



7th November 2014

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

Dear Sir,

Progress Update on the Haikou Free Trade Zone Project

On 18th March 2014, Cell Aquaculture Limited ("**the Company**") announced the execution of a Heads of Agreement ("**HOA**") with the Vendors, Tang Dashun and Beijing Properties (Holdings) Limited, to acquire 100% of the rights and title to two projects; one of these being, the Haikou Free Trade Zone Project on Hainan Island, China ("**the Haikou Project**").

On 10th June 2014, the Company announced the execution of formal Share Sale Agreements with each Vendor.

THE HAIKOU PROJECT

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

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 factory buildings 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.

Progress of Construction

Commercial and Administrative Centre

As at 7th November 2014, the construction from the basement to the sixth floor has been completed. The construction of interior walls from the first to third floors has been completed. The construction of interior walls of the fourth floor is currently in progress.

Cell Aquaculture Ltd
ACN 091 687 740
Level 24,44 St George's Terrace
Perth, Western Australia, 6000
Phone: (08) 6211 5099
Fax: (08) 9218 8875
ASX Code: CAQ



Progress of Construction (continued)

Factories

As at 7th November 2014, the construction of all four floors has been completed for all three factories. The construction of interior walls from the first to third floors for all three factories has been completed. The construction of interior walls on the fourth floors of each factory is currently in progress.

Bonded Warehouses

As at 7th November 2014, foundation inspection, piling inspection, bedding construction and ground beam construction for all four warehouses has been completed. The construction of the interlayers under the first floors of three warehouses has been completed progress. The warehouses are currently undergoing the construction of the first and second floors.

Exhibition Centre

As at 7th November 2014, the construction from the basement to fourth floor has been completed. The construction of the fifth floor is currently in progress.

The overall progress summary for the construction of each building structure is as follows:

Building	% Construction Completed
Commercial and Administrative Centre	65%
Factories	67%
Warehouses	60%
Exhibition Centre	58%

Appendix A illustrates the construction progress of the Haikou Project.

Licenses, Permits and Approvals

As of the 7th November 2014, HPB had received the following licences, permits and approvals:

1. The Construction Permit;
2. The Planning Permit of Construction Engineering;
3. The Land Use Certificate for the entire plot on which the project is situated;
4. Approval of the designs of all the warehouses and buildings by the Hainan Centre for Verification and Examination of Construction Drawing;
5. The Qualification license which allows for import and export services;
6. The business license for the project with a special business scope of processing and selling of diamond, jewellery and gold; and
7. Other regulatory permits obtained for the construction of the Project.



Lease Commitments

As at 7th November 2014, HPB has signed several lease agreements for the entire Commercial and Administrative Centre and for portions of the Factories, Bonded Warehouses and Exhibition Centre.

A summary of the approximate lease commitments is as follows:

Building	Approximate Total Built Up Area (m ²)	Approximate Area of Lease Commitment Obtained (m ²)	Approximate Area of Lease Under Negotiations (m ²)	Approximate Area Vacant (m ²)
Commercial and Administrative Space	6,080	6,080	-	-
Factory Space	17,887	12,887	5,000	-
Warehouses	41,115	20,000	-	21,115
Exhibition Centre	22,083	10,000	-	12,083
Total	87,164	48,967	5,000	33,198

Moving Forward

HPB is committed to completing the construction of the Haikou Project with an expected date of December 2014, with fit out of the interior spaces to then commence with a targeted date for opening of May 2015.

Deborah Ho
Company Secretary

APPENDIX A – Images of the Haikou Project



Image 1 - Full View of the Haikou Project (taken on 06/11/14)



Image 2 - the Commercial and Administration Centre (taken on 06/11/14)



Image 3 – Factory A (taken on 06/11/14)



Image 4 – Factory B (taken on 06/11/14)



Image 5 – Factory C (taken on 06/11/14)



Image 6 – Warehouse A (taken on 06/11/14)



Image 7 – Warehouse B (taken on 06/11/14)



Image 8 – Warehouse C (taken on 06/11/14)



Image 9 – Warehouse D (taken on 06/11/14)



Image 10 – the Exhibition Centre (taken on 06/11/14)