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Mareterram

Investor Update – March 2017

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Executive Summary

Vertically integrated agri-business

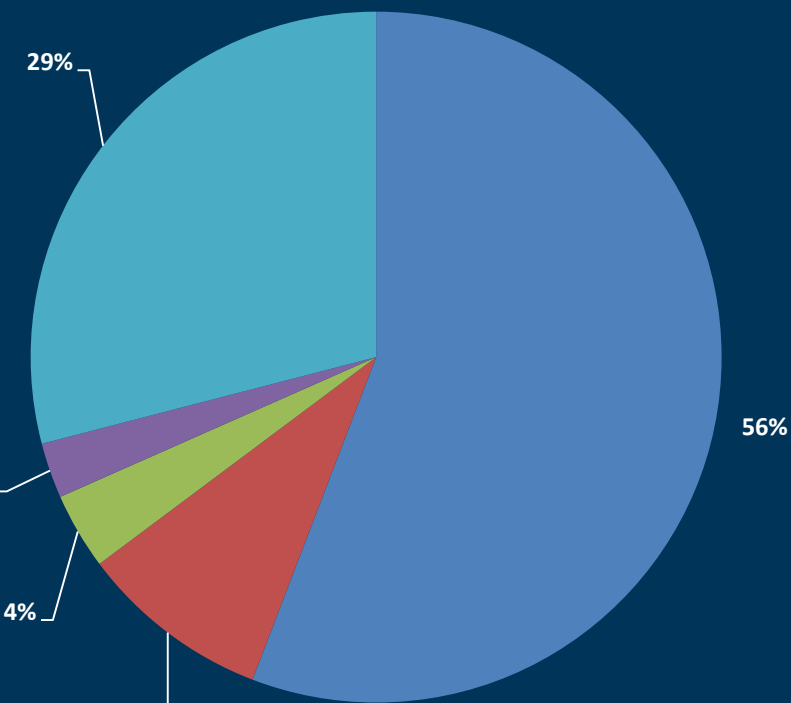
- Vertically integrated fishing, production, procurement and sales
- Sustainable fishing business with resource tenure and premium product
- Significant competitive advantages
- Leveraged to increasing demand for sustainable, clean food
- Experienced board and management
- Operational progress on track
- New domestic and export markets opened
- Strong platform for growth
- Quality register - vendors and key supplier are substantial shareholders
- Significant increase in net asset value



Corporate Overview

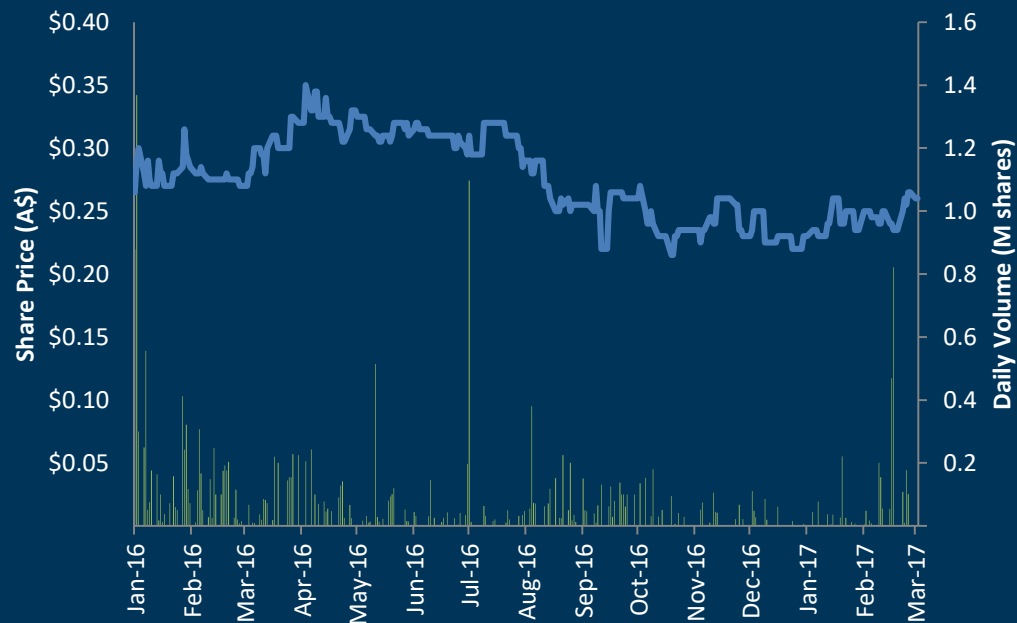
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Shareholders



- Sea Harvest
- Craig Mostyn & Co
- Orange Sun
- Board and Management
- Other

Share price performance



Corporate Overview

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CAPITAL STRUCTURE	
Share price as at 10 March 2017 (ASX:MTM) (A\$)	\$0.26
Shares on issue (m)	139.54
Market capitalisation (A\$m) (undiluted)	\$36.28
Performance rights(m)	4.69
Incentive options(m)	5.00

BOARD AND KEY MANAGEMENT	
Peter Hutchinson	Chairman
David Lock	MD and CEO
James Clement	COO and Executive Director
Felix Ratheb	Non-Executive Director
Mark Pitts	Non-Executive Director
Fred Robertson	Non-Executive Director
Richard Duncan	CFO and Company Secretary
David Durack	General Manager (Mareterram Foods)

Sea Harvest

Substantial shareholder and key supply relationship

- Made a proportional takeover bid to acquire 50% of MTM shares at 35c
- Are now a 55.89% shareholder in MTM
- Key supplier to MTM Foods. 50 year history.
 - Supplied all hake products (MTM Foods' largest selling product by value)
- Supply and Distribution Agreement
 - Exclusive rights to market, sell and distribute all Sea Harvest products – food service and retail
- About Sea Harvest
 - One of the largest vertically integrated fishing companies in South Africa - established in 1964, based in Cape Town, employs over 3,000 people, owns and has access to 29 deep-sea trawlers, processes 40,000 tonnes of fish in three value-adding plants
 - Leading brand in South African frozen fish segment with over 40% volume share with sales to 22 countries
 - Controlled by Brimstone Investment Corporation – JSE listed investment holding company – market capitalisation of ~ZAR3.3b (~A\$290m) with an investment focus on food, health care, infrastructure and financial services



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Sea Harvest

In the process of listing on the JSE

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- Funds raised will de-gear the balance sheet and provide funds for growth
- Sea Harvest is focused on growth and is looking to become a diversified global fishing company through value-creating acquisitions
- This strategy is consistent with MTM's strategy for growth
- The listing provides access to capital for both Sea Harvest and MTM to pursue growth opportunities





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Achievements



MTM First 12 Months

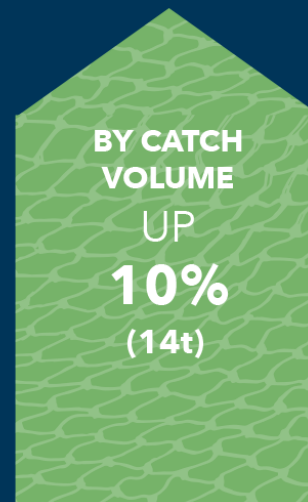
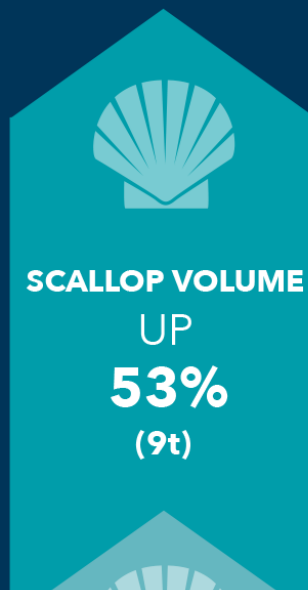
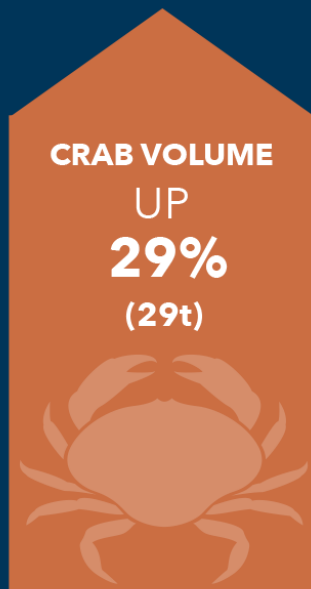
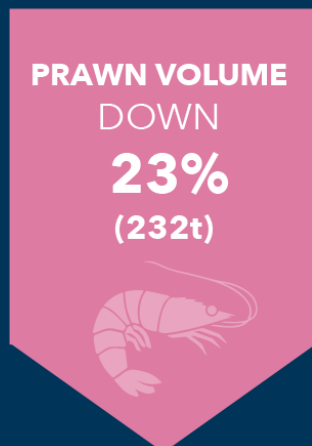
- Listed on the 6th of January 2016
- Two initial Assets
Norwest Seafoods
Food Service
- Focus Fisheries \$1.3m in March 2016, Atlantic Seafood \$.3m December 2016
- Proportional takeover offer April to July 2016
- June 2016 Results > Prospectus
- October 2016 – Purchased additional vessel
- December 2016 Results strong
- Created significant increase in licence value in the market
- Now – New fishing season starts 16 March 2017



Highlights of 2016 Fishing Season v Prospectus Forecast Assumptions

1 April – 14 November 2016

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Competitive Advantages

1. Operating an 11-vessel trawl fleet
2. Own Licences in perpetuity in sustainable fishery
3. In-house engineering and slipping
4. National customer centric sales team
5. Diverse channels to domestic and international markets
6. Well-funded/shareholder support
7. Capacity building in fishing industry
8. Corporate approach to roll-up and integration
9. Domestic/international processing
10. Exemption from import ban for re-imported domestic prawns

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White Spot Impact from Qld outbreak

Dept of Agriculture & Water Resources (DAWR) banned all imported prawns from 7 January 2017 for 6 months

Senate enquiry to report by June 2017

Banned import volume 32,000 tonnes + lost Australian farm production 1,500 tonnes vs total Australian wild catch 20,000 tonnes*

MTM prawns not effected by White Spot or the import ban

Exemptions to date:

- Australian Economic Zone; Battered, crumbed, dim sims; New Caledonia; Irradiated bait; and
- Australian wild caught prawns processed in an approved facility in Thailand and re-imported

*Australian Fisheries and Aquaculture Statistics 2015 provided by DAWR December 2016

December 2016 results (1HY2017)

On track but still impacted finalisation of acquisition accounting

- Sales revenue \$26.6m
- EBITDA \$4.3m
- PBT \$3.7m
- NPAT \$3.4m
- Includes \$1.5m writeback of accrued earnout for Food Service business
- Includes DTL \$7.6m (reinterpretation of AASB 112). DTL will not directly result in future cash outflow
 - Reduced net assets by \$7.6m

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Recent sale of licence in SBPMF

- MTM's 10 licences valued at \$15m (net of VFAS liability)
- Therefore each licence valued at \$1.5m
- February sale at public auction of one licence for \$4.3m (net of VFAS)
- Difference of \$2.8m
- Extrapolates to \$28m increase in net assets = \$.20 per share (December balance sheet = \$.17 per share)
- Results in net asset backing of \$.37 per share *

* See balance sheet reconciliation at the end of this presentation

Outlook

- 2017 season to start 16 March 2017
- Scallop quota to double (MTM allocation 55 tonnes)
- Vessels more reliable than at start of 2016 season
- M&A resources evaluating a range of protein acquisition opportunities – sea and land based
- Sales channels ready for products

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Growth Strategy

Building a Diversified Agri-business

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Four pillars growth strategy

FISH EVERY NIGHT

- Crews
- Maintenance
- Spare boat
- Accelerate boat overhaul program

INCREASE VESSEL UTILISATION IN THE OFF-SEASON

- Identified opportunities
- Boats are adapted to various sea conditions
- Acquire/lease additional quota

ADD AGENCIES TO GROW THE MARETERRAM FOODS BUSINESS

- NZ product
- Retail agencies
- Export agencies

ACQUISITION GROWTH

- Protein focused either Sea or Land based
- \$20m - \$50m enterprise value
- Supply Chain Control
- Australia / NZ



Appendix 1 – Reconciliation of balance sheet

Recent sale	\$millions	
Licence	4.30	Estimated split
Vessel	0.25	
Package	4.55	

\$millions	Reported	Licence reval.	Notional
Cash and cash equivalents	0.1		0.1
Trade and other receivables	8.8		8.8
Inventory	8.0		8.0
Other current assets	1.5		1.5
Total current assets	18.4		18.4

Property, plant & equipment	10.3		10.3	MTM boats are valued at c.\$0.66m compared to the recent sale of c.\$0.25m due to condition
Fishing Licenses	25.2	17.8	43.0	Revalue 10 licences to \$4.3m per licence
Goodwill	2.3	16.0	18.3	Residual value of vessel package net of VFAS, DTA and DTL liabilities
Other non-current assets	4.4		4.4	
Total non-current assets	42.2	33.7	75.9	

Trade and other payables	3.4		3.4
Loans and borrowings	0.9		0.9
VFAS	2.1		2.1
Accruals and other payables	1.8		1.8
Total current liabilities	8.2		8.2

Loans and borrowings	12.0		12.0	
VFAS	8.1		8.1	
Deferred tax liabilities	8.1	5.3	13.4	30% of the new Fishing Licence value
Other non-current liabilities	0.5		0.5	
Total non-current liabilities	28.7	5.3	34.0	

Net assets	23.7	28.4	52.1
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Shares on issue	139.5		139.5
Net asset value per share	0.17		0.37



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CONTACT DETAILS

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