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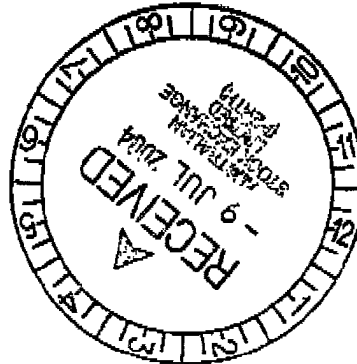
ASX PERTH

NO.373 P.8/23

July 9, 2004



Marcus Hodge
Senior Companies Adviser
Australian Stock Exchange Limited
2 The Esplanade
PERTH WA 6000



Re: IPO Australis Aquaculture Limited

I write you this letter to clarify a statement made within the prospectus for which you have requested.

The directors of Australis have discussed this issue and agreed to confirm the meaning of the clause as per your request.

I confirm the adjusted meaning as per this statement

The directors of the Company confirm that it is their understanding and intention that the statement on page 17 of the Prospectus dated May 25th 2004, which provides that "the Directors are of the opinion that on completion of the Offer, the Company will have sufficient working capital to fund operations to break-even cash flow", is also a statement that the Company will have sufficient working capital to fund its stated objectives even if subscriptions achieve the minimum subscription of \$4.5million.

I trust this satisfies your requirements.

Yours Faithfully,
Australis Aquaculture Limited

A handwritten signature in black ink, appearing to be "Stewart Graham".

Stewart Graham
Managing Director

Australis Aquaculture Limited

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US based producers of Australian Barramundi

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ASX PERTH

NO.373 P.9/23

AUSTRALIS AQUACULTURE LIMITED
ACN 098 236 938

UPDATED STATEMENT OF COMMITMENTS
BASED ON ACTUAL FUNDS RAISED

	\$
Finalise purchase of fish production facility	2,143,000
Capital expenditure	
• Control system upgrade	98,000
• Fish grading, environment and culture upgrade	290,000
• Instrument replacement and upgrade	142,000
Initial purchase of fry and fingerlings inventory	171,000
Brokerage fees	330,000
Cost of the offer	250,000
Total Commitments	3,424,000