

RNS Strategy/Company/Operations Update



Investee Company Update: BlueNalu Secures \$60m

AGRONOMICS LIMITED

Released 07:00:02 20 January 2021

RNS Number : 2239M
Agronomics Limited
20 January 2021

20th January 2021

Agronomics Limited

("Agronomics" or the "Company")

Investee Company Update: BlueNalu Secures \$60 Million in Convertible Note Financing

Agronomics, a leading listed investor in alternative proteins with a focus on cellular agriculture and cultivated meat, is pleased to announce that portfolio company BlueNalu has now closed its US\$ 60 million debt financing in the form of Convertible Promissory Notes ("CPN") from new and existing investors, in which Agronomics' investment announced on 19 November 2020 forms a part.

Agronomics currently holds 192,005 shares of BlueNalu, comprised of 43,357 Seed Preferred Shares and 148,648 Series A Preferred Shares, with a book value, excluding the CPN investment, of £2,744,613. Agronomics' CPN, and all other CPNs raised in this round, will convert at a Qualified Financing, being an equity fundraising of US\$ 50 million or greater. Assuming a Qualified Financing occurs at a price equal to the agreed valuation cap of the CPN, Agronomics will have an approximate equity interest of 5.85% of issued shares following conversion and would value Agronomics' position at approximately £13.4 million. However, for the time-being, the CPN doesn't qualify as a valuation event for Agronomics to revalue its investment in its own books.

The full announcement is set out below with no material changes or adjustments:

BlueNalu Secures \$60 Million in Convertible Note Financing

Financing will enable completion of world's first commercial pilot facility for producing cell-based seafood, and support plans for market launch in late 2021

January 19, 2021 - San Diego, Calif. BlueNalu, a leading innovative food company producing a variety of seafood products directly from fish cells, today announced the closing of \$60 million in debt financing from new and existing investors. This marks the largest financing to date in the cell-based seafood industry worldwide. Previously, BlueNalu announced completion of its Series A round of \$20 million in early 2020, and its Series Seed round of \$4.5 million in early 2018.

The financing is intended to enable BlueNalu to achieve several significant milestones over the coming year, including opening a nearly 40,000 square foot pilot production facility, completing FDA regulatory review for its first products, and initiating marketplace testing in a variety of foodservice establishments throughout the United States.

"The team at BlueNalu is driven to produce cell-based seafood products that are healthy for consumers, humane for animals, sustainable for our planet, and provide increased food security to each nation in which we go to market," stated Lou Cooperhouse, BlueNalu's President and CEO. "This recent financing will allow us to continue advancing our mission and the next phase of our commercialization plans, while we continue to develop strategic partnerships that we expect will provide us with global market reach during the coming years."

BlueNalu plans to introduce a wide variety of cell-based seafood products from its pilot production facility in San Diego. The company anticipates starting with the launch of mahi mahi later this year, followed by the launch of a premium bluefin tuna thereafter.

"The global market for seafood is highly vulnerable today and is valued at an estimated \$200 billion. With strong investor support, our innovative and visionary management team demonstrates a clear value proposition, technology, IP, and a comprehensive regulatory strategy, all of which provide a solid foundation as we move closer to our inmarket launch," said Amir Feder, BlueNalu CFO.

BlueNalu is currently establishing joint venture partnerships within key markets where it will operate. These partnerships are expected to enable them to navigate regulatory pathways, lower the cost of goods, introduce new species and new product forms, and inform their global market strategy. Previously, BlueNalu announced five global strategic investment

partners: Nutreco, based in the Netherlands; Pulmuone, based in South Korea; Sumitomo, based in Japan; and Griffith Foods and Rich Products Corporation, based in the U.S.

Rage Capital led the \$60 million convertible note financing, and other significant participants include Agronomics, Lewis & Clark AgriFood, McWin, and Siddhi Capital. Strategic investors in this financing include Radicle Growth, by way of the Radicle Protein Challenge by Syngenta; Rich Products Corporation; and Thai Union. A partial list of other investors includes: AiiM Partners, Clear Current Capital, CPT Capital, Flat World Partners, KBW Ventures, Losa Group, OurCrowd, Silicon Valley Community Foundation, and Stray Dog Ventures.

BlueNalu currently has a three-member Board of Directors - Lou Cooperhouse, Chris Kerr of Unovis/New Crop Capital, and Chuck Laue of Stray Dog Capital - and previously had six Observers to its Board. As part of this financing, BlueNalu added four new Observers to its Board of Directors: Steven Finn of Siddhi Capital, Jim Mellon of Agronomics, Larry Page of Lewis & Clark AgriFood, and Alex Ruimy of Rage Capital.

For more information about BlueNalu, photos and quotes from selected BlueNalu investors and Board members please visit www.bluenalu.com/press-room.

About BlueNalu

BlueNalu's mission is to develop great tasting, healthy, safe, and trusted cell-based seafood products that support the sustainability and diversity of our ocean. BlueNalu is aligned with the United Nations' Sustainable Development Goals, a blueprint to achieve a better and more sustainable future for our planet. BlueNalu began its operations in 2018 and is based in San Diego, California.

Forward Looking Statements

This press release contains forward-looking statements including, but not limited to, statements related to the market size, market demand and necessity of BlueNalu's products, the development and commercialization of BlueNalu's products, the launching of BlueNalu's products publicly, the type and characteristics of products that BlueNalu will produce, and BlueNalu's ability to build out its facilities, receive regulatory approvals and build partnerships. These forward-looking statements are based on BlueNalu's current expectations and inherently involve significant risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks that BlueNalu's actual future financial and operating results may differ from its expectations or goals, BlueNalu's ability to commercialize and successfully launch its products, risks relating to BlueNalu's ability to successfully implement its business strategies, competition, including potential generic competition, the ability to protect intellectual property and defend patents, regulatory obligations and oversight, including any changes in the legal and regulatory environment in which BlueNalu operates among others. BlueNalu undertakes no duty or obligation to update any forward-looking statements contained in this press release as a result of new information.

Media Contact:
Hilary Martin, for BlueNalu
Hmartin@TalkShopAgency.com
303-907-4411

Greg Murphy, BlueNalu
Director Corporate Development
& Strategic Partnerships
GMurphy@BlueNalu.com

###

About Agronomics

Agronomics is a leading listed investor in alternative proteins with a focus on cellular agriculture and cultivated meat. The Company has established a portfolio of 15 companies at the Seed to Series B stage in this rapidly advancing sector. It seeks to secure a 5-10% initial ownership in technologies with defensible intellectual property that offer new ways of producing food and materials with a focus on products historically derived from animals. These technologies are driving a major disruption in agriculture, offering solutions to improve sustainability, as well as addressing human health, animal welfare and environmental damage. This disruption will decouple supply chains from the environment and animals, as well as being fundamental to feeding the world's expanding population. A full list of Agronomics' portfolio companies is available at <https://agronomics.im/>.

About the Cultivated Meat Sector

Funding in the cultivated meat sector is growing rapidly with c US\$ 170 million invested globally between 2016-2019 and over US\$ 270 million already raised in 2020 alone. Additional financings are anticipated as the capital requirements of these companies grows to build out and scale up manufacturing facilities. Currently it is estimated that there are 60 companies globally within the sector. AT Kearney, a global consultancy, has predicted that Cultivated Meat's market share of meat consumption will be 35% by 2040.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR'). Upon the publication of this announcement via a Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

For further information please contact:

Agronomics Limited	Beaumont Cornish Limited	Cenkos Securities Plc	Peterhouse Capital Limited	TB Cardew
The Company	Nomad	Joint Broker	Joint Broker	Public Relations
Richard Reed Denham Eke	Roland Cornish James Biddle	Giles Balleny Nick Searle	Lucy Williams Charles Goodfellow	Ed Orlebar Joe McGregor
+44 (0) 1624 639396 info@agronomics.im	+44 (0) 207 628 3396	+44 (0) 207 397 8900	+44 (0) 207 469 0936	+44 (0) 20 7930 0777 +44 (0) 7738 724 630 agronomics@tbcardew.com

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lse.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

UPDFLFIDLTIALIL

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

© 2021 London Stock Exchange plc. All rights reserved.