



Global Seafood Australia LTD

30 Manton Street Morningside Brisbane Queensland Australia
Tel: 61-7-3395-9000. Fax: 61-7-32179188.

Market Announcement – Merger with Austar Seafood Marketing Fails to Proceed and Appointment of Voluntary Administrator

23 February 2004

Proposed Austar Merger

The Principal of Austar Seafood Marketing Pty Ltd has advised that they will not proceed with the Global/Austar merger as set out in the Heads of Agreement of 14 January 2004 and advised to the market on that date.

Existing Financial Arrangements With HSBC

Under a letter of variation executed with HSBC Bank Australia Limited on 19 February 2004 the Company was afforded part relief amounting to \$700,000 from a seasonal reduction facility due on that day. This amount becomes immediately payable in the event the merger will not proceed. As a result the amount of \$700,000 becomes payable as from today.

Given this position the Board determined that it was in the best interests of all creditors and shareholders to appoint a voluntary administrator.

Appointment of Voluntary Administrator

The Directors have unanimously resolved to appoint John Greig of Deloitte Touche Tohmatsu as voluntary administrator of the Company to assist in an orderly sale of the Company or alternatively in an orderly realisation of the Company's assets.

Appointment of Price Waterhouse Coopers by HSBC

HSBC Bank Australia appointed Price Waterhouse Coopers on 18 February 2004 to undertake a review of the Company on behalf of the bank.

Actions Taken Since 14 January 2004 to Restructure the Operations of the Company

1. Fresh distribution operations have been divested/liquidated to eliminate non-performing operations. Supermarket distribution ceased on 30 January 2004 as a first step in this process and hotel and restaurant operations ceased on Friday 20 February 2004; and
2. Asian restaurant distribution operations were sold effective from Thursday 19 February 2004 with final settlement expected within two weeks of that date.