



10th June 2014

Company Announcements Office
Australian Securities Exchange
10th Floor, 20 Bond Street
SYDNEY, NSW 2000.

Dear Sir,

Cell Aquaculture Limited Executes Share Sale Agreement to Acquire the Haikou Free Trade Zone Project and Roxy Casino in Cambodia.

The Directors of Cell Aquaculture Limited ("**CAQ**" or the "**Company**") are pleased to announce that they have executed the formal Share Sale Agreements ("**SSA**") with the Vendors, Noble Rate Limited ("**NRL**"), Tang Dashun ("**TD**") and Beijing Properties (Holdings) Limited ("**BPH**"), to acquire 100% of all the rights and title to the Haikou Free Trade Zone project and the Roxy Casino in Bavet, Cambodia ("**Projects**").

Haikou Peace Base Industry Development Co. Ltd ("**HPB**") is the legal and beneficial owner of the Haikou Project. HPB is owned by entities legally and beneficially owned by the Vendors.

Radiant Pearl Investments Limited ("**RPL**") is the legal and beneficial owner of the Roxy Casino. RPL is owned by entities legally and beneficially owned by the Vendors.

About the Haikou Free Trade Zone Project

The Haikou Free Trade Zone Project ("**the Haikou Project**") is located in the Haikou Integrated Free Trade Zone, within the Laocheng Economic Development Zone, Haikou Master Planning and is adjacent to Macun Port. The Haikou Integrated Free Trade Zone is located 15km from the Haikou Railway South Freight Station, 42km from Meilan International Airport and 30km from downtown Haikou, Hainan Island, China.

The Haikou Free Trade Zone is the fourth free trade zone approved in China, by the Central Government. It is the first and currently the only, free trade zone that allows tourist tour programs. The Central Government approval of the Haikou Free Trade Zone is at the highest level, and incorporates the following:

- i) Imported goods bonded storage;
- ii) Domestic goods get export tax rebate;
- iii) The zone is tax free;
- iv) Overseas trading from the zone is tax free;
- v) There are offshore banking policies in place;
- vi) Tourist retail shopping; and
- vii) Imported goods to the domestic market.

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About the Haikou Free Trade Zone Project (continued)

Hainan Island was announced an 'international tourism island' by the Central Government in January 2010. Special policies have been announced by the Central Government to assist Hainan Island to become a world-class international tourism destination. These policies have produced some immediate benefits with the island receiving 33 million visitors in 2013, 10 million more than Hong Kong.

The Haikou Project is the first and only shopping centre constructed in a free trade zone in China. It is contained on a 44,020m² property. The Haikou Project will contain the following buildings:

1. One commercial and administrative centre with a total built up area of approximately 6,080m²;
2. Three factories of various sizes with a total built up area of approximately 17,887m²;
3. Four bonded warehouses of various sizes with a total built up area of approximately 41,115m²; and
4. One exhibition centre with a total built up area of approximately 22,083m².

The lettable areas of the property will be primarily tenanted by Diamond and Jewellery businesses, Jewellery manufacturing, loose diamond trading, Jewellery and loose diamond retailing, and bonded storage. Building construction is in progress and is targeted for completion in November 2014, with fit out of the interior spaces to then commence with a targeted date for opening of April 2015.

About the Roxy Casino in Cambodia

The Roxy Casino ("the Casino") is located in Bavet City, Syay Rieng Province, Kingdom of Cambodia. The Casino is located on National Highway 1 and is approximately 200m from the International Border Gate from Cambodia to South Vietnam. National Highway 1 connects Phnom Penh with Bavet City and continues into Ho Chi Minh City, South Vietnam. More specifically, the Casino is 160km from Phnom Penh and 87km from Ho Chi Minh City. The Casino has a total land area of approximately 2,700m² and a total built up area of approximately 1,900m².

Following the completion of refurbishment and renovations, Roxy Casino had its Soft Opening on 26th May 2014. The Casino's gaming activities and facilities will operate 24 hours a day and include:

- A main gaming hall which include fifteen gaming tables and eight online gaming tables;
- A premium gaming area which has five gaming tables offering high stake games;
- Slot machines;
- Two 8-player Electronic Roulette machines;
- A sports betting area for watching and placing bets on international Soccer Leagues; and
- Twenty newly renovated rooms of 4 star international standard and a 24 hour restaurant that seats up to 50 people.



About the Roxy Casino in Cambodia (continued)

Vietnamese locals are the most important market for the Roxy Casino due to its proximity to Ho Chi Minh City, which is the largest city in Vietnam. As of January 2014, Vietnam had a total population of 92,477,857 of which 31% are in urban areas. Of the total population, there are 36,140,967 internet users which equates to a 39% penetration rate. Interestingly, there are 134,066,000 active mobile subscriptions which equates to a 145% penetration rate in Vietnam. As such, mobile users and online gamblers also form an important market for the Casino.

Share Sale Agreement

Key terms of the SSA (as contemplated by the Heads of Agreement executed on 17th March 2014) include the following terms:

- CAQ will issue a total of 553,333,333 fully paid ordinary shares at an issue price of \$0.15 per share; The distribution to each Vendor is as below:
 - 55,333,333 fully paid ordinary shares to NRL;
 - 332,000,000 fully paid ordinary shares to TD; and
 - 166,000,000 fully paid ordinary shares to BPH.
- CAQ and the Vendors conducting and being satisfied with due diligence;
- CAQ and the Vendors must obtain all shareholder approval to enable the transaction to complete; and
- Conditional listing approval being received from ASX after re-compliance with Chapters 1 & 2 of the ASX Listing Rules.

CAQ is entitled to nominate the Board of Directors and Officers of HPB and RPL two days prior to the completion of the transaction to replace the current Board of Directors and Officers of the companies.

Re-compliance with Chapters 1 and 2 of the ASX Listing Rules

In the event that the ASX makes a determination that CAQ is required to re-comply with Chapters 1 and 2 of the ASX Listing Rule, the Company will be required to complete a number of elements determined by the ASX Listing Rules summarised but not limited to the following.

CAQ would be required to call a meeting of shareholders, at which the shareholder will be asked to vote on the proposal to acquire the Projects. If the shareholders approve the transaction, the Company's share will be suspended from trading on the ASX until the requirements of Chapters 1 and 2 of the ASX Listing Rules have been satisfied.

**Re-compliance with Chapters 1 and 2 of the ASX Listing Rules (continued)**

If required, CAQ will prepare and issue a necessary disclosure document to raise sufficient funds to enable the re-compliance with Chapters 1 and 2 of the ASX Listing Rules. The capital raising will be conducted at a minimum of \$0.20 per share in accordance with the requirements of Chapters 1 and 2 of the ASX Listing Rules. Funds raised will be used to support the revenue generating initiatives of the Projects and to cover the ongoing corporate administration and operating costs of the Company.

Indicative Timetable for Reconciliation

	Date*
Despatch of Notice of Meeting	30 June 2014
Meeting of Shareholders to Approve Acquisition	31 July 2014
Results announced and suspension of Company's Shares from trading on ASX	31 July 2014
Lodgement of Disclosure Document	1 August 2014
Closure of Disclosure Document	1 September 2014
Satisfaction of all Requirements of Chapters 1 & 2	4 September 2014
Reinstatement to Trading	9 September 2014

*The above dates are indicative only and are subject to change. The Company will keep shareholders updated on the timing of the implementation of the transaction as it progresses.

A handwritten signature in black ink, appearing to read "Deborah Ho".

Deborah Ho
Company Secretary