

CELL AQUACULTURE LIMITED – AGM PRESENTATION 2011



ASX CODE: CAQ



AQUACULTURE LTD

www.cellaqua.com

CAQ Annual General Meeting 2011 – Overview



- Strong focus in 2011 on further commercialising “Hatch to Dispatch” business model.
- Commencement and achievement of progressive revenue growth.
- A number of exciting new projects brought to fruition throughout the year.
- A number of new opportunities under development – Update.
- Company’s funding strategy had to recently be reassessed.
- Projects and opportunities now prioritised to generate strongest cash flows and returns from minimal capital outlay – move towards profitability.
- Global financial environment still turbulent, however continued pressures on natural fish stocks offer an exciting Growth Outlook for the Company.

Cell Aqua Foods Pty Ltd



Processing Facility – Osborne Park

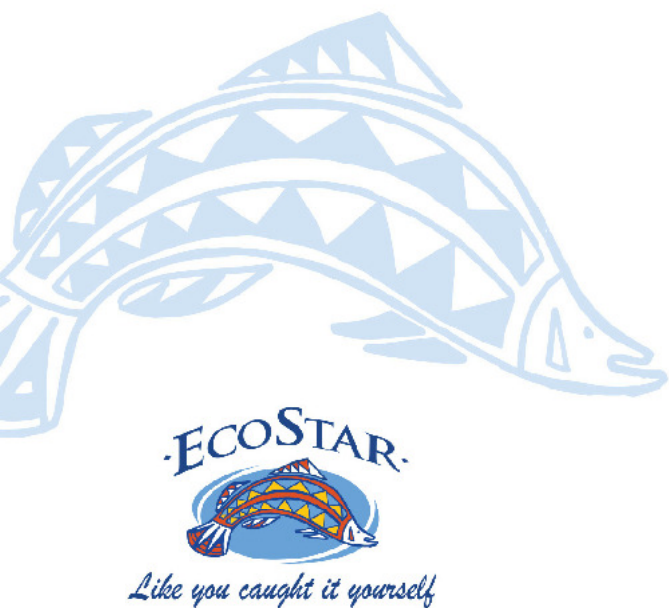
- Continued development of wholly owned subsidiary company: Cell Aqua Foods (CAF).
 - Eco-Star™
 - Providores Kitchen
- Providing a '**ready made market**' for all fish produced by CAQ.
- Developing strong trading relationships.
- Rationalisation of Sales and Distribution process.
- New Product Development.



Like you caught it yourself



**PROVIDORES
KITCHEN**



- Expanding distribution of CAF's premium Eco-Star™ product range.
- Recent approval to supply National Supermarket Chain starting with Western Australia.
- Significant further revenue growth anticipated.
- Limitless potential to supply Global Target Markets.



‘Chef-Inspired’ Eco-Star™ Barramundi Meal Range

- Unique retail range of ‘value added’ Eco-Star™ Barramundi Products.
 - Smoked Australian Barramundi Pate
 - Premium ‘Ready-to-Cook’ Barramundi Fillets
- Key attributes revolve around ‘Quality and Convenient’ cooking at home.
- Further new unique Eco-Star™ products to be released early in 2012.

ECO-STAR™ Premium Gourmet Saltwater Barramundi Fillets

New Release



Taste the Difference in these Convenient, Gourmet 'ready to cook' meals

The finest Eco-Star™ Saltwater Barramundi fillets have a mild buttery flavour and a succulent, delicate texture.

Eco-Star™ Saltwater Barramundi fillets retain their moisture throughout the entire cooking process and when cooked, the flesh is firm, white, moist and a little flakey.

Eco-Star™ Saltwater Barramundi is sourced only from environmentally responsible and sustainable sources.

Available in 3 delicious, Chef inspired varieties:



Available from the following stores:

IGA - Macman Park Cnr Wellington St & Manning St, Macman Park	Supa IGA - Nedlands 167 Varsity Way, Nedlands	IGA - Coorin Stirling Cnr Florence Rd & Stirling Hwy, Nedlands	Supa IGA - Wembley 178 Cambridge Street, Wembley	IGA - City Beach Green Village Shopping Centre, Kilga Gt, City Beach	Fresh Provisions - Mount Lawley 77 Watcott St, Mt Lawley	Fresh Provisions - Bilton 252 Gannina Hwy, Kariakou St, Bilton	Farmers Jokes - Subiaco Cassopas Shopping Centre 181 Rokeby Rd, Subiaco	Jacks Wholesale & Ezerofski Clarendon Quarter 23 St. Quentin Ave, Clarendon	Brighton Rd Fresh Food Market 111 Brighton Rd, Scarborough
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Supa IGA - Claremont
Easview Shopping Centre, 330
Stirling Hwy, Claremont

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Promotion of Eco-Star™ Products

- Limited promotion to date due to lack of product and funding.
- Demand for Eco-Star™ Products expected to rise during summer months.
- Aggressive marketing campaign planned to increase Product and Brand awareness.
- Promotion and Marketing Budget required.

NEW at your local



NEW...for you



4.79

2.99

3.99

Supply Catering & Food Service Industry

- Significant opportunities for CAF in Catering and Food Service – Hotels, Restaurants & Catering.
- Supply Western Australia's (WA) Booming Mining industry.
- Creating another high yielding expanding market for the company.



Exciting Future Ahead!!!

- CAQ's ability to develop a 'Reliable and Consistent' supply of Premium Quality Barramundi from its various production farms creates a significant competitive advantage in this rapidly growing market.

Further information on the Eco-Star range and a complete list of stores can be viewed at: www.ecostarfoods.com.au



TRG Cell Project – Terengganu, Malaysia

- Project previously established a successful 100+ tonne per annum Premium Species production facility.
- Project stalled due to lack of funding.
- Following extensive ongoing negotiations, Joint Venture project with Terengganu State Government (TRG Cell) now resurrected.
- Terengganu Govt now reallocated its shareholding into the State's primary investment arm.
- New Board and strong pro-active partner now in place for project to be redeveloped.





- First stage funding of RM 1.6 million (approx \$520,000) now received to fund production from current facility.
- Goodwill payment of RM500,000 (approx \$165,000) received by CAQ against outstanding monies owed.
- Discussions now advancing to further develop the project to original agreed production capacity of 500+ tonnes per annum.
- Product 'Buy-Back' agreement by CAQ for all produce.
- Further Malaysian opportunities under advanced negotiation.

Singapore, Now Malaysian Venture

- CAQ been working for some time to establish a production facility in Singapore.
- Suitable site could not be found in Singapore after extensive searching – Suitable site now found in Malaysia.
- Stage 1 production now under development.
- CAQ to earn equity via nominal capital investment in the project.
- Key objective for CAQ to secure further Premium Barramundi supply via 'Buy-Back' arrangement – Distribution via Cell Aqua Foods Pty Ltd.





Thailand Project

- Outstanding production site secured near Phuket, Thailand, with all necessary infrastructure and services now in place.
- Stage 1 'Retro-fit' complete and now in production of Australian Barramundi.
- Stage 2 involves development of purpose built 'Cell' production facility.
- Stage 2 construction works well advanced, however had to be slowed in-line with access to funding.
- Option secured over adjoining site.



- Full development of both sites (funds permitting) could ultimately be developed to approx 1,000 tonnes per annum production.
- Production site offers CAQ excellent long term development potential.
- Bolstering of Premium Barramundi inventories to capitalise on current market opportunities.

South African Project

- CAQ been working for some time to establish JV with a substantial South African consortium.
- A number of key Industrial Development Zones (IDZ's) targeted.
- Significant progress recently made with two IDZ's now selected.
- Facilities to be established in 500 tonne modules with output of 2,000+ tonnes for each IDZ targeted.
- Shareholders Agreement now successfully negotiated and ready for signing once financing is concluded.



- Financing to be provided via Equity contribution from JV partners, Debt financing and Govt grants & Incentives.
- CAQ to hold 40% equity, SA partners to hold 40% and balance allocated to local empowerment.
- CAQ have option to 'Buy-Back' all produce from first 500 tonne module to significantly bolster Barramundi inventories to capitalise on current market opportunities.
- JV to then jointly market all produce beyond initial 500 tonne facility.





Hatchery Update

- Hatchery progress outstanding throughout the year.
- Achievement of consistent on-going supply of high quality juvenile Australian Barramundi.
- Hatchery in fifth year of continuous operation.
- Facility stands as one of the worlds leading Barramundi hatcheries.
- Extensive work advanced in area of selective breeding .
- Strong Hatchery confidently provides the 'engine room' for the company's development and profitability.

Funding & Entitlement Issue

- Company's funding strategy had to be recently revised.
- Preference for no debt until profitable.
- Entitlement Issue commenced on 1 for 4 basis @ \$0.04 per share to raise approx \$2.1 million.
- Funding will clear all company debt and provide a better financing scenario.
- Funding will enable development of key outlined revenue generating initiatives.
- Shortfall option allows existing shareholders to apply for more shares than their entitlement, if desired.



RB Milestone Group, New York – Analyst Coverage

‘Cell Aquaculture is Considerably Undervalued’

- New York based RB Milestone Group recently initiated analyst coverage on CAQ.
- Comprehensive 27 page report concluded the following:

‘At the current share price, we find CAQ to be an attractive investment opportunity with strong upside and limited downside risk’.

‘As such we initiate coverage at a target price of \$0.25 per share’.



‘Aquaculture is Growing Strongly – Fish supply from traditional fishing is dwindling, putting significant pressure on traditional fisheries. The macro-economic factors definitely favour the aquaculture industry with growth intensifying even further as aquaculture gradually replaces fishing.

‘Superior Technology’ – CAQ’s hatchery and grow-out facilities are superior to other such systems in the industry.

‘At it’s current market capitalisation, CAQ appears considerably undervalued.





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