

AUSTRALIS

ASX RELEASE

May 29, 2007

Investor Presentation

Australis Aquaculture Limited (ASX Code: AAQ). Please find attached a market update presentation that will be presented to investors and analysts over the next five days by Joshua Goldman, Managing Director and Jonathan Daen, Chief Financial Officer.

- ENDS -

About Australis - Australis Aquaculture, Ltd. (ASX: AAQ) is North America's first and only significant producer of Australian barramundi. The company owns and operates one of the world's largest indoor aquaculture facilities, located in Turners Falls, Massachusetts. The company established barramundi as a growing seafood trend in the US, and is successfully marketing its barramundi as *The Better Fish: Better Tasting, Better For You, Better for our Environment*. Australis' expertise in controlled-environment aquaculture has earned it the reputation as 'the gold standard' in sustainable aquaculture.

USA

Josh Goldman, Managing Director
Office: +1-413-863-2040 ext. 112
Home Office: +1-413-367-9234
Email: josh@australis.us

Australia

Gabriel Chiappini, Company Secretary
Office: +61-8-9486-1644
Registered Office: Level 9, The Quadrant
1 William St., Perth WA 6000

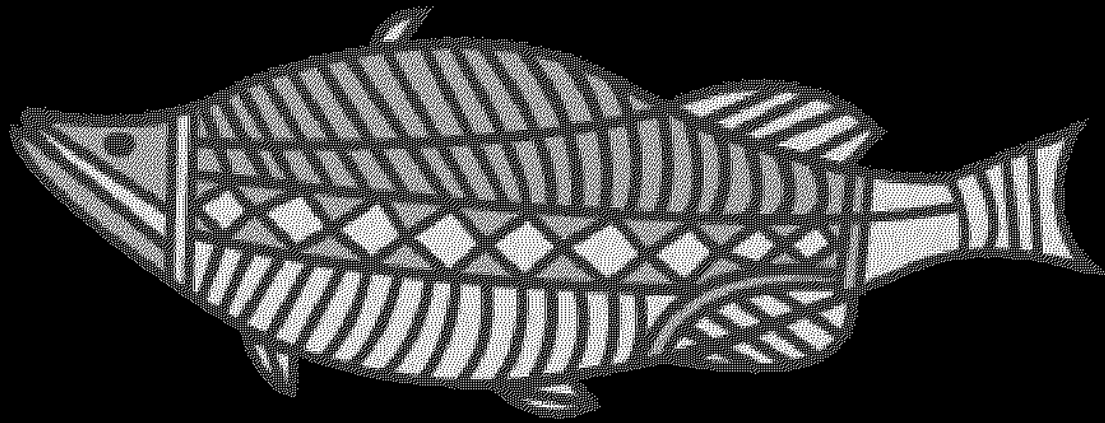
Investor Relations

Rod North, Executive Director
Bourse Communications Pty Ltd
Office: +61-3-9510-8309
Mobile: +61-0-408 670 706

Investor Update

May 28, 2007

AUSTRALIS



barramundi

taste australia's premier fish

Barramundi is Bigger Than We Thought

- **Aquaculture Fundamentals Better Than We Thought:**
 - More hardy and disease resistant, faster growing
 - Proprietary feeds deliver unsurpassed feed conversion efficiency, exceptional Omega-3 content and with reduced reliance on marine derived inputs
- **Market More Receptive Than We Thought:**
 - Market awareness for barramundi has reached critical mass
 - Demand for sustainable seafood growing exponentially as wild fisheries decline
 - Major retailers want Australis product now
 - Biggest challenge is supply growth to meet demand
- **Scale-up Can Be Achieved Faster and More Efficiently**
 - Integration of Australis technology with marine pens yields low cost, highly scalable solution
 - Immediate ability to meet major customer demand
 - 10k Tonnes / A\$100 million in 5-7 years

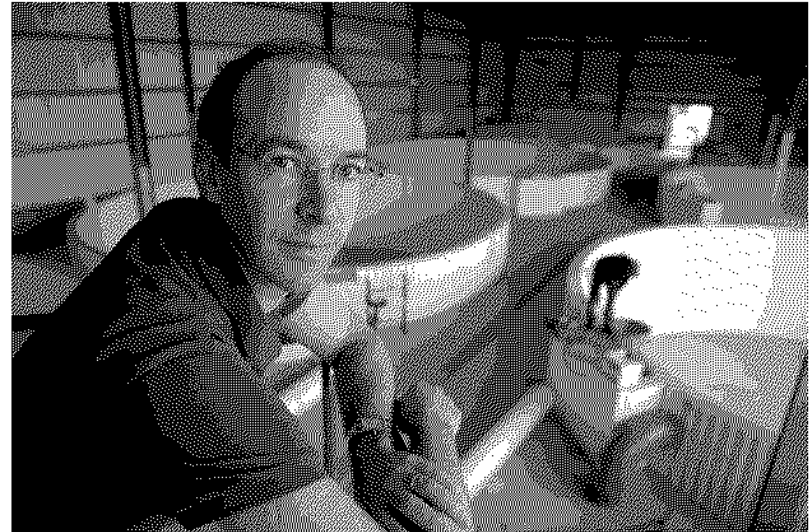
Presentation Overview

- Operations Update
- Opportunities
- High-Volume Growth Strategy

Operations Update

Australis Background

- **World leader in sustainable aquaculture**
- **Management team has extensive experience in commercial fish farming**
- **Patented technology & proprietary processes**
- **Solid increase in shareholder value since 2004 IPO on ASX**



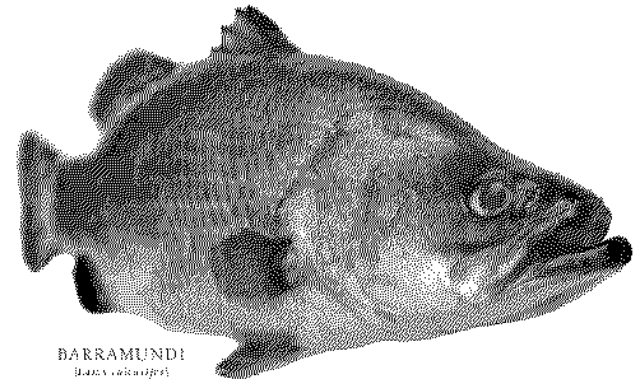
Josh Goldman,
Australis Managing Director

In Two Years, Australis . . .

- Introduced new species to North America
- Created “*The Next Big Fish*”
- Created strong brand awareness; extensive press coverage
- Established nationwide distribution
- Created 1,000 tpa baseline production capacity

THE
Globe
MAGAZINE

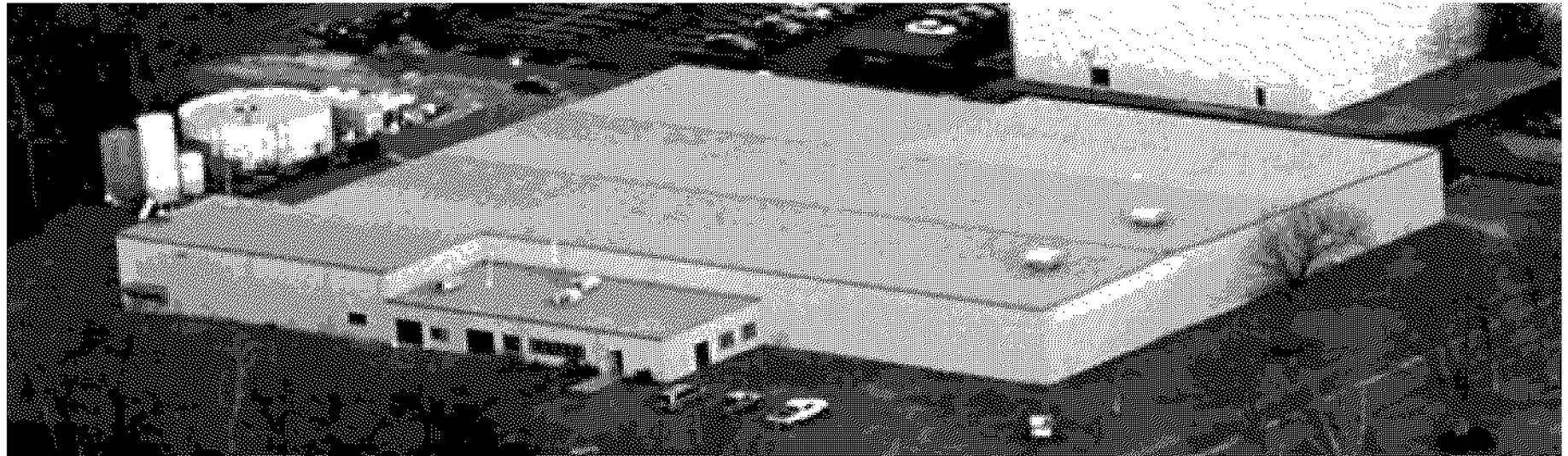
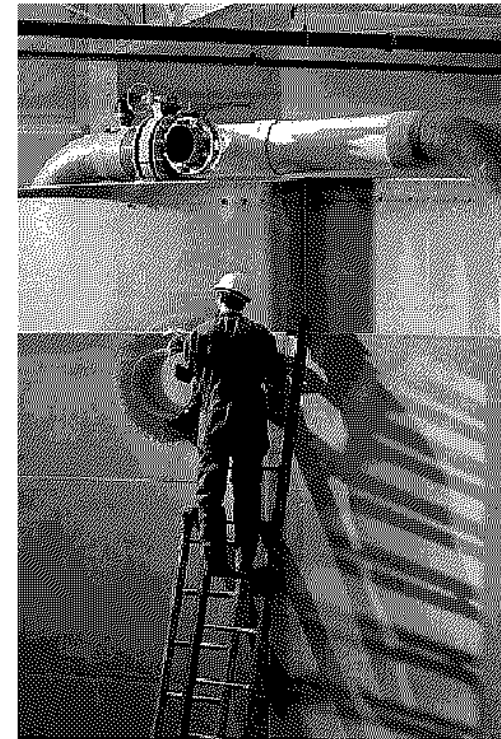
The Next
Big Fish



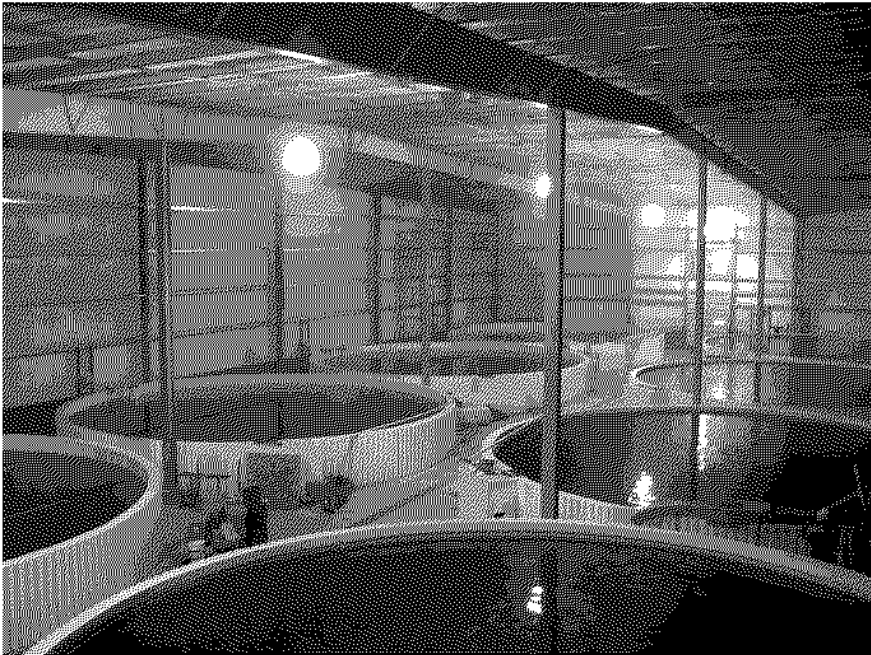
Australis Barramundi:
Coming soon to a plate near you.

By Charles P. Pierce | Photographs by Fred Collins

Australis' Recirculating Farming System



Facility Expansion Complete



8 New Tanks Added and Stocked

Total Facility Capacity: 1,000 TPA

Automated Processing Up & Running

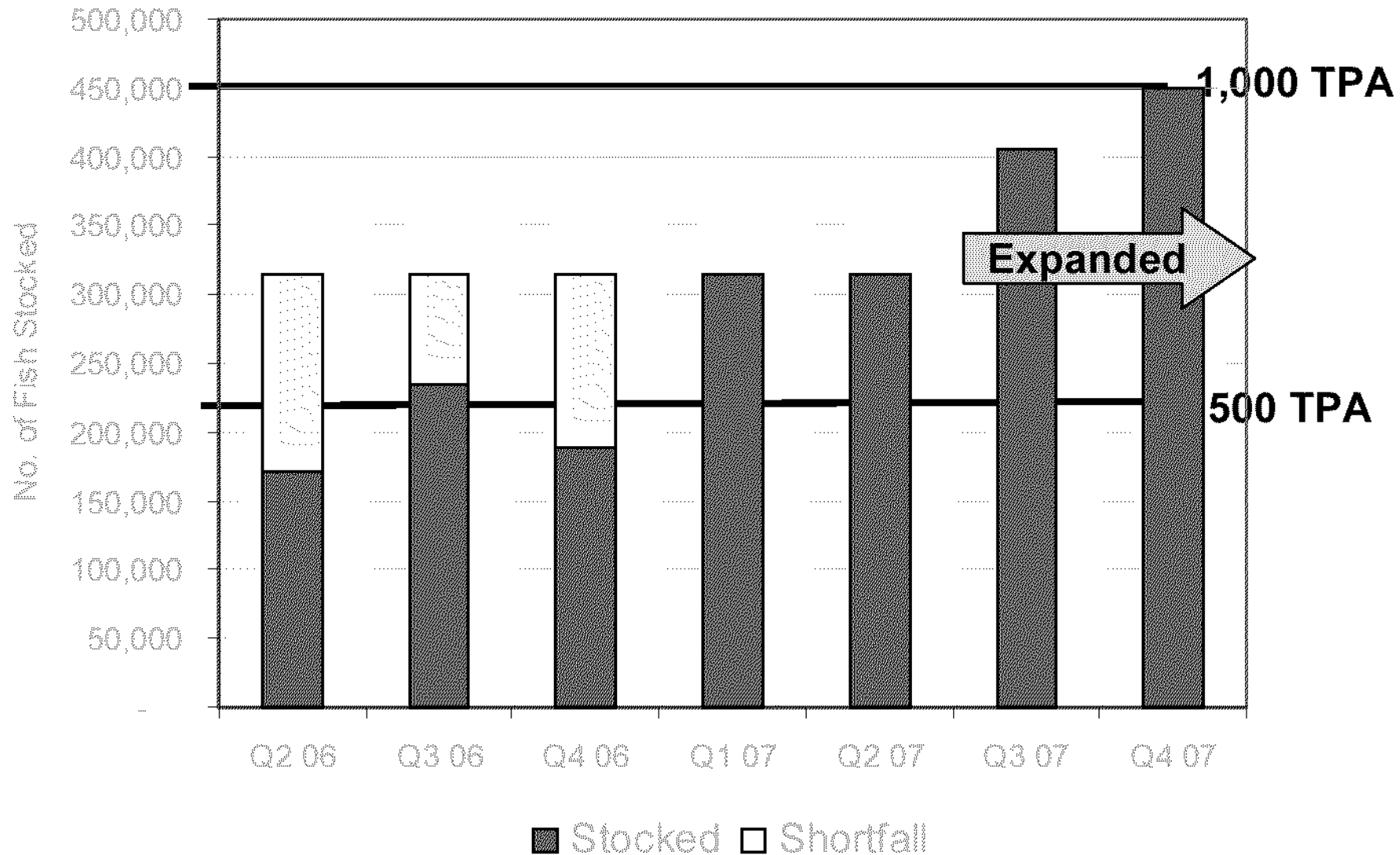


Upgraded Fingerling Supply Chain

- **Fingerlings are key driver of output;**
Stocking targets have been difficult to meet until December, 2006
- **Supply issue now resolved:**
 - US hatchery; reduces cost and improves reliability
 - Global Sourcing reduces cost and risk
 - Airline tote approvals; improve transport reliability, reduces cost
- **Inventory exceeded 1M fish in April**
Up 2X over 1 year ago

Record Stocking Rates

on track for record sales



Key Economic Drivers:

Australis vs. Industry Standards for Barramundi

	Australis	Ind. Standard	Delta
Time-to-Market (0.2 – 750 grams)	9 months	12 months	(33%)
Grow-out Mortality (200 – 750 grams)	< 2%	10+%	(5x)
Feed Conversion Ratio	0.9:1	1.3:1	(40%)

Introducing: The Better Fish™

Better Tasting

A Gourmet Experience

One of world's finest fish

A Real Crowd Pleaser

Sweet, mild & buttery

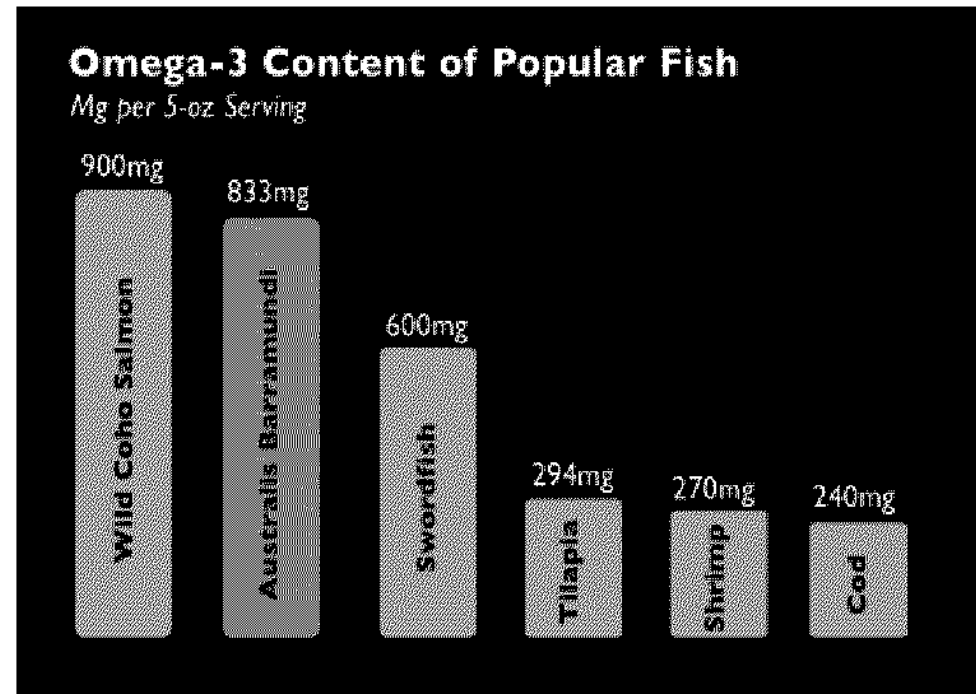
High oil content

Moist, highly versatile, resists
over cooking



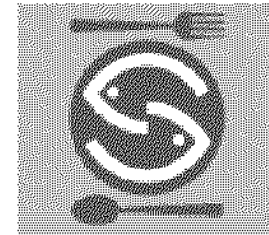
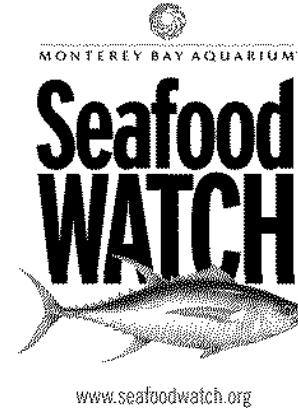
Better For You

- **Proprietary Feed:**
“Excellent Source” of Omega-3’s*
- **Naturally Farmed:**
No hormones, antibiotics or colorants
- **Contaminant Free:**
No mercury or PCB’s



Better for Our Environment

- Recognized for meeting highest standards for sustainable farming
- Reduced fish meal & oil in feed
- No escape, disease or other impacts on fisheries
- Full traceability



Delivering the Message

- **Eye-Catching Packaging**
- **Point of Purchase Displays & Demos**
- **Consumer Web Site**
www.thebetterfish.com
- **Ongoing Media Support**



The Opportunity

The Opportunity

Three Key Drivers:

- **Supply:** Accelerating long-term decline in wild fisheries
- **Demand:** Increasing demand for sustainable seafood
- **Positioning:** Australis enjoys a unique position
 - Large-scale sustainable production know-how
 - Market leadership (N. America's only barra producer)
 - Established brand

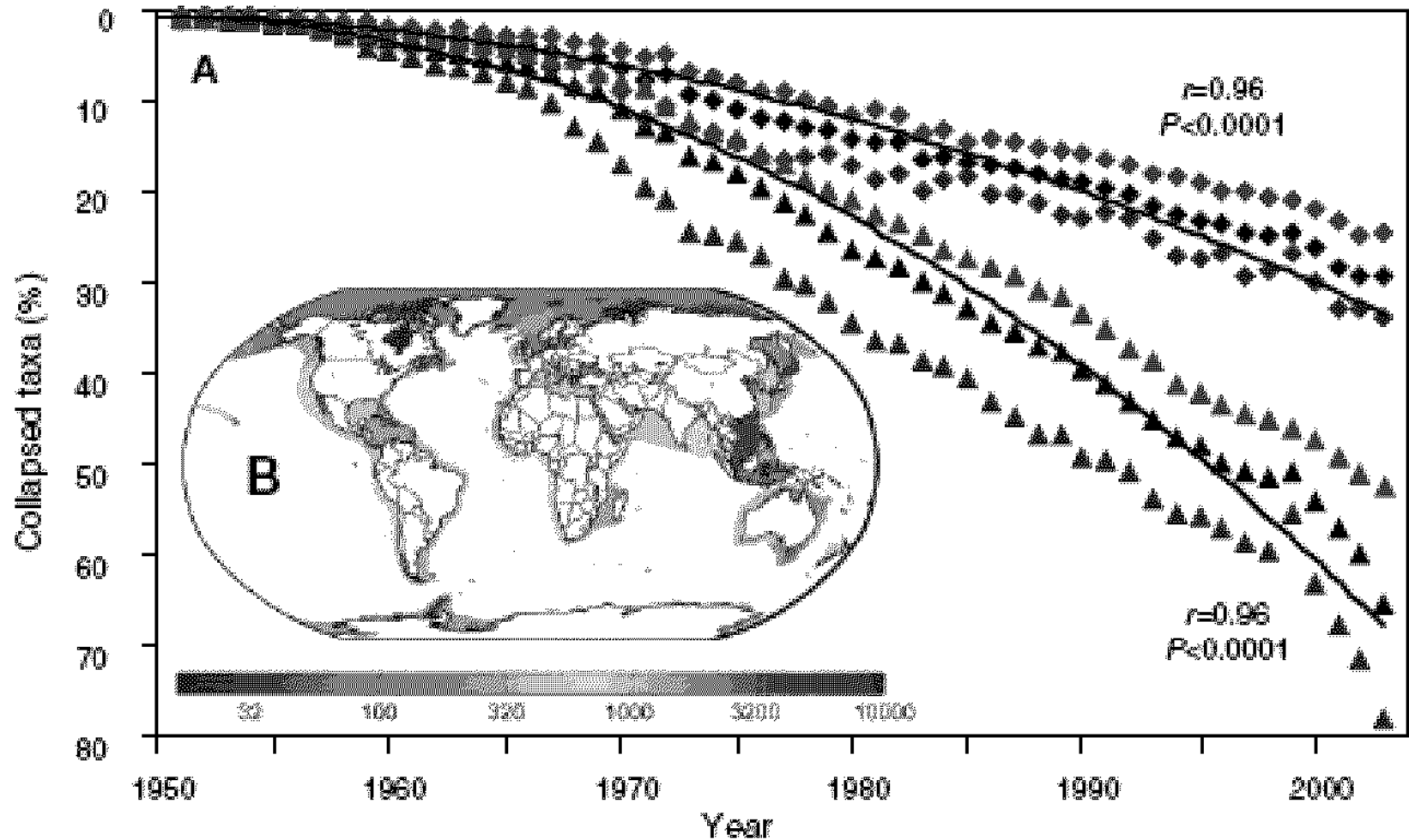
Accelerating Decline in Wild Supply

“Populations of commercially attractive large fish, such as tuna, cod, swordfish and marlin have declined by as much as 90% in the past century.”

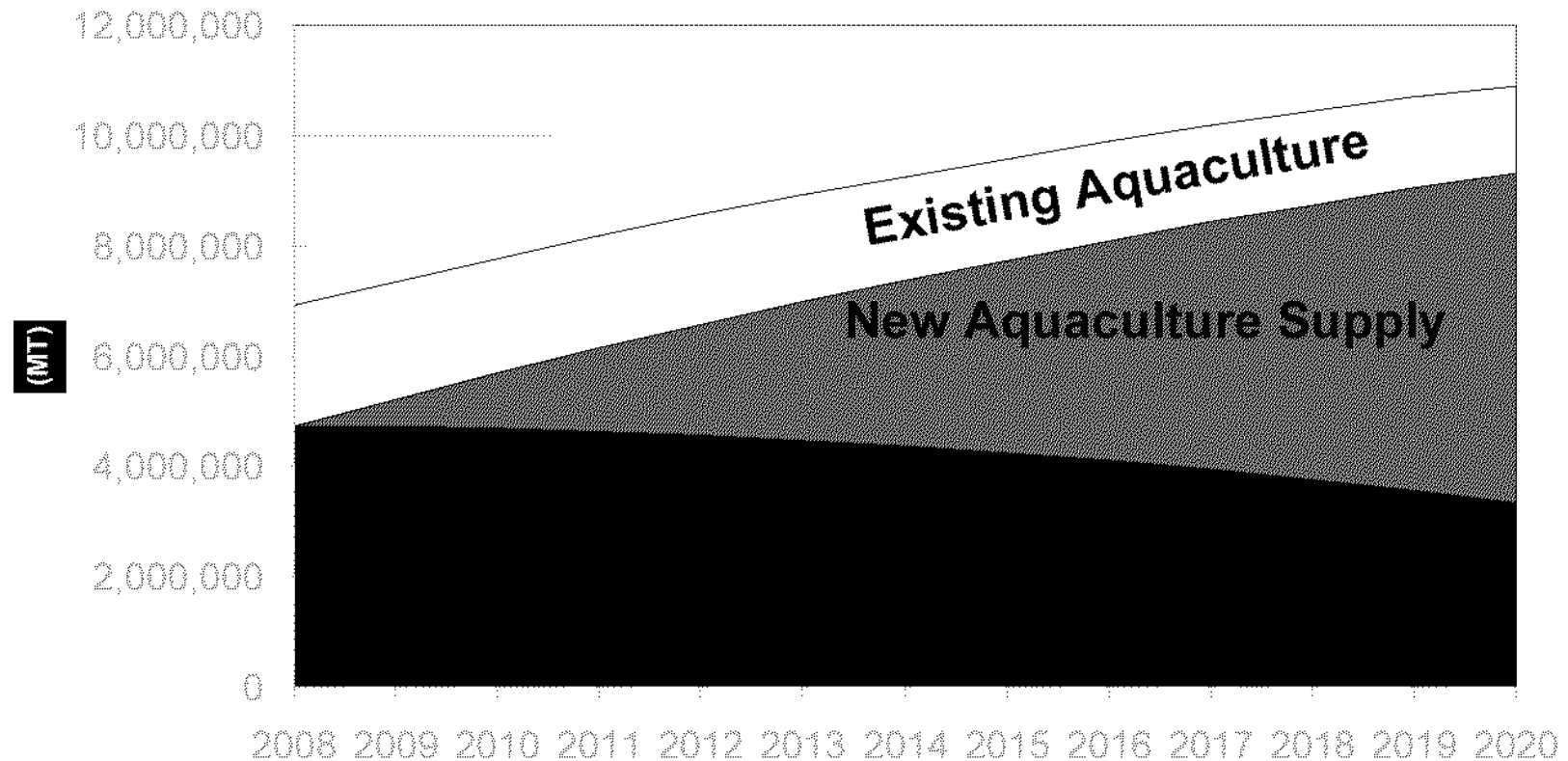
“More than 70% of the world's marine fisheries are now fished up to or beyond their sustainable limit.”

“Most industrialized fishing typically depletes available biomass by 80% within 15 years.”

Declining Marine Biodiversity



US Market: 6 Million Tonne Opportunity



AAQ Plan: <1% of Supply Gap within 5 Years

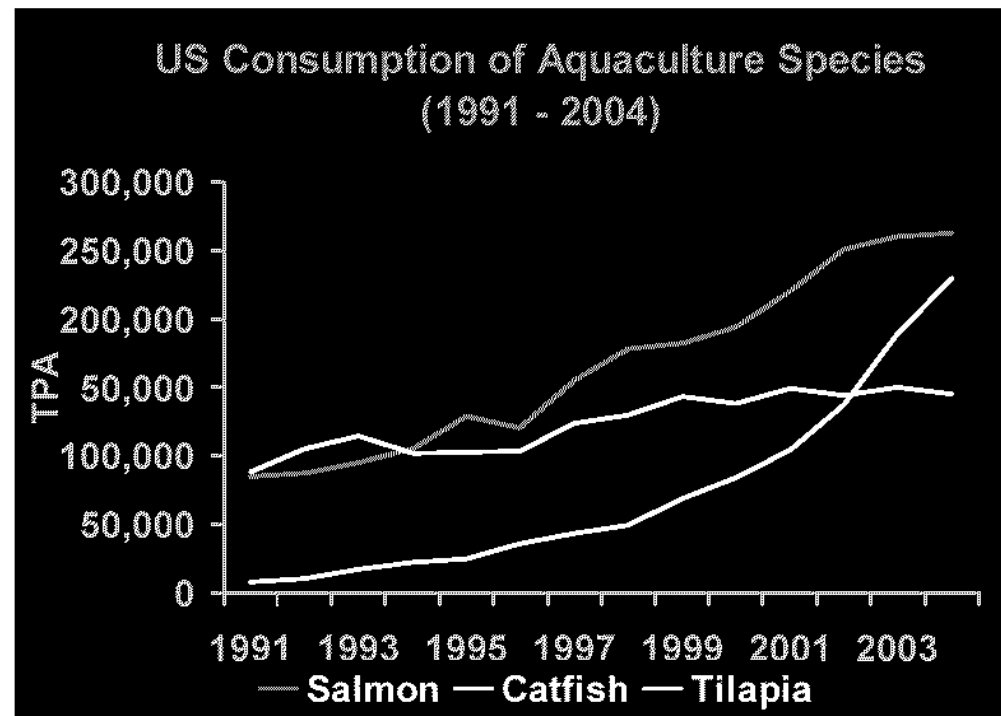
Estimated US Demand

Australian Consumption of Barramundi Applied to US Population Vs. Australis 5-Year Forecast



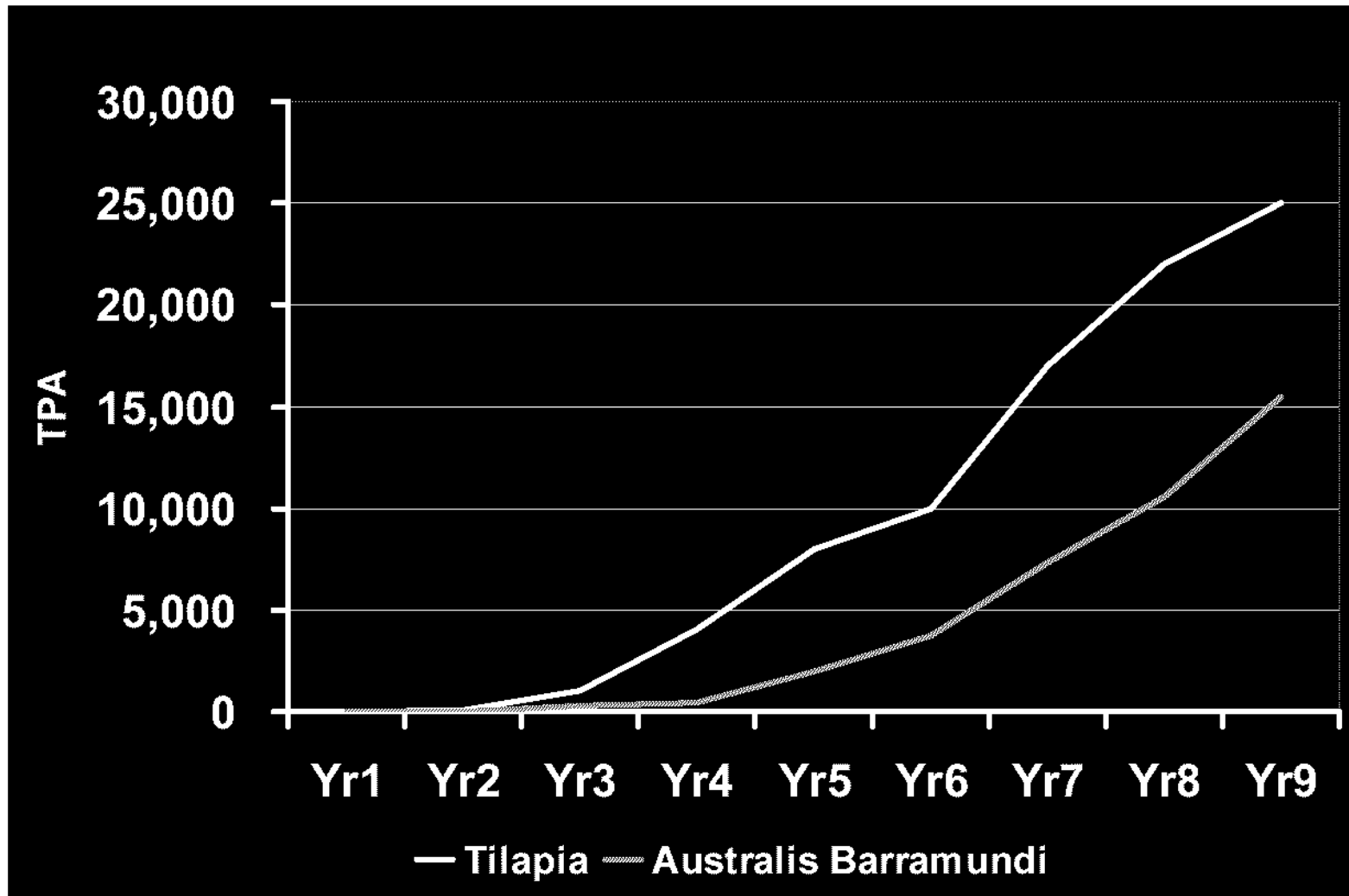
Importance of New Species

- **World markets seek farmed fish**
(stable price and supply)
- **Top three finfish in US are all farmed**
(salmon, tilapia, catfish)
- **US Tilapia consumption**
(up 35X in 15 Years)



Speed of Adoption

Tilapia (1986-1994) vs. Australis Barramundi (2004-2012)



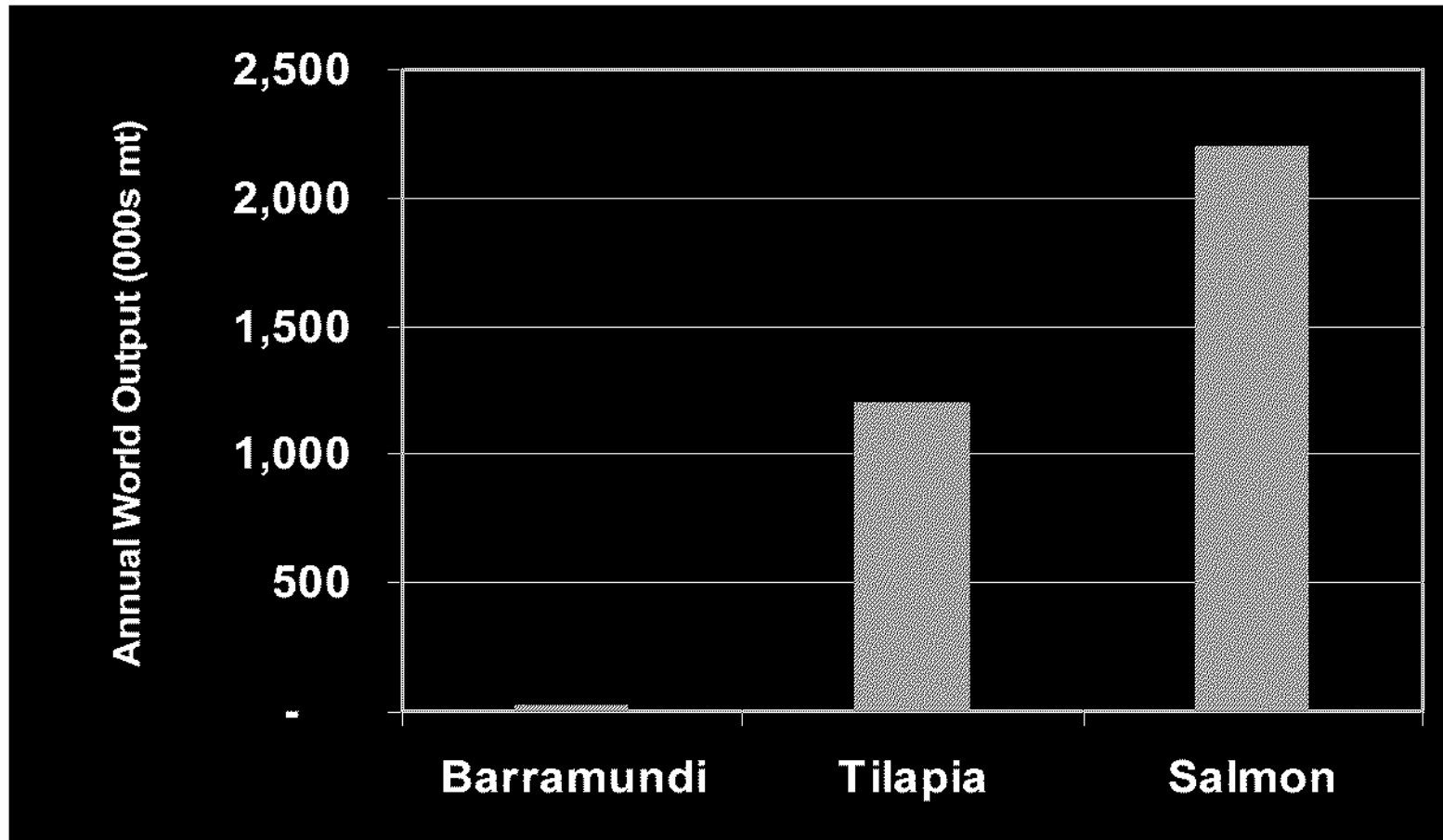
Major Producers

World Supply is Very Limited

Country	Method	Output*	% Export*
USA (Australis)	Indoor Tanks	1,000	5%
Vietnam	Ponds, Cages	1,000	20%
Australia	Tanks, Ponds	3,000	5%
Malaysia	Freshwater Ponds	4,200	10%
Taiwan	Freshwater Ponds	4,000	20%
Indonesia	Ponds, Cages	5,000	10%

* Management Estimates

Room to Grow: World Barramundi Supply



World barramundi production is ~1% of farmed salmon and ~2% of tilapia. Most is consumed locally & not available for export

Current Supply Limitations

- World barramundi supply is very limited
- Most output is consumed locally
- Primarily freshwater raised with poor flavour
- Supply chain is highly fragmented / small, locally focused producers dominate; poorly developed:
 - Product & quality specifications
 - QC procedures
 - Collection, processing & export supply chain

High-Volume Growth Strategy

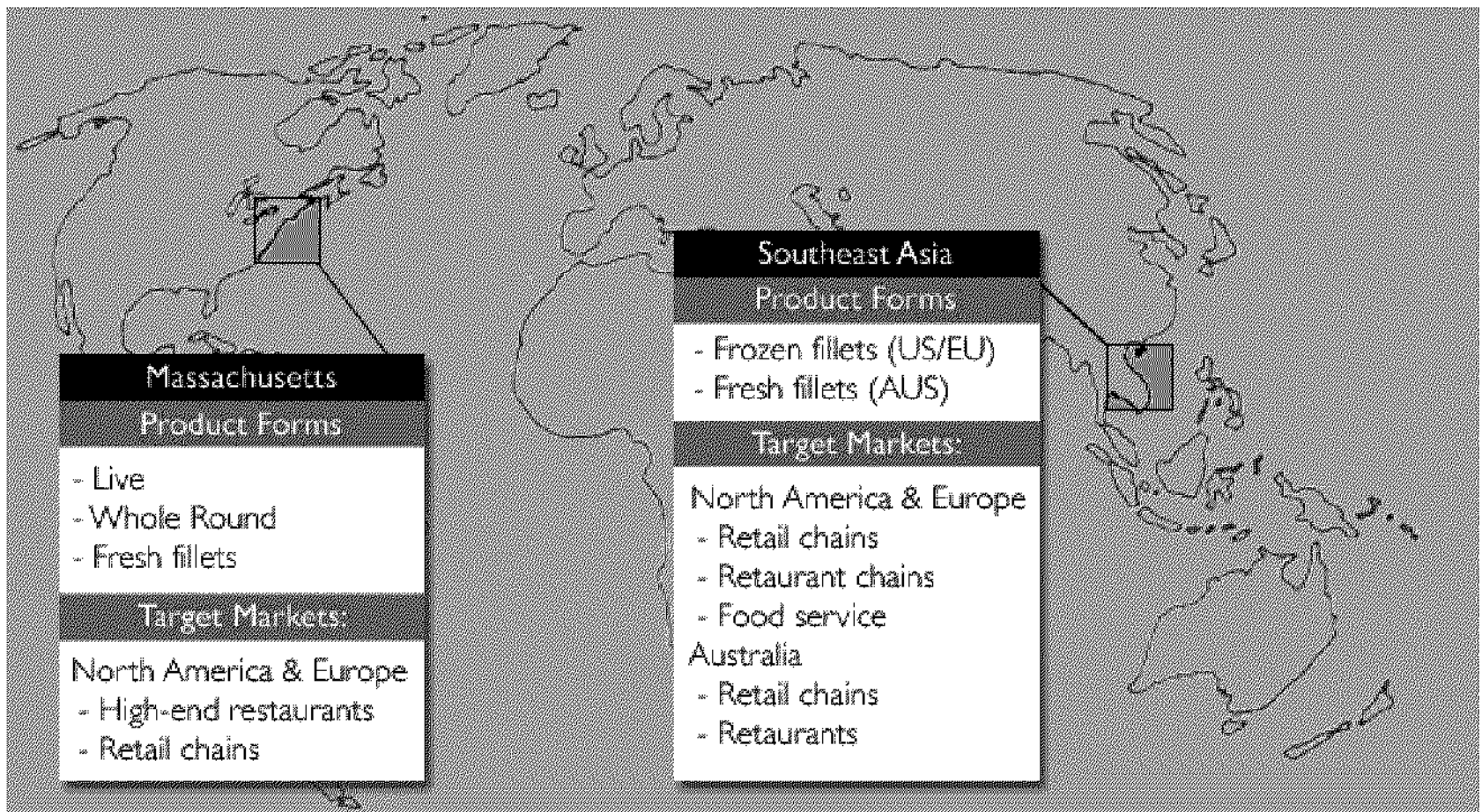
Diversified Supply Creation

US Production

Indoor Recirculating Technology

Southeast Asia Production

Combination of Indoor Recirculating Technology and Marine-Based Pens



Breaking the Vietnam Myth



Traditional Vietnamese Cage Farm

Breaking the Vietnam Myth



Australis Farm Location

Traditional vs. Australis

	Traditional	Australis
Environment	Shallow Estuaries	Protected Deep Ocean
Production Method	100 m ³ Wood Cages	8,000 m ³ Plastic Net Pens
Feed	Trash Fish	Steam Extruded Pellet
Biosecurity	Poor: crowded minimal flushing	Good: low density well flushed
Flavour	Variable	Consistent

Vietnam:

A Major Aquaculture Success Story

- Vietnam ranks seventh in seafood exports & sixth in aquaculture production
- The Vietnamese seafood industry generates exports of A\$3.8 billion in 2006
- 9% annual growth; exports projected to reach A\$6.6 billion by 2010, majority from aquaculture
- World-class processing leverages low labor costs

Focus on Quality



- **Modern Processing Facilities with Full Third-Party Certification:**
 - HACCP
 - US FDA
 - EU
- **Multi-Tiered Quality Assurance & Control Systems:**
 - On farm
 - At/by processing plant
 - Australis in-plant
 - Third party
- **Significant opportunity for low-cost, sustainable feeds made from processing by-products**

Business Structure



- **Wholly Owned Company**
Complete control over operations, finances & quality
- **Expatriate Management**
Strong aquaculture and Vietnam operating experience
- **Governmental Support**
12 year tax holiday, 15 year concession + renewal

World-class Processing

Low cost “hand-sculpted” processing for fresh (Australia) and frozen (US & EU) markets



Key Advantages

Quality& Form: Pristine environment, large fish for uniformly thick fillets

Speed of Access: Local partner provides permitted site, infrastructure & local knowledge

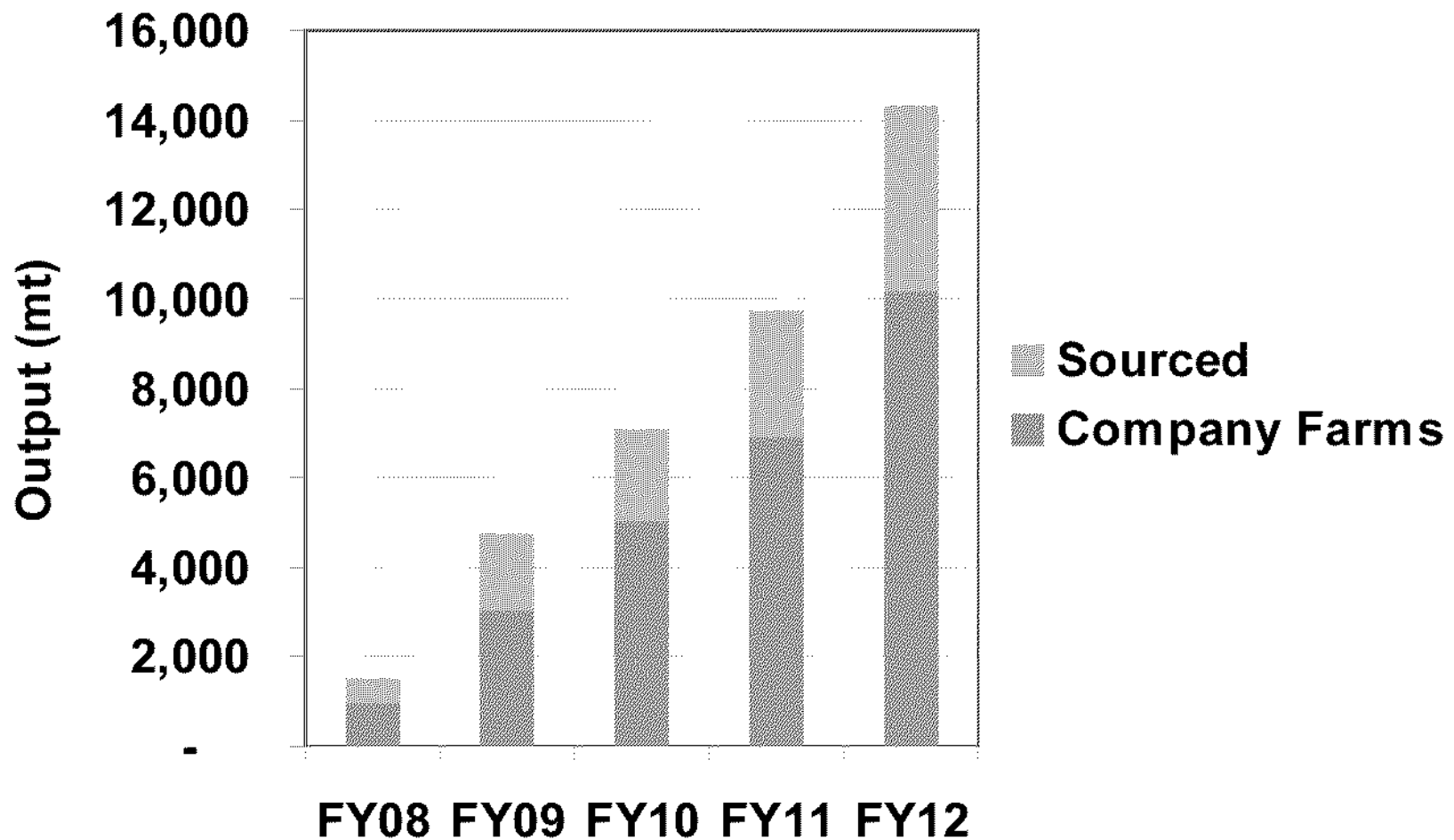
Cost: Very low production & processing cost

Sustainability: Native species (low escape risk). fallowing, future feed using processing products

Scalability: 10,000 TPA capacity on current site

Australis Production Target

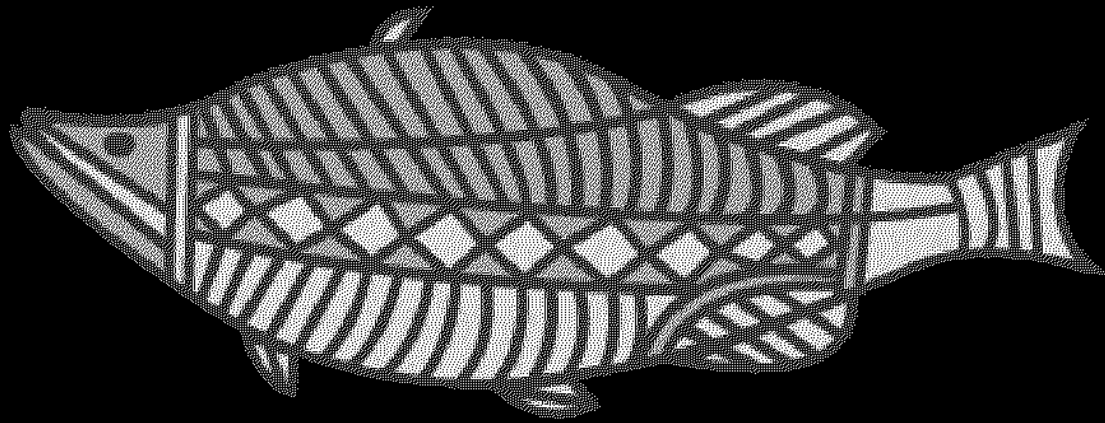
*10,000 tonnes within 5 years
(~30% of 2004 world barramundi production)*



Summary

- **Strong leadership position in high-growth segment**
- **Traditional sources of supply declining**
- **Unique, large-scale, sustainable production know-how and technology = low-cost, scalable solution**
- **Diversified fast-to-market supply strategy**
- **Limited capital achieves A\$100 Million revenue target**
- **Steady sales and earnings growth drives shareholder returns**

AUSTRALIS



barramundi

taste australia's premier fish