.3.5 Winding-up

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to shareholders after secured and unsecured creditors of the Company. Holders of fully-paid ordinary voting shares rank behind other classes of shares (if any).

3.3.6 Restrictions on sale and transfer

There are certain restrictions on a sale or transfer of shares. See section 11 of the Constitution for further information.

Pre-emptive rights on transfer:

If a shareholder wishes to transfer any of its shares, it must offer those shares to the other shareholders. See clause 11.3 of the Constitution.

Drag along rights:

Where a third party makes a bona fide offer to purchase shares which comprise 100% of the issued share capital of the Company, members holding at least 60% of all shares on issue may 'drag' the remaining shareholders and require them to sell all of the shares at the same price and on the same terms. The pre-emptive rights process does not need to be undertaken in order for the drag along to be triggered. See clause 11.8 of the Constitution.

Tag along rights:

The Constitution includes tag along rights in certain circumstances. See clause 11.9 of the Constitution.

Discretion to refuse to register a transfer of shares:

The Directors may decline to register any transfer of shares except in the case of shares transferred in the terms of clause 11 of the Constitution and except in the case of transmission without assigning any reason.

On-sale restrictions under the Corporations Act:

Shares acquired under the Offer may not be on-sold within 12 months of their issue without a prospectus or other disclosure document unless an exemption under section 708 of the Corporations Act 2001 (Cth) applies (e.g. sales to sophisticated or professional investors) or unless ASIC gives relief from the requirement to provide such prospectus or other disclosure document.

3.3.7 Amendments to the Constitution

To vary the Constitution or adopt a new constitution, the Company must pass a special resolution at a general meeting. At least 75% of the voting members of the Company must vote in favour of the resolution for it to pass.

3.4 What can I do with my shares?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold.

However, there are numerous possible circumstances that may create an opportunity for shareholders to exit their investment in the Company. These include:

- A trade purchase of the Company
- A listing on a registered stock exchange (eg the ASX)
- A private equity investment in the Company
- A share buy-back by the Company

There is no guarantee that any of the exit options will eventuate.

Section 4: Information about investor rights

4.1 Cooling-off rights

If you are a retail investor, you have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the Company), you must do so within five business days of making your application (**Cooling-off Period**).

You must withdraw your application via the Intermediary's platform. You will be able to withdraw your application within the Cooling-off Period by following the link and the instructions within your portfolio on the Intermediary's platform.

After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable.

4.2 Communication facility for the Offer

You can ask questions about the Offer on the communication facility available on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the Company and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the Company, and related parties or associates of the Company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the Company and/or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.

4.3 Proprietary company corporate governance obligations

4.3.1 Annual report

While the Company is currently a small proprietary company that is not required to prepare annual financial reports and directors' reports, if we successfully complete this Offer, then we will be required to prepare and lodge these annual reports with ASIC (within four months of the financial year end). The Company has a 30 June year end and its financial reports must be lodged by 31 October each year.

Our financial reports are currently not required to be audited as we are a small proprietary company. This means that the Company's financial reports will not be subject to auditor oversight and, therefore, there will be no independent assurance of the Company's financial statements. However, the directors are still

required to ensure that the financial statements give a true and fair view of the Company's financial position and performance and that the financial statements comply with the accounting standards.

We may be required to have our financial reports audited in the future if we raise more than \$3 million from CSF offers (including this current offer and any future offers) or otherwise become a large proprietary company.

4.3.2 Distribution of annual report

The Company is not required to notify shareholders in writing of the options to receive or access the annual report. Shareholders will not be able to elect to receive a copy of the annual report by way of email or post. However, shareholders can access the annual report on the Company's website at the following address www.fremantleseaweed.com or on the Company's share registry website at the following address www.complianceengine.com.au (free of charge) or can purchase the report from ASIC.

4.3.3 Related party transactions

If we successfully complete this Offer, the rules on related party transactions in Chapter 2E of the Corporations Act will apply to the Company (for so long as we continue to have CSF shareholders). This means that the Company is required to obtain shareholder approval before giving financial benefits to related parties of the company (e.g. directors and their spouses, children or parents), subject to certain exceptions (such as reasonable remuneration provided to directors).

4.3.4 Takeovers

If we successfully complete this Offer and have more than 50 shareholders, the takeover rules in the Corporations Act will only apply to the Company in a very limited way. If someone wants to buy more than 20% of the voting shares in the Company, they will be able to do so without complying with the takeover rules. This means a person may be able to get control of the Company without making a formal takeover bid to all shareholders or without seeking shareholder approval.

Shareholders will not have the benefit of the full protections under the takeover rules, which means you may not have the right to vote on or participate in a change of control of the company. However, the general principles of ensuring shareholders have sufficient information and time to consider a change of control, and all have a reasonable and equal opportunity to participate in any benefits, will apply to the Company. In addition, the Takeovers Panel has jurisdiction to hear disputes relating to control of the Company.

4.4 Company updates

The Company will provide regular updates to investors on the Company's website at the following address www.fremantleseaweed.com via the Company's share registry website at the following address www.complianceengine.com.au and via the Intermediary's platform.

Glossary

Company means Fremantle Seaweed Pty Ltd ACN 644 635 996

Cooling-off Period means the period ending five business days after an application is made under this Offer, during which a retail investor has a right to withdraw their application and be repaid their application money

CSF means crowd-sourced funding under Part 6D.3A of the Corporations Act

CSIRO means the Commonwealth Scientific and Industrial Research Organisation

Intermediary means Birchall Financial Services Pty Ltd ACN 621 812 646 AFSL 502618

Maximum Subscription means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer. The Maximum Subscription is subject to rounding based on the share price of the Offer.

Minimum Subscription means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer. The Minimum Subscription is subject to rounding based on the share price of the Offer.

Offer means an offer of fully-paid ordinary shares by the Company under this CSF offer document

Retail investor has the meaning given to the term “retail client” under the Corporations Act