

ASX/media release

Cell Aquaculture operations begin in Malaysia

First Barramundi fingerlings now shipped

25th January 2008: Cell Aquaculture Limited's (ASX: CAQ) joint venture Malaysian barramundi production facility is now operational. Cell's first batch of James Cook University Barramundi fingerlings (baby fish) has been air-freighted to the Company's joint venture facility in Malaysia.

Installation of the first 2,500m², 100+ tonne per annum production facility is complete with an official opening by the chief minister of Terengganu State due next month. This is only the first stage of operations with the intention to ultimately expand the facility to 1,200 tonnes annual capacity.

"One of the major challenges in developing overseas barramundi production facilities is to successfully ship fingerlings overcoming the logistical and regulatory hurdles. Cell has efficiently shipped fingerlings to Asia as well as previously to the US and Europe with optimum survival rates," said Mr Paul Hopper, executive chairman of Cell.

An agreement has now been reached with the Terengganu Agrotech Development Corporation to develop a fully integrated multi species hatchery financed and jointly owned with the State of Terengganu. The first stages of hatchery development and all necessary approvals are in place.

Further facility development includes:

- ☐ A world class multi-species hatchery/s
- ☐ Further aquaculture production across a range of premium species
- ☐ Fish processing and value-adding to seafood products
- ☐ Comprehensive recruitment and training programs
- ☐ Development of hydro/aquaponic opportunities to value-add to fish waste
- ☐ Manufacturing capability for key Cell™ components
- ☐ World first 'Halal' certified aquaculture production with complete traceability
- ☐ Aquaculture feed development

Due to an increasing number of attractive business opportunities emerging in South-East Asia, Cell Aquaculture also advises that it will not be proceeding with the acquisition of 100 percent ownership of the Dutch facility as announced in October 2007.

To view images of the Malaysian production facility: <http://www.cellaqua.com/projects.asp>



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About the Partners

Terengganu Agrotech Development Corporation (TADC)

The Terengganu Agrotech Development Corporation holds 70% of the equity in the TRG Cell Sdn Bhd Joint Venture. TADC is an entity wholly owned and controlled by the Terengganu State Economic Development Corporation (PMINT) and has proven to be the premier development agency in the state of Terengganu. It is the key link in coordinating the translation of development policies as well as plans of the State Economic Planning Unit into concrete Socio-economic programs. PMINT have very significant experiences across a broad range of industries and have a strong desire to further develop the state's agricultural resources with particular emphasis on sustainable, land-based Aquaculture.

Cell-Aqua Malaysia Sdn Bhd

CellAqua Malaysia Sdn Bhd holds 30% of the equity in TRG Cell Sdn Bhd and is the Malaysian based subsidiary of Cell Aquaculture Ltd (Australia). This Malaysian based subsidiary company has been established with the necessary resources to develop the TRG Cell project, with full backing and support from the parent company in Australia.

Cell Aquaculture Ltd (Australia)

Headquartered in Western Australia, Cell Aquaculture Limited (Cell) is an international aquaculture company, publicly listed on the Australian Securities Exchange (ASX). Cell supplies a full range of environmentally sustainable, vertically integrated seafood production services – encompassing everything from 'Hatch to Dispatch'.

Developed over ten years the Cell™ propriety system is a complete land based environmentally responsible aquaculture system developed for the production and supply of premium quality fin fish. Cell has established hatchery operations for Australian barramundi at James Cook University, Queensland, and is assessing further premium species for aquaculture production.