

ASX Announcement

6th June 2007

Fast Track for Cell Malaysian Joint Venture

- **Second shipment of Cell™ equipment has now been dispatched to advance Joint Venture with Malaysian government.**
 - **Further instalment payment of AUD\$ 400,000 has now been received by Cell, with next payment of approx AUD\$ 600,000 due in the coming weeks.**
 - **Capt. Suresh Abishegam appointed to board of Cell.**
 - **Construction of first 2,500 m² building in Malaysia now complete and ready for system installation.**
 - **Planning now commenced for 'world class' multi-species hatchery.**
 - **Discussions underway to fast track total venture.**
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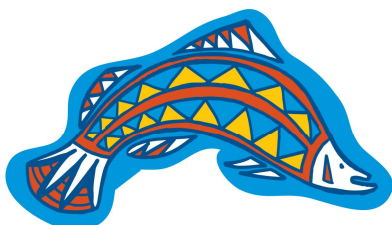
Leading aquaculture technology and seafood production specialist Cell Aquaculture Ltd (Cell – ASX Code: CAQ) is pleased to advise the strong progress recently made on its Joint Venture with the Terengganu State Government, Malaysia.

The second shipment of Cell™ equipment has been dispatched to Malaysia and further instalment payment of AUD\$ 400,000 has now been received by Cell with next payment of approx AUD\$ 600,000 due in the coming weeks.

The Malaysian venture has been further strengthened by the recent appointment of Capt. Suresh Abishegam as a non-executive Director of Cell Aquaculture Ltd. Capt. Abishegam is a Malaysian based businessman who has been closely associated with Cell for the past two years - making the introduction and providing the catalyst to complete the Joint Venture deal with the Terengganu State Government. He is also a Director of the Malaysian subsidiary company, Cell-Aqua Malaysia Sdn Bhd and will play an instrumental role in driving the future expansion of this exciting, large-scale venture.

Construction of the initial 2,500m² production building in Terengganu is now complete and ready for installation of the first Cell™ production systems.

Commenting on recent progress, Capt Abishegam stated, "it is indeed very encouraging to see the strong relationship developing between Cell Aquaculture Ltd and the Terengganu State Government. Both parties have worked extremely hard to meet their commitments for the first stage of this venture."



Capt Abishegam continued, “the Terengganu State Government has delivered the first production building on budget and ahead of schedule and must be commended. Cell on its part have manufactured and delivered all production equipment as scheduled, ready for installation. The strong level of trust and respect that has been developed between the partners has built the foundation for a very successful and prosperous future.”

Chairman of the Malaysian based Joint Venture company, TRG Cell Sdn Bhd, Dato’ Hj. Zakaria Awang stated, “we are now very confident with Cell and their ability to work with us to expand this Joint Venture to a scale that will put Terengganu State on the world map as a major aquaculture player and fish producer.”

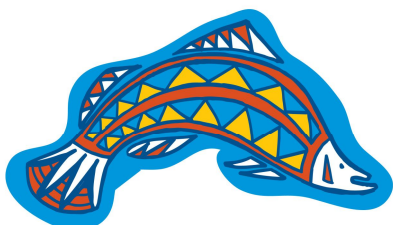
Planning is now underway to jointly develop a world class ‘multi-species’ hatchery. Development of the ‘multi species’ hatchery will assist in commercialisation of extensive R & D conducted by both parties to date. It is anticipated that the establishment of this hatchery will make TRG Cell Sdn Bhd and Terengganu State an international ‘hub’ for Cell’s international operations.

Cell has recently strengthened its global ‘footprint’ with the appointment of influential and experienced Directors in each of its other key overseas jurisdictions of the United States and Europe.

Mr Paul A Hopper has been appointed a non-executive Director of Cell to progress expansion into the United States. Mr Hopper is a San Diego based Investment Banker with over 25 years experience in finance and international public company markets, primarily in the biotechnology sector.

Prof Glyn Tonge has been appointed a non-executive Director of Cell to progress expansion into Europe. Prof Tonge is a London based Investment Banker and Private Equity Operative, also with extensive international public company experience. He has been involved in M & A, IPO and VC funds on a global basis, with particular focus on the United Kingdom, Europe, Japan, India and South East Asia.

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About TRG Cell Sdn Bhd

TRG Cell Sdn Bhd is an aquaculture Joint Venture between Cell and the Terengganu Agrotech Development Corporation (TADC), an entity wholly owned and controlled by the Terengganu State Government, Malaysia.

The Joint Venture will generate revenues of approximately **AUD\$ 7 million** directly to CAQ during the development phase. Revenue will be derived primarily from sales of Cell™ proprietary equipment, license fees, project management and technical support services to the Joint Venture.

At full capacity, the Joint Venture (TRG Cell Sdn Bhd) is expected to generate ongoing forecast revenues of approximately **AUD\$ 7.4 million** per annum from fish sales. Production capacity is expected to be approx 700 tons per annum at completion.

About Cell Aquaculture

Cell Aquaculture supplies a full range of environmentally sustainable, vertically integrated seafood production services – encompassing everything from ‘Hatch to Dispatch’.

The company has established hatchery operations for Australian Barramundi and is developing a range of further premium species for aquaculture production. The company has also developed significant manufacturing capability to fabricate its proprietary Cell™ aquaculture production equipment.

Further to established Barramundi production at Cell’s Fremantle based headquarters, the company has successfully built European production facilities in the Netherlands and Bulgaria, is completing a production facility in the United States and has now commenced establishment of large-scale production in Malaysia.

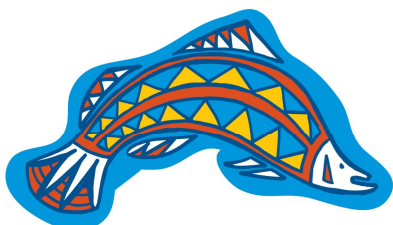
Cell Aquaculture is a global company involved in all aspects of the production and sale of quality high-end priced seafood - produced economically on the market’s doorstep – as well as purpose-built, modular seafood production technology.

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