



## **ASX Release - CAQ**

### **Appendix 4C Quarterly Report – July to September 2011**

**18 October 2011:** Cell Aquaculture Limited (ASX: CAQ) is pleased to advise that revenues are continuing to grow, with the Company achieving record revenues for the September 2011 quarter.

With CAQ's unique vertically integrated 'Hatch to Dispatch' business model now comprehensively proven, the Company is focussed on scaling up production from a number of projects, to meet overwhelming demand for its newly launched Eco-Star™ retail product range.

To date, CAQ has been focussing its sales and marketing efforts only on the West Australian marketplace, however, the Company now plans to bolster its Premium Barramundi supply from a number of newly announced production projects and ultimately develop national distribution of the Eco-Star™ product range, followed by distribution into a number of key identified export markets.

The Company is now also beginning to realise a number of opportunities in the booming West Australian mining sector. CAQ has developed relationships with a number of Western Australia's major mining projects and is now supplying high quality Barramundi and other seafood products – creating another high yielding and expanding market for the Company.

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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™ proprietary 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, 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 under the Company's Eco-Star™ brand.

For further information, visit [www.cellaqua.com](http://www.cellaqua.com)

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Cell Aquaculture Limited

ABN

86 091 687 740

Quarter ended ("current quarter")

30 September 2011

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from customers	302	302
1.2	Payments for		
	(a) staff costs	(92)	(92)
	(b) advertising and marketing	-	-
	(c) research and development	(29)	(29)
	(d) leased assets	-	-
	(e) other working capital	(442)	(442)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid	(6)	(6)
1.6	Income taxes paid	-	-
1.7	Other – R&D tax refund	-	-
<b>Net operating cash flows</b>		<b>(266)</b>	<b>(266)</b>

+ See chapter 19 for defined terms.

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	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.8 Net operating cash flows (carried forward)</b>	<b>(266)</b>	<b>(266)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(211)	(211)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(211)</b>	<b>(211)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(477)</b>	<b>(477)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	125	125
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	18	18
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other – Capital raising costs	-	-
<b>Net financing cash flows</b>	<b>143</b>	<b>143</b>
<b>Net increase (decrease) in cash held</b>	<b>(334)</b>	<b>(334)</b>
1.21 Cash at beginning of quarter/year to date	978	978
1.22 Exchange rate adjustments to item 1.20	(35)	(35)
<b>1.23 Cash at end of quarter</b>	<b>609</b>	<b>609</b>

+ See chapter 19 for defined terms.

## Payments to directors of the entity and associates of the directors

### Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	141
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Payment of consultancy and director's fee to directors during the quarter ended 30 September 2011.	

## Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

NIL

## Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	5,054	1,072
3.2 Credit standby arrangements	-	-

CAQ can issue convertible notes to La Jolla Cove Investors, Inc., to obtain total funding of US\$6 million. As at 30 September 2011, US\$1,050,000 (approximately A\$ 1,072,150 based on exchange rate at the reporting date) has been drawn and AUD 275,000 has been converted into ordinary shares of CAQ. At the end of the quarter, US\$4.95 million (approximately A\$ 5,054,420 based on exchange rate at the reporting date) is available to be drawn.

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**Reconciliation of cash**

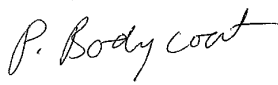
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	609	978
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)		609	978

**Acquisitions and disposals of business entities**

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:   
(Director)

Date: 17 October 2011

Print name: Peter Bodycoat

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+ See chapter 19 for defined terms.

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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