



ASX Release - CAQ

European fund invests \$2.4m in Cell Aquaculture

Boost to barramundi and new species infrastructure

19 February 2010: Cell Aquaculture Limited (ASX:CAQ) has secured an initial \$2.4 million investment from a large European strategic investment partner.

The Dutch based private equity fund, Linnaeus Capital Partners (Linnaeus), will become a major Cell Aquaculture shareholder having acquired 25 million shares at 9.6 cents per share for its initial investment. Cell Aquaculture's trading range was approximately 13-14 cents at the time of offer. This is the first stage of a planned long term funding and investment strategy in Cell Aquaculture, with the shares subject to a voluntary 12 month escrow period.

Linnaeus holds significant investments across a range of industries in small to medium cap companies. It targets high growth potential and now plans to develop a global presence in aquaculture.

Linnaeus Director, Anita Hamilton stated, "we see tremendous opportunity in the aquaculture industry particularly in the land-based recirculating sector. Following thorough due diligence and having searched the world for a suitable aquaculture investment, we believe that Cell Aquaculture is exceptionally well positioned to capitalise on the booming aquaculture industry."

"Cell Aquaculture has developed unique technologies, a compelling business model and by collaborating with a strong investment partner, the company can now rapidly develop a substantial international aquaculture business."

The principals of Linnaeus will be meeting with Cell Aquaculture representatives in both Malaysia and Australia in coming weeks to review the company's growth plans and develop a further funding and investment strategy. Discussions will also include European expansion opportunities.

Cell Aquaculture Executive Chairman Perry Leach stated, "this is an important milestone for the company. Partnering with a well-resourced cornerstone investor that shares our vision will enable the company to accelerate its growth plans."

"The additional investment strengthens Cell Aquaculture's position as the company progresses toward the final stage of securing its large scale Malaysian venture."

The company's consolidated cash position is now approximately \$3.4 million.

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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 twelve 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 has plans to construct a world class multi-species hatchery in Malaysia. Cell has also commenced production trials on a range of further ‘high value’ premium species.

Cell has developed large scale land-based recirculating seafood production facilities in Terengganu, Malaysia and is now also progressing an opportunity to develop large scale production in South Africa, as well as a ‘high value’ species facility in Singapore.

Cell has recently signed a Memorandum of Understanding with a Malaysian based global multinational organisation, with turnover in excess of AU\$5 billion per annum, to commence detailed feasibility, with a view to establishing large scale land based aquaculture production, utilising CAQ’s unique Cell™ production technologies and vertically integrated ‘Hatch to Dispatch’ business model.

Cell supplies and installs growing systems, manages the operations, as well as sales and marketing of finished product.