

# INSIDE CELL

COMPANY NEWSLETTER JULY 2011

[www.cellaqua.com](http://www.cellaqua.com) (ASX Code: CAQ)



Premium Eco-Star™ Barramundi

## COMMERCIAL BARRAMUNDI HARVESTS PAVING THE WAY FOR PROFITS

Cell Aqua is pleased advise that initial commercial harvests of Premium Barramundi recently took place and were consequently processed near the Company's newly established farming operations in Thailand - paving the way towards profitability for the Company.

Having located an outstanding aquaculture development site in Thailand and commencing production in October 2010, the Company is delighted with the progress which has been made from the first stage of the site's development.

The initial Premium Barramundi harvests and commencement of revenue, represent another significant milestone for the Company, again offering a complete 'proof of concept' of Cell Aqua's entire vertically integrated 'Hatch to Dispatch' business model.

The processed fillets are then shipped to Cell Aqua's wholly owned food processing operations in Western Australia – Cell Aqua Foods Pty Ltd, where they are value-added, packaged and sold into the 'IGA Supermarkets Network' and 'Farmer Jacks', under the Company's Eco-Star™ brand. Further details on the Company's new range of Eco-Star™ products and developing markets are provided later in this edition of Inside Cell.

The commencement of Premium Barramundi harvests will result in a significant uplift in revenue for the Company, with the intention to progress towards profitability as production expands from the Thailand operations. Further details of the Company's Thailand expansion plans are outlined later in this edition of Inside Cell.



Freshly harvested Eco-Star™ Premium Barramundi fillets

## 'CELL AQUA IS CONSIDERABLY UNDERVALUED' – RB MILESTONE GROUP



New York based equity research firm RB Milestone Group, LLC recently initiated analyst coverage on Cell Aquaculture Limited.

The comprehensive 27 page Independent Report highlighted and stated the following:

*'At the current share price, we find CAQ to be an attractive investment opportunity with strong upside and limited downside risk. As such, we initiate coverage with a target price of A\$0.25/share'.*

*'Aquaculture Growing Strongly – Fish supply from traditional fishing is dwindling, putting significant pressure on traditional fisheries. The macro-economic factors definitely favour the aquaculture industry with growth intensifying even further as aquaculture gradually replaces traditional fishing'.*

*'Superior Technology: CAQ's hatchery and grow-out facilities are superior to other such systems in the industry'.*

*'At the current market capitalisation, CAQ appears considerably undervalued'.*

To view the full research report and a number of interactive research solutions that support Cell Aqua's daily shareholder interactions, please visit Cell Aqua's 'Portal Network™ Page' on RB Milestone's Investor Portal Network™ at: [rbmilestone.com/register](http://rbmilestone.com/register)

or visit Cell Aqua's website: [cellaqua.com/files/CAQ-Analyst-Coverage---RB-Milestone-May-11.pdf](http://cellaqua.com/files/CAQ-Analyst-Coverage---RB-Milestone-May-11.pdf)

RB Milestone received fees for putting Cell Aqua on their proprietary RB Milestone Portfolio Network and for investor relations services. The analyst report was written as an expense to RB Milestone and was not paid for by Cell Aqua. RB Milestone only accepts a select number of companies into their coverage in a given year.

## LAUNCH OF NEW ECO-STAR™ 'CHEF-INSPIRED' BARRAMUNDI MEAL RANGE

In line with commercial harvests coming on-stream, Cell Aqua has recently developed a unique value-added range of Gourmet, Chef-Inspired, Ready-to-Cook Eco-Star™ Barramundi meals. The meals are available in three delicious varieties:

- Garlic Butter Sauce
- Smoked Chilli Butter
- Lemon Cracked Pepper

The Company recently undertook a 'soft launch' of the new Premium Eco-Star™ Barramundi meal range into over 50 supermarkets in Western Australia and has received nothing but outstanding feedback.



**Premium Gourmet  
Saltwater Barramundi Fillets**

New Release





**Taste the Difference in  
these Convenient, Gourmet  
'ready to cook' meals**





The finest EcoStar™ Salt water Barramundi fillets have a mild buttery flavour and a succulent delicate texture.

EcoStar™ Saltwater Barramundi fillets retain their moisture throughout the entire cooking process and when cooked, the flesh is firm, white, moist and a little flakey.

EcoStar™ Saltwater Barramundi is sourced only from environmentally responsible and sustainable sources.

Available in 3 delicious 'Chef Inspired' varieties.

Available from the following stores:

**IGA - Mosman Park:**  
Cnr Wellington St & Manning St,  
Mosman Park

**Supa IGA - Nedlands:**  
152 Stirling Hwy, Nedlands

**IGA - Captain Stirling:**  
Cnr Florence Rd & Stirling Hwy,  
Nedlands

**Supa IGA - Wembley:**  
320 Cambridge Street, Wembley

**IGA - City Beach:**  
Ocean Village Shopping Centre,  
Kilpa Crt, City Beach

**Fresh Provisions - Claremont:**  
Bayview Shopping Centre, 303  
Stirling Hwy, Claremont

**Fresh Provisions - Mount Lawley:**  
77 Walcott St, Mt Lawley

**Fresh Provisions - Bickton:**  
258 Canning Hwy (cnr Petra St),  
Bickton

**Farmer Jacks - Subiaco:**  
Crossways Shopping Centre  
180 Rokeby Rd, Subiaco

**Jacks Wholesale & Groceries:**  
Claremont Quarter  
23 St Quentin Ave, Claremont

**Brighton Rd Fresh Food Market:**  
111 Brighton Rd, Scarborough

Your simple 'ready to cook' gourmet EcoStar™ Saltwater Barramundi experience awaits....  
[www.ecostarfoods.com.au](http://www.ecostarfoods.com.au)

Recent advertising of new Eco-Star™ products

Check out the Eco-Star™ products and latest recipes at our new website: [ecostarfoods.com.au](http://ecostarfoods.com.au)



As supply strengthens, Cell Aqua's produce is now starting to be featured in IGA's product catalogues. This is greatly assisting the awareness of the products in the marketplace and enhancing the development of the Eco-Star™ brand.



*Eco-Star™ Produce featured in a recent IGA Catalogue*

Cell Aqua has established a strong relationship with the IGA Supermarket Group and given that a reliable and steady Premium Barramundi supply is now developing, the Company is progressing towards distribution of its Eco-Star™ product range throughout Western Australian - targeting approximately 250 outlets. The Company is planning a strong marketing push of the Eco-Star™ range shortly, as more stores come 'on-stream' and advertising expenditure can be maximised.

To find your nearest outlet where you can purchase Eco-Star™ produce, go to: [ecostarfoods.com.au/where-to-buy](http://ecostarfoods.com.au/where-to-buy)

Cell Aqua are now in discussions with IGA Distribution regarding progressively supplying the Eco-Star™ range nationally - ultimately targeting up to 1,300 outlets.

## FURTHER EXPANSION OF THAILAND OPERATIONS

With Stage I of the Thailand operations now in production, Cell Aqua is progressing the expansion of these operations with the development of a new specialist, purpose built 'Cell' production facility. Construction of the new 'Cell' facility is now well underway and due for completion later in the year.



*Stage I of Cell Aqua's Barramundi facilities – Currently in production*



*Stage I nursery systems – Currently in production*

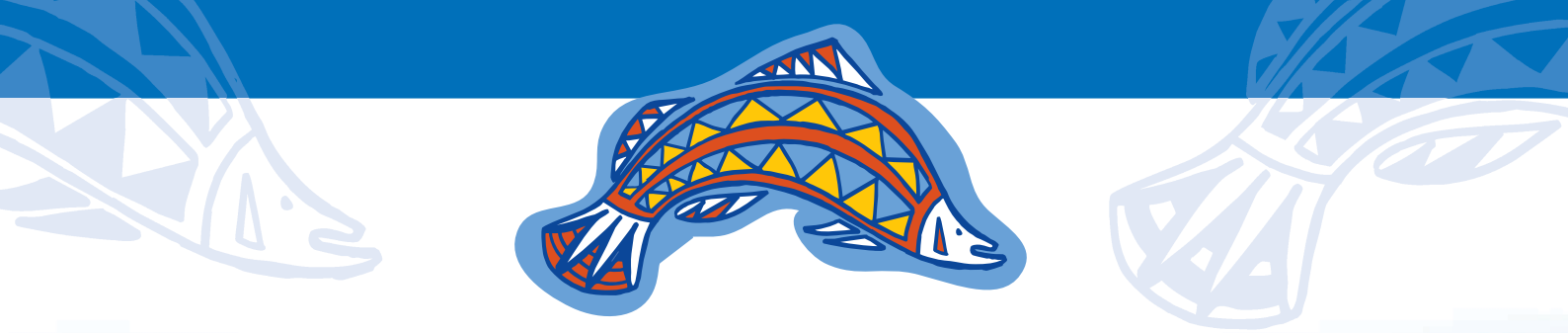
Once completed, the new purpose built 'Cell' facility will be stocked with Premium Barramundi and when harvested, the expanded production capacity will further bolster the Company's revenues, enabling the development of additional national and international markets for the Eco-Star™ product range.



*New specialist purpose built 'Cell' production facility under construction*



*New specialist purpose built 'Cell' production facility under construction*



## UPDATE ON SOUTH AFRICA, SINGAPORE AND MALAYSIAN PROJECTS

Strong progress is now being made on the South Africa, Singapore and Malaysian projects.

Favourable indications have been received from various South African government departments regarding this project and advanced discussions are underway. A Shareholders Agreement is now under negotiation with the Company's South African partners and further updates will be provided on this project shortly.

The Company continues to progress its opportunities in Singapore and Malaysia. Promising sites have now been offered for both these projects and the Company is undertaking advanced due diligence on both prospects. Further updates will be provided on these projects in due course.



## SUBSCRIBE TO RECEIVE 'INSIDE CELL' & LATEST NEWS ELECTRONICALLY

Given Cell Aqua's strong environmentally responsible focus, we would like to send you future editions of 'Inside Cell' electronically. This will save trees **and** money.

We will also send subscribers copies of our latest ASX Announcements and Press Releases as they happen.

You can subscribe on the homepage of our website: **[www.cellaqua.com](http://www.cellaqua.com)** or simply e-mail your name and e-mail address to **[info@cellaqua.com](mailto:info@cellaqua.com)** and we will add you to the electronic database.