



19th January 2007
Manager of Company Announcements
Australian Stock Exchange Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By E-lodgement

PLACEMENT & SECTION 708A STATEMENT

The Directors of Cell Aquaculture Limited ("**Cell**") are pleased to announce that a placement of 3,282,500 shares at 20 cents per share to raise \$656,500 ("**Placement**") has been completed.

Cell will also issue 916,250 free attaching options on a pro rata basis to the recipients of the shares. These options have an exercise price of 25 cents each and an expiry date of 29 December 2008. The options are not transferable and will not be listed on ASX.

Use of funds

Funds raised under the Placement will be applied to the future expansion of Cell's activities in the US and Europe and for working capital purposes.

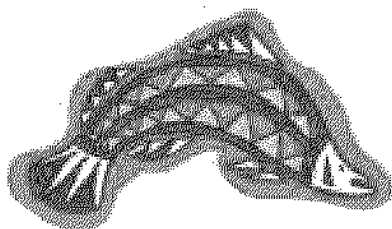
Upon completion of this Placement Cell's share capital will have increased to 122 million shares.

An Appendix 3B - Application for Quotation of Additional Securities, in relation to securities to be issued pursuant to the Placement will be lodged separately.

Section 708A Statement

For the purposes of section 708A of the Corporations Act 2001 (Cth) ("**Act**"), the Company has allotted the placement shares without disclosure to investors under Part 6D.2 of the Act, and provides this notice in accordance with section 708A(5)(e). Further, at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act. In addition, at the date of this notice there is no 'excluded information' (as defined by section 708A(7) and (8) of the Act), required to be disclosed by the Company.

G N L WILTON
MANAGING DIRECTOR



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