



ASX Release - CAQ

Appendix 4E Preliminary Final Report – FY2011

31 August 2011: The 2011 financial year saw Cell Aquaculture Limited focus particular attention towards commercializing its proven "Hatch to Dispatch" business model.

During this period a number of key milestones were achieved:

- Establishment of a Premium Barramundi production facility in Thailand.
- Commencement of commercial production operations in Thailand.
- Commenced construction of a new Cell™ Production Facility in Thailand.
- Continued output of high quality Barramundi fingerlings throughout the year from the Queensland based hatchery operations.
- Launched the New Eco-Star™ Premium Barramundi Meal product range into West Australian Supermarkets.
- Completed initial harvests of Premium Barramundi to be sold through subsidiary company Cell Aqua Foods.
- Progression of further deals for the Company in Malaysia, Singapore and South Africa.

The Company is delighted with the progress of these developments and looks forward to experiencing a substantial uplift in revenue flow as a result of such activities.

Increase in financial losses to members during this period (FY2011) are attributed directly to the capital expenditure and commercial production costs involved with developing the new production operations in Thailand.

A detailed company update can be obtained through the Inside Cell Newsletter (July 2011) located on the company website www.cellaqua.com

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About Cell Aquaculture Ltd (Australia)

Headquartered in Western Australia, Cell Aquaculture Limited is an international aquaculture company, publicly listed on the Australian Securities Exchange (ASX). Cell Aquaculture supplies a full range of environmentally sustainable, vertically integrated seafood production services – encompassing everything from 'Hatch to Dispatch'.

Developed over twelve years the Cell™ propriety system is a complete land based environmentally responsible aquaculture system developed for the production and supply of premium quality fin-fish.

Cell Aquaculture has established hatchery operations for Australian Barramundi at James Cook University, Queensland, and has also commenced production trials on a range of further 'high value' premium species for commercial production.

Cell Aquaculture has a number of large scale land-based recirculating seafood production projects, at varying stages of development, in Malaysia, Singapore, Thailand and South Africa.

Cell Aquaculture supplies and installs growing systems, manages the operations, as well as processing, value-adding, branding and sales of finished product.

For further information, visit www.cellaqua.com

Appendix 4E

Preliminary Final Report

Name of entity

Cell Aquaculture Limited

ACN

091 687 740

Reporting Period

Year ended 30 June 2011

Previous Corresponding Period

Year ended 30 June 2010

Results for announcement to the market

				\$A'000
Revenues from continuing operations	Down	0.67%	to	535
Loss from continuing operations after tax attributable to members	Up	100.86%	to	(2,014)
Loss for the year attributable to members	Up	104.65%	to	(2,074)
Dividends (distributions)		Amount per security		Franked amount per security
Final and interim dividend		None		- ¢
Record date for determining entitlements to the dividend		N/A		

**PRELIMINARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

		Consolidated	
	Note	2011	2010
		\$	\$
Revenue from continuing operations	2	535,127	538,717
Foreign currency loss		(1,970)	(10,659)
Raw materials and consumables used		(390,647)	(8,815)
Legal expenses		(16,714)	(14,292)
Marketing expenses		(58,986)	(3,995)
Communication expenses		(7,561)	(3,268)
Consultancy expenses		(1,022,504)	(575,094)
Employee benefits expense		(218,334)	(547,059)
Insurance expenses		(21,179)	(31,335)
Occupancy costs		(65,817)	(19,785)
Professional costs		(738,870)	-
Travel Costs		(53,968)	(69,843)
Depreciation and amortisation expense		(21,202)	(12,096)
Finance costs		(26,380)	(271)
Other expenses		(175,212)	(330,992)
Share based payments		-	(31,112)
Loss from continuing operations before Income Tax			
Benefit		(2,284,217)	(1,119,899)
Income tax benefit		90,166	97,245
Loss for the year		(2,194,051)	(1,022,654)
Other comprehensive income			
Exchange differences on foreign currency translation		(59,859)	(11,906)
Total comprehensive income for the year		(2,253,910)	(1,034,560)
Loss is attributable to:			
Owners of Cell Aquaculture Ltd		(2,014,417)	(1,002,886)
Non-controlling interests		(179,634)	(19,768)
		(2,194,051)	(1,022,654)
Total comprehensive income for the year is attributable to:			
Owners of Cell Aquaculture Ltd		(2,074,386)	(1,013,602)
Non-controlling interests		(179,524)	(20,958)
		(2,253,910)	(1,034,560)
Basic (loss) per share	6	Cents Per Share (0.99)	Cents Per Share (0.56)

PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Note	Consolidated 2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	3	977,893	2,656,495
Trade and other receivables		157,575	275,666
Inventories		190,707	90,000
Biological assets		92,651	-
TOTAL CURRENT ASSETS		1,418,826	3,022,161
NON CURRENT ASSETS			
Receivables		500,149	581,788
Property, plant and equipment		462,645	124,325
TOTAL NON CURRENT ASSETS		962,794	706,113
TOTAL ASSETS		2,381,620	3,728,274
CURRENT LIABILITIES			
Trade and other payables		319,570	297,488
TOTAL CURRENT LIABILITIES		319,570	297,488
NON CURRENT LIABILITIES			
Borrowings		113,686	-
Derivative financial instrument		615,493	-
TOTAL NON CURRENT LIABILITIES		729,179	-
TOTAL LIABILITIES		1,048,749	297,488
NET ASSETS		1,332,871	3,430,786
EQUITY			
Contributed equity	4	18,344,635	18,194,635
Accumulated losses		(17,539,446)	(15,525,029)
Reserves		722,169	782,138
Capital and reserves attributable to owners of Cell Aquaculture Ltd		1,527,358	3,451,744
Non-controlling interests		(194,487)	(20,958)
TOTAL EQUITY		1,332,871	3,430,786

**PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

Consolidated	Contributed equity	Accumulated losses	Share Based Payment Reserve	Foreign Currency Translation Reserve	Total	Non-controlling Interest	Total
Balance at 1.7.2009	14,544,676	(14,522,143)	803,603	(27,861)	798,275	-	798,275
Loss for the year	-	(1,002,886)	-	-	(1,002,886)	(19,768)	(1,022,654)
Exchange difference on translation of foreign operations	-	-	-	(10,716)	(10,716)	(1,190)	(11,906)
Total comprehensive income for the period	-	(1,002,886)	-	(10,716)	(1,013,602)	(20,958)	(1,034,560)
Transactions with owners in their capacity as owners:							
Issue of shares	3,649,959	-	-	-	3,649,959	-	3,649,959
Non-controlling interests	-	-	-	-	-	-	-
Share based payments	-	-	17,112	-	17,112	-	17,112
Balance at 30.06.2010	18,194,635	(15,525,029)	820,715	(38,577)	3,451,744	(20,958)	3,430,786
Balance at 1.7.2010	18,194,635	(15,525,029)	820,715	(38,577)	3,451,744	(20,958)	3,430,786
Loss for the year	-	(2,014,417)	-	-	(2,014,417)	(179,634)	(2,194,051)
Exchange difference on translation of foreign operations	-	-	-	(59,969)	(59,969)	110	(59,859)
Total comprehensive income for the period	-	(2,014,417)	-	(59,969)	(2,074,386)	(179,524)	(2,253,910)
Transactions with owners in their capacity as owners:							
Issue of shares	150,000	-	-	-	150,000	-	150,000
Non-controlling interests	-	-	-	-	-	5,995	5,995
Share based payments	-	-	-	-	-	-	-
Balance at 30.06.2011	18,344,635	(17,539,446)	820,715	(98,546)	1,527,358	(194,487)	1,332,871

**PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

		Consolidated	
	Note	2011	2010
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		589,013	150,000
Interest received		64,205	47,767
Payments to suppliers and employees		(2,906,755)	(1,659,504)
Income tax refund		90,166	-
Net cash outflow from operating activities	5	(2,163,371)	(1,461,737)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of business		(58,318)	-
Purchase of Property, Plant and Equipment		(323,122)	(65,084)
Net cash outflow from investing activities		(381,440)	(65,084)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share Issues		154,443	3,732,459
Proceeds from convertible note issues		711,766	-
Net cash inflow from financing activities		866,209	3,732,459
Net increase (decrease) in cash and cash equivalents		(1,678,602)	2,205,638
Cash and cash equivalents at the beginning of the financial year		2,656,495	450,857
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at end of year	3	977,893	2,656,495

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

Note 1: Summary of significant accounting policies

(a) Basis of preparation

This preliminary final report for the year ended 30 June 2011 relates to the consolidated entity consisting of Cell Aquaculture Limited (the Company) and each of its controlled entities.

The preliminary final report has been prepared on a historical cost basis except for the revaluation of certain non-current assets and financial instruments or where otherwise stated.

Cost is based on the fair value of consideration given in exchange for assets.

This preliminary final report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual financial report of the year ended 30 June 2010 and any public announcements made by Cell Aquaculture Limited during the year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Accounting policies, estimation methods and measurement bases used in this Appendix 4E are the same as those used in the last annual financial statements and the last half-year financial statements, except for:

(i) Biological assets

Fish are measured at their fair value less estimated point of sale costs. The fair value of fish is determined by using the present value of expected net cash flows from the fish, discounted using a pre-tax market determined rate.

Changes in fair value less estimated point of sale costs of fish are recognised in the statement of comprehensive income in the year they arise.

The amounts contained in this preliminary report are presented in Australian dollars, the functional and presentation currency of Cell Aquaculture Ltd.

(b) Statement of compliance

The preliminary final report is a general-purpose financial report and has been prepared in accordance with applicable Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act 2001. The preliminary final report is also in compliance with ASX listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

Note 2: Revenue

	Consolidated	
	2011	2010
	\$	\$
Revenue from continuing operations		
- Sale of produce and goods	470,922	490,950
- Interest received	64,205	47,767
Total revenue	535,127	538,717

Note 3: Current assets - Cash and cash equivalents

Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position, as follows:

	Consolidated	
	2011	2010
	\$	\$
Current Assets		
Cash at bank and in hand	977,893	2,656,495
Net Cash	977,893	2,656,495

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

Note 4: Contributed Equity

	Consolidated 2011 \$	2010 \$
(a) Ordinary shares*	18,344,635	18,194,635
Total consolidated contributed equity	18,344,635	18,194,635

* Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(b) Movements in ordinary share capital

	Issue Price	No.	\$
Balance as at 1 July 2009		162,961,440	14,544,689
Shares issued in November 2009	\$0.07	5,000,000	350,000
Shares issued in February 2010	\$0.07	5,000,000	350,000
Shares issued in February 2010	\$0.115	3,600,000	414,000
Shares issued in February 2010	\$0.09	1,511,111	136,000
Shares issued in February 2010	\$0.096	25,000,000	2,400,000
Shares issued in February 2010	\$0.07	200,000	14,000
Transaction costs			(14,054)
Closing balance as at 30 June 2010		203,272,551	18,194,635
Balance as at 1 July 2010		203,272,551	18,194,635
Shares issued in February 2011	\$0.092	543,479	50,000
Shares issued in April 2011	\$0.059	1,706,485	100,000
Closing balance 30 June 2011		205,522,515	18,344,635

Note 5: Reconciliation of loss after income tax to net cash flow from operating activities

	Consolidated 2011 \$	2010 \$
Operating loss after income tax	(2,194,051)	(1,022,654)
Depreciation of non-current assets	21,202	12,096
Share based payments	-	31,112
Increase/ (decrease) in foreign currency reserve	(59,859)	-
Other	40,883	(125,040)
Changes in net assets and liabilities:		
<i>(Increase)/decrease in assets</i>		
- Current receivables	25,440	205,651
- Stock on hand	(100,707)	-
- Non-current receivables	81,639	(581,788)
<i>Increase/(decrease) in liabilities</i>		
- Current trade creditors and payables	22,082	32,048
- Borrowings	-	(13,162)
Net cash used in operating activities	(2,163,371)	(1,461,737)

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

Note 6: Loss per Share

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

The Company's potential ordinary shares, being its options granted, are not considered dilutive as the conversion of these options would result in a decrease in net loss per share.

The following reflects the income and share data used in the basic loss per share computations:

	Consolidated	
	2011	2010
		\$
Loss attributable to ordinary equity holders	2,014,417	1,002,886
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	203,836,540	179,146,280
	Cents/share	Cents/share
Basic and diluted loss per share	(0.99)	(0.56)

Note 7: Segment information

(a) Description of segments

The Board of Directors consider the business from both a product and a geographic perspective and has identified four reportable segments. The Board firstly separate the Group's operations into Fish Farming and Food Processing divisions and then divide these two divisions into geographic segments. Fish Farming division consists of Australia, Malaysia and Thailand segments. Food Processing division has operations only in Australia.

The Australian Fish Farming segment incorporates the company's hatchery and fabrication activities. The Malaysian Fish Farming segment incorporates corporate office, Terengganu based facility and any future Malaysian based projects. The Thailand Fish Farming segment is comprised of Phuket based facility and any future Thailand based projects. The Australian Food Processing segment consists of processing, value adding, branding and distribution of produce.

(b) Segment Information provided to the strategic steering committee

In AUD	Fish Farming			Food Processing	Total
2011	Australia	Malaysia	Thailand	Australia	
Total segment revenue	-	35,699	-	435,223	470,922
Inter-segment revenue	-	-	-	-	-
External Revenues	-	35,699	-	435,223	470,922
Adjusted EBITDA	(1,459,178)	(106,768)	(643,791)	(115,064)	(2,324,801)

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

In AUD	Fish Farming			Food- processing Australia	Total
2010	Australia	Malaysia	Thailand		
Total segment revenue	338,567	372,964	-	-	711,531
Inter-segment revenue	(220,581)	-	-	-	(220,581)
External Revenues	117,986	372,964	-	-	490,950
Adjusted EBITDA	(636,514)	(455,116)	-	-	(1,091,630)
Total segment assets					
30 June 2011	2,967,369	821,979	596,536	306,785	4,692,669
30 June 2010	1,180,461	989,227	-	-	2,169,688
Total segment liabilities					
30 June 2011	840,449	1,262,267	951,756	440,398	3,494,870
30 June 2010	58,916	1,376,821	-	-	1,435,737

(c) Other segment information

(i) Segment revenue

Sales between segments are carried out at arm's length and are eliminated on consolidation. The revenue from external parties reported to the strategic steering committee is measured in a manner consistent with that in the Statement of Comprehensive Income.

Segment revenue reconciles to total revenue from continuing operations as follows:

	2011	Consolidated 2010
Total segment revenue	470,922	711,531
Intersegment eliminations	-	(220,581)
Interest revenue	64,205	47,767
Total revenue from continuing operations (note 2)	535,127	538,717

(ii) Adjusted EBITDA

A reconciliation of adjusted EBITDA to operating loss before income tax is provided as follows:

	2011	Consolidated 2010
Adjusted EBITDA	(2,324,801)	(1,091,630)
Intersegment eliminations	-	36,852
Interest revenue	64,205	47,767
Finance costs	-	(271)
Depreciation	(21,202)	(9,968)
Share-based payments	-	(31,112)
Other	(2,419)	(71,538)
Loss from continuing operations before tax	(2,284,217)	(1,119,900)

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

(iii) Segment assets

The amounts provided to the strategic steering committee with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Reportable segments' assets are reconciled to total assets as follows:

	Consolidated	
	2011	2010
Segment assets	4,692,669	2,169,688
Intersegment eliminations	(2,600,521)	(997,967)
Unallocated:		
Cash and cash equivalents	271,699	2,548,959
Corporate headquarters assets	12,773	7,594
Other assets	5,000	-
Total assets as per the statement of financial position	2,381,620	3,728,274

(iv) Segment liabilities

The amounts provided to the strategic steering committee with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

Reportable segments' liabilities are reconciled to total liabilities as follows:

	Consolidated	
	2011	2010
Segment liabilities	3,494,870	1,435,737
Intersegment eliminations	(2,446,121)	(1,235,494)
Unallocated:		
Current tax asset	-	97,245
Total liabilities as per the statement of financial position	1,048,749	297,488

Note 8: Events occurring after the reporting period

There are no matters or circumstances that have arisen since 30 June 2011 that have or may significantly affect the operations, results or state of affairs of the consolidated entity in future financial periods.

Note 9: Contingent liabilities

The Directors are not aware of any contingent liabilities as at the date of this report.

OTHER APPENDIX 4E INFORMATION

1. NTA backing

Net tangible asset backing per ordinary share

30 June 2011	30 June 2010
\$ 0.006	\$ 0.017

2. Dividends

There were no dividends declared during the year and the directors do not recommend that any dividend be paid.

3. Dividend reinvestment plans

N/A.

4. Details of entities over which control has been gained or lost during the period

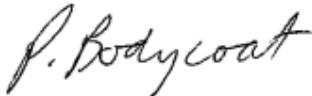
Nil.

5. Details of associates and joint ventures

The carrying value of interests in associated entities is nil.

6. Audit

This report is based on accounts, which are in the process of being audited.



Sign here:

(Director)

Date: 31 August 2011

Print name: Peter Philip Bodycoat