



Approval for Esperance land.

- **Esperance community supports the disposal of land to OGA for the development of an abalone hatchery and grow out facility.**
- **The Esperance Council has passed a resolution authorising the Shire CEO to enter into a land agreement (Agreement) with OGA for the southern portion of Lot 50 Wylie Bay Road (Land).**

Ocean Grown Abalone Ltd (ASX: **OGA**, or the **Company**) is pleased to announce the Esperance Council has passed a resolution authorising the Shire's CEO to prepare agreements to enter into a land transaction with OGA for the Land that has the potential for development into an abalone hatchery and grow out facility.

The key terms for the Land transaction are:

- OGA will lease the Land from the Shire for 12 months from the completion of contractual documents for \$10,000;
- OGA will have an option to extend the lease period by a further 12 months for \$10,000;
- OGA will have exclusivity to purchase the Land during the lease period, whereby OGA has the right but not the obligation to purchase the Land for \$500,000, plus subdivision costs capped to \$15,000; and
- Sale of the Land from the Shire to OGA is conditional on OGA developing an onshore aquaculture hatchery and grow out facility and will be subject to necessary regulatory and shareholder approvals.

OGA and the Shire have until 1 May 2019 to complete contractual documentation for the Land transaction and once finished OGA will commence a feasibility study to assess the development potential for an abalone hatchery and grow out facility.

Once the feasibility process is completed, OGA will determine the suitability of the Land for an abalone hatchery and grow out facility, and how to fund the development stage.

OGA undertook a community consultation and engagement process, demonstrating the numerous benefits for the Esperance community. All feedback sent from community members to the Shire were supportive of the development. This input was essential in the Council's decision to support OGA's expansion opportunity.

Brad Adams, OGA Managing Director, says, "We are excited about this development for our company and the local community of Esperance. This project will generate employment for the community - local jobs for local people. Abalone from this project will be available locally and for export, strengthening the Australian export market and diversifying the aquaculture industry."

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About the Company

Ocean Grown Abalone Limited (ASX: OGA) has developed its commercial greenlip abalone sea ranching business in the pristine waters of Flinders Bay, Western Australia. Through the construction of proprietary, purpose-built artificial abalone reefs (called "Abitats"), OGA is able to supply commercial quantities of its premium, 'wild-harvested', greenlip abalone at sizes not otherwise available in the Australian abalone market today.

For more information visit <https://www.oceangrown.com.au>

Forward Looking Statements

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