

ASX/media release

## Cell Aquaculture new 700 tonne barramundi joint venture in Sarawak Malaysia

*Second large scale Malaysian facility. Revenues from JV partners*

**31<sup>st</sup> January 2008:** Cell Aquaculture Limited (ASX: CAQ) has signed a memorandum of understanding with ASSAR Fishery Sdn Bhd (ASSAR) based in Kuching, Sarawak, Malaysia to enter a joint venture to build and manage a 700 tonne barramundi aquaculture production facility using Cell's proprietary technology.

ASSAR is the subsidiary of a company linked to the Sarawak state government. It has a successful track record in a range of businesses including financial services, property development, technology, manufacturing and trading.

Cell Aquaculture will fabricate, install, commission and manage the entire production facility, using Cell's proprietary aquaculture equipment, at an ASSAR owned site in Kuching. Following successful final due diligence and compliance with the conditions precedent, it is anticipated that construction and site works will commence by June 2008. The site will be purpose-built including insulated concrete floor large capacity buildings completed and ready for Cell's installation. Construction and fit-out will take about 18 months before the official opening and commissioning.

After commissioning Cell will manage barramundi production and sales. The site is well-suited as a sales base to major markets of Kuala Lumpur, Hong Kong, Singapore, China, Japan and also Australia.

The new joint venture entity will be 60 percent owned by ASSAR and 40 percent by Cell Aquaculture. Total cost of establishing the facility is projected to be AU\$9 million.

"As the world's fisheries become depleted then aquaculture will take over. Barramundi is a premium fish that is very well suited to aquaculture. The business case for large scale, 500+ tonne annual production sites of barramundi is compelling," said Mr Paul Hopper, executive chairman of Cell Aquaculture.

"This promises to be an excellent partnership and we are very pleased with the favourable business climate in Sarawak."

Finalisation of the arrangement is subject to due diligence by both parties that is expected to be complete by the end March 2008.



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## **About the Partners**

### **ASSAR Fishery Sdn Bhd**

ASSAR is the subsidiary of a company linked to the Sarawak state government. It has a successful track record in a range of businesses including financial services, property development, technology, manufacturing and trading.

### **Cell Aquaculture Ltd (Australia)**

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 ten 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 is constructing a world class multi-species hatchery in Malaysia. Cell is assessing a range of further premium species for aquaculture production.

Cell is developing two large scale barramundi growing facilities in Terengganu and Sarawak in Malaysia. Cell supplies and installs growing systems, manages the operations as well as sales and marketing of finished product. Joint venture partners pay milestone fees and share equity in the enterprises.