



## **ASX Release - CAQ**

### ***Placement and Section 708A Statement***

**22 February 2010:** Further to the announcement to ASX dated 19 February 2010, Cell Aquaculture Limited (ASX Code: CAQ) advises that it has completed the issue of 25 million shares at \$0.096 per share to raise \$2.4 million.

The Company has also issued 200,000 shares at \$0.07 per share in part payment for services rendered to the Company as approved by shareholders at the AGM held on 30 November 2009.

We enclose an Appendix 3B reflecting these share issues.

#### **Notice under Section 708 A**

The Corporations Act restricts the on sale of securities issued without disclosure, unless the sale is exempt under Section 708 or 708 A. By the Company giving this notice, sale of the shares the subject of the abovementioned placements will fall within the exemption of Section 708A(5) of the Act.

The shares were issued without disclosure to investors under Part 6D.2, in reliance on Section 708A(5) of the Corporations Act.

The Company gives this notice pursuant to Section 708A(5)(e) of the Corporations Act.

The Company, as the date of this has complied with:

- (a) the provisions of Chapter 2M of the Corporations Act; and
- (b) Section 674 of the Corporations Act.

As of the date of this notice, there is no excluded information for purposes of Section 708A(7) or 708A(8) of the Act.

Enquiries:

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[www.cellaqua.com](http://www.cellaqua.com)

## **Cell Aquaculture Ltd (Australia) – [www.cellaqua.com](http://www.cellaqua.com)**

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 twelve 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 has plans to construct a world class multi-species hatchery in Malaysia. Cell has also commenced production trials on a range of further ‘high value’ premium species.

Cell has developed large scale land-based recirculating seafood production facilities in Terengganu, Malaysia and is now also progressing an opportunity to develop large scale production in South Africa, as well as a ‘high value’ species facility in Singapore.

Cell has recently signed a Memorandum of Understanding with a Malaysian based global multinational organisation, with turnover in excess of AU\$5 billion per annum, to commence detailed feasibility, with a view to establishing large scale land based aquaculture production, utilising CAQ’s unique Cell™ production technologies and vertically integrated ‘Hatch to Dispatch’ business model.

Cell supplies and installs growing systems, manages the operations, as well as sales and marketing of finished product.

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

CELL AQUACULTURE LIMITED

ABN

86 091 687 740

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |                                  |
|---|--|----------------------------------|
| 1 | +Class of +securities issued or to be issued   | Fully paid ordinary shares.      |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | (i) 25,000,000.<br>(ii) 200,000. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares.      |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>(i) No – the shares are subject to a 12 month voluntary escrow period, after which they will rank equally.  (ii) Yes.</p>						
<p>5 Issue price or consideration</p>	<p>(i) 25,000,000 at \$0.096 each.  (ii) 200,000 at \$0.07 each.</p>						
<p>6 Purpose of the issue  (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>(i) Issued to provide ongoing working capital for the Company’s development and growth.  (ii) Issued in part payment for services rendered to the Company, as approved at the AGM held on 30 November 2009.</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>(i) 19 February 2010.  (ii) 22 February 2010.</p>						
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="721 1381 997 1409">Number</th> <th data-bbox="1002 1381 1265 1409">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="721 1415 997 1442">178,072,551</td> <td data-bbox="1002 1415 1265 1442" rowspan="3">Fully paid ordinary shares</td> </tr> <tr> <td data-bbox="721 1442 997 1470">+ <u>25,200,000</u></td> </tr> <tr> <td data-bbox="721 1470 997 1497"><u>203,272,551</u></td> </tr> </tbody> </table>	Number	+Class	178,072,551	Fully paid ordinary shares	+ <u>25,200,000</u>	<u>203,272,551</u>
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178,072,551	Fully paid ordinary shares						
+ <u>25,200,000</u>							
<u>203,272,551</u>							

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	Number	+Class								
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%; text-align: center; vertical-align: top;">5,500,000</td> <td style="vertical-align: top;">Director options exercisable on or before 29/11/10 at 20 cents each.</td> </tr> <tr> <td style="text-align: center; vertical-align: top;">1,550,000</td> <td style="vertical-align: top;">Options exercisable on or before 18/01/11 at 20 cents each.</td> </tr> <tr> <td style="text-align: center; vertical-align: top;">1,116,667</td> <td style="vertical-align: top;">Options exercisable on or before 31/01/11 at 20 cents each.</td> </tr> <tr> <td style="text-align: center; vertical-align: top;">3,050,000</td> <td style="vertical-align: top;">Options exercisable on or before 01/04/11 at 20 cents each.</td> </tr> </table>	5,500,000	Director options exercisable on or before 29/11/10 at 20 cents each.	1,550,000	Options exercisable on or before 18/01/11 at 20 cents each.	1,116,667	Options exercisable on or before 31/01/11 at 20 cents each.	3,050,000	Options exercisable on or before 01/04/11 at 20 cents each.
5,500,000	Director options exercisable on or before 29/11/10 at 20 cents each.									
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1,116,667	Options exercisable on or before 31/01/11 at 20 cents each.									
3,050,000	Options exercisable on or before 01/04/11 at 20 cents each.									
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	None presently.								

**Part 2 - Bonus issue or pro rata issue – Not applicable**

- |    |  |  |
|----|--|--|
| 11 | Is security holder approval required?  |  |
| 12 | Is the issue renounceable or non-renounceable?   |  |
| 13 | Ratio in which the +securities will be offered   |  |
| 14 | +Class of +securities to which the offer relates   |  |
| 15 | +Record date to determine entitlements   |  |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? |  |
| 17 | Policy for deciding entitlements in relation to fractions  |  |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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- 18 Names of countries in which the entity has +security holders who will not be sent new issue documents  
Note: Security holders must be told how their entitlements are to be dealt with.  
Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?

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+ See chapter 19 for defined terms.

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- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1 section 8
- (b)  All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional +securities

#### Entities that have ticked box 34(b)

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

38 Number of securities for which  
 +quotation is sought

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39 Class of +securities for which  
 quotation is sought

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40 Do the +securities rank equally in all  
 respects from the date of allotment  
 with an existing +class of quoted  
 +securities?

If the additional securities do not  
 rank equally, please state:

- the date from which they do
- the extent to which they  
 participate for the next dividend,  
 (in the case of a trust,  
 distribution) or interest payment
- the extent to which they do not  
 rank equally, other than in  
 relation to the next dividend,  
 distribution or interest payment

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41 Reason for request for quotation  
 now

Example: In the case of restricted securities, end of  
 restriction period

(if issued upon conversion of  
 another security, clearly identify that  
 other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 38)		

+ See chapter 19 for defined terms.

**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
  
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
  
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
  
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: *Ian Gregory* .....Date: 22 February 2010  
(Company Secretary)

Print name: Ian Gregory  
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+ See chapter 19 for defined terms.