



SALMON – UPDATE ON MORTALITIES FROM ISLOTES SEAWATER SITE

As reported on 18 and 22 May 18 2020 in our website www.salmonescamanchaca.cl, very unusual weather conditions in Chaitén affected one of our seawater sites, named "Islotes", impacting its structures consisting of two modules of 12 cages each, with an initial stock of 1,765,776 fish, and an average weight of 2.6 kg.

As of this date, the work of moving fish from the affected module to the other unimpacted one, consisting of 536,531 fish has been completed. The incident has led to a mortality of 387,837 fish, that is, 22% of the initial stock of the Islotes site. This mortality has turned out to be higher than initially anticipated and reported, since the assessment on the last cages showed a more unfavourable survival rate. The labour and operational procedures were slowed down due to the complexity of the operation, bad weather conditions and the pandemic.

Since the beginning of the incident, the Company has activated its contingency plans against major mortalities, escapes and loss of fish, damage to infrastructures and plans for storm damage. All the relevant authorities, such as the Chilean Navy, Sernapesca and the Environmental authorities have been fully informed and have supervised our work. The insurance policies have been activated, which cover our biomass, recovery work and structures. Additionally, from the beginning of the incident, escape mitigation plans were fully deployed, including two fishing boats on site, to support capture of any escaped fish. Finally, the tasks included the safe disposal of mortality through the silage plants.

To date, we have recaptured 9,900 fish, out of an estimated total of 38,316 escaped fish, that equals to a recovery of 25.8% of the escapes. In relation to the estimated Atlantic salmon harvests for 2020, this incident will reduce these harvests by an amount close to 2,200 tons, that is, approximately 4% of the estimated annual total.

As a consequence of the above, the Company concludes that, after applying the corresponding insurance, the impact on results after taxes in the second quarter of 2020 will be close to USD \$ 2.9 million, corresponding to net losses from biomass loss, expenses in excess of insurance over-limits, and for assets damaged and not covered by insurance.

About Salmones Camanchaca

Salmones Camanchaca S.A. is a vertically and fully integrated salmon producer with operations in farming, processing, marketing and sale of salmonids. The company is also involved in farming of trout through a joint venture (1/3 share) and has an estimate harvest of 55-60,000 tons WFE of Atlantic salmon for 2019-2021. Therefore, including trout production in the Company's farming sites, the total existing production capacity reaches 70-75,000 harvested tons WFE. The company has approximately 1,500 employees.

This information is subject to the disclosure requirements pursuant to section 5 -12 of the Norwegian Securities Trading Act.