



ASX Release - CAQ

Result of Negotiations with Straits Consultancy Pte Ltd and the Future Direction for Cell Aquaculture Ltd

5 June 2012: On 14 May 2012 a final agreement was achieved with Straits Consultancy Pte Ltd (incorporated in Singapore) (Straits).

As a result of this agreement Straits has paid to Cell Aquaculture Limited (CAQ or Company) a sum of \$600,000 and were issued 30,000,000 shares escrowed for twelve months.

Straits has agreed that this injection can be increased subject to their approval for its use.

The following is an Overview of the Company's previous and future operations.

1. The Company will no longer be an investor in "Hatch to Dispatch" facilities. CAQ will undertake the consultation and construction of projects involved in all aspects of the Hatch to Dispatch concept. CAQ will continue to operate the Thailand retrofit facility in the short term which will enable the Company to produce quality Australian bred barramundi for sale in its retail operations. Discussions are still in progress on CAQ's agreements with the State of Terengganu and it would be hoped to finalise this within the next six months.
2. CAQ's negotiations with the Fisheries Department of the Federal Government of Malaysia in relation to CAQ's Malaysian subsidiary building and operating a 250 tonne Australian Barramundi facility in Pagoh are well advanced.
3. The Company will expand its food business, presently operating out of approved facilities in Osborne Park, WA, to both Malaysia and the Eastern States. This expansion will commence immediately and will include both seafood and dairy products.
4. The Company's Marketing activities and expenditure on all past projects will be carefully assessed and controlled over the next six months.

5. Funds from La Jolla Cove Investors, Inc. are no longer being drawn and we are in communication to finalise our arrangements with them.

In summary Cell Aquaculture will concentrate on present and new businesses that will produce an immediate cash return.

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