



SANFORD

2 February 2021

NZX Continuous Disclosure

Update on San Waitaki Sentencing

Sanford wishes to update the market in respect of the current court case in which Sanford has pleaded guilty to the charges of bottom trawling in a BPA (Benthic Protected Area), noting that the judgement is still pending.

In our Integrated Report for the year ended 30 September 2020, this matter was disclosed on page 30 (see the online version) and additionally described in the Contingent Liability note 21, (page 134), which reads:

“The company has entered a guilty plea to three representative charges of the San Waitaki vessel found to be bottom trawling in a benthic protection area. Sentencing is now expected in 2021. Aside from the fine, which is covered by insurance, the offence also carries potential forfeiture of the vessel and the related catch. The company believes there is a strong argument in support of “special reasons” justifying non-forfeiture of the vessel and catch, which is a matter for the Court to determine. The Directors have concluded, based on legal advice, that there is no requirement to recognise a liability for the forfeiture of the vessel and catch at balance date”.

Fishing by our vessel in this area was unintentional. In the time since these incidents we have put new processes and technology in place to prevent something like this happening again. We have developed and applied a robust method of electronic geo-fencing which will sound an alert on board a vessel if it should stray close to the boundary of any BPA.

The vessel is currently bonded back to us whilst the matter is considered by the courts. We respect the court process and will provide more information as soon as that process allows.

For further information, please contact:

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