



21 November 2019

Dear Shareholder,

### PRO-RATA NON-RENOUNCEABLE RIGHTS OFFER

As announced on 20 November 2019, Ocean Grown Abalone Limited ("Company") is seeking to raise up to approximately \$2,899,618 by a pro-rata non-renounceable rights offer ("Offer") of up to approximately 22,304,754 shares on the basis of 1 new share ("New Share") for every 8 shares held at an issue price of 13 cents per New Share. The Company expects to lodge an offer document for the Offer ("Offer Document") with the ASX on 28 November 2019.

The funds raised under the Offer will be used to progress feasibility and development of the Esperance Hatchery and Grow-Out Project, for working capital and to meet Offer expenses.

The Offer is fully underwritten by Morgans Corporate Limited. Minimum subscription under the Offer equates to the underwritten amount.

The timetable for the Offer is as follows:

Pro-rata Offer announced	20 November 2019
Shares quoted on an "ex" basis (date from which the Shares commence trading without the entitlement to participate in the Offer).	22 November 2019
Record Date (date for identifying Shareholders entitled to participate in the Offer).	25 November 2019
Offer Document with Entitlement Form sent to Eligible Shareholders	28 November 2019
Offer opens	28 November 2019
Closing Date (last date for lodgement of Entitlement Forms and Application Money)	12 December 2019
Trading of New Shares commence on a deferred settlement basis	13 December 2019
Company to notify ASX notified of the Shortfall (if any)	16 December 2019
Issue of New Shares and end of deferred settlement trading	19 December 2019

Subject to the Listing Rules, the above dates may be changed without notice.

The Offer will be made to the Company's shareholders with a registered address in Australia or New Zealand on the Record Date ("Eligible Shareholders").



Assuming that no Options are exercised before the Record Date, the effect of the Offer on the Company's issued share capital is shown in the following table:

Shares	Full Subscription
Existing Shares	178,438,026
New Shares issued under the Offer	22,304,754
<b>Total Shares on issue after completion of the Offer</b>	<b>200,742,780</b>

It is anticipated that the Offer Document offering New Shares for subscription will be mailed to Eligible Shareholders on 28 November 2019. The Offer Document may be viewed on the ASX's website at [www.asx.com.au](http://www.asx.com.au) or alternatively on the Company's website at [www.oceangrown.com.au](http://www.oceangrown.com.au).

Application will be made to ASX for official quotation of the New Shares. No shareholder approval is required to the Offer.

#### Overseas shareholders

The offer is only made to Eligible Shareholders (shareholders with a registered address in Australia or New Zealand at the Record Date). Therefore, if you are a shareholder with a registered address other than Australia or New Zealand, no offer will be made to you. In making this decision, the directors have taken into account the small number of overseas shareholders and the costs and administrative complexity of complying with applicable regulations in jurisdictions outside Australia and New Zealand.

If you have any questions please do not hesitate to contact the Company.

Yours faithfully

**Brad Adams**  
**Managing Director**  
**Ocean Grown Abalone Limited**