

Appendix 4E

Preliminary final report Period ended 30 June 2005

This report relates to the financial year ended 30 June 2005, with comparative data related to the year ended 30 June 2004.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Name of entity	ABN
Marine Produce Australia Limited	70 091 805480

	30 June 2005	30 June 2004	% Change
	\$	\$	\$
Revenue from ordinary activities	265,037	311,615	Down (15%)
(loss) from ordinary activities after tax attributable to members	(2,462,331)	(1,480,938)	Up (66%)
Net (loss) for the period attributable to members	(2,462,331)	(1,480,938)	Up (66%)
Amount per security and franked amount per security of interim and final dividend	No interim or final dividends have been paid or provided for during the period		
Record date for determining entitlements to the dividends and payment date	Not applicable		
Brief explanation of any of the figures reported above necessary to enable the figures to be understood	Refer note 1 for commentary		

**Consolidated Statement of Financial Performance
For the year ended 30 June 2005**

	Note	2005 \$	2004 \$
Revenue from Ordinary Activities		265,037	12,913
Revenue from sale of equity investment		-	298,702
Total revenue	2	265,037	311,615
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Marketing Expenses		(184,990)	(45,563)
Costs of pre-production		(338,328)	-
Employee expenses		(950,098)	(256,246)
Depreciation and amortisation expenses	2	(302,191)	(129,149)
Professional fees		(480,217)	(662,125)
Facilities		(27,043)	-
Travel and entertainment costs		(156,713)	(181,086)
Feasibility costs expensed	2	-	(100,000)
Development costs expensed		-	(78,000)
Carrying value of financial asset sold		-	(178,000)
Rent of premises		(39,080)	-
Other expenses from ordinary activities		(248,708)	(162,384)
Total Expenses		(2,727,368)	(1,792,553)
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Loss from ordinary activities before tax		(2,462,331)	(1,480,938)
Income tax benefit relating to ordinary activities	3	-	-
Net loss attributable to members of the parent entity		(2,462,331)	(1,480,938)
Basic loss per share	16	(2.48) cents	(2.59) cents
Diluted loss per share	16	(2.48) cents	(2.59) cents

The above statement of financial performance should be read in conjunction with the accompanying notes, and are in the process of being audited.

Consolidated Statement of Financial Position
As at 30 June 2005

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash	4	3,932,041	459,858
Receivables	5	115,942	97,348
Other Assets		17,853	-
Total current assets		4,065,836	557,242
NON-CURRENT ASSETS			
Property plant and equipment	6	4,200,870	3,563,089
Intangibles	9	1,155,142	714,194
Total non-current assets		5,356,012	4,277,283
TOTAL ASSETS		9,421,848	4,834,525
CURRENT LIABILITIES			
Payables	8	461,625	250,296
Provisions		45,273	9,306
Total current liabilities		506,898	259,605
TOTAL LIABILITIES		506,898	259,602
NET ASSETS		8,914,950	4,574,923
EQUITY			
Contributed equity	10	16,195,314	9,392,956
Accumulated losses	13	(7,280,364)	(4,818,033)
TOTAL EQUITY		8,914,950	4,574,923

The above statement of financial position should be read in conjunction with the accompanying notes, and are in the process of being audited

**Consolidated Statement of Cash Flows
For the year ended 30 June 2005**

	Note	2005 \$	2004 \$
CASH FLOWS RELATED TO OPERATING ACTIVITIES			
Payments to suppliers and employees		(2,195,735)	(1,136,426)
Interest received		82,358	12,913
Other income received		164,121	-
Net cash used in operating activities		(1,949,256)	(1,123,513)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on disposal of investments		-	298,702
Payments for plant and equipment		(784,564)	(112,704)
Payments for purchase of controlled entities (net of cash acquired)		-	(3,695,823)
Proceeds from sale of plant and equipment		3,645	-
Net cash used in operating activities		(780,919)	(3,509,825)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	10	6,682,830	4,983,260
Transaction costs from issue of shares	10	(480,472)	(349,971)
Net cash provided by financing activities		6,202,358	4,633,289
Net increase/(decrease) in cash held		3,472,183	(49)
Cash at the beginning of the financial year		459,858	459,907
Cash at the end of the financial year	4	3,932,041	459,858

The above statement of cash flows should be read in conjunction with the accompanying notes, and are in the process of being audited

Notes to the Financial Statements for the year ended 30 June 2005

NOTE 1. MANAGEMENT COMMENTARY

Commentary on results is as follows:

The year ended 30 June 2005 was one of continued development for the Marine Produce Australia Limited ("MPA" or "the Company") group of companies. MPA's focus, in the past twelve months, has been on implementing our research and development work carried out to date and moving towards full commercialisation of the projects that we have had underway.

The major highlight for the group this year are:

- Two fundraisings and private placements of shares took place during the year raising \$6,682,830.
- MPA increased its holding in Tiger International Farms Pty Ltd and Tiger International Hatchery Pty Ltd from 80% to 100%.
- A change of name from Tiger International Limited to Marine Produce Australia Limited now better reflects our operations going forward with the commercial focus now in the broader sea food sector.
- A change of head office address from 10 Walker Avenue to 11/38 Colin Street West Perth which is better suited to our needs going forward reflecting the company's growth.
- The acquisition of Maxima Fish Farms Pty Ltd 50 % stake in our Barramundi fish farming joint venture project giving us 100% control as at 28th June 2005.
- Our Black Tiger Prawn broodstock surveys continue to return good results from the areas surveyed in Northern Australia which augers well for our plan for multiple harvests from the Aussie Prawns farm site in Darwin.
- Very encouraging growth rates and feed conversion rates achieved in our Barramundi farming project in Cone Bay in the Kimberley region.

Market Development

Funding was provided for market development with a focus on export. MPA's market development team, with assistance from Austrade and the WA Fishing Industry Council has continued to investigate opportunities in Europe and the west coast of the USA. MPA will continue to develop the relationships established and continue further market investigation.

Marine Produce Australia Limited expects that the strategies adopted this financial year have the company poised for growth and will assist the company in its drive to establishing profitable returns to shareholders.

Notes to the Financial Statements for the year ended 30 June 2005

	2005	2004
	\$	\$
NOTE 2. OPERATING LOSS		
(i) Loss from ordinary activities before income tax expense has been arrived at after charging the following items:		
Depreciation of:		
- Property, plant and equipment	143,133	74,600
Amortisation of:		
- intellectual property	89,380	49,227
- licences	69,678	5,322
	302,191	129,149
Net expense from movements in provisions for:		
- employee entitlements	35,967	9,306
Auditors remuneration:		
- audit current year	24,042	24,018
- audit prior year	151	-
- accounting assistance	-	8,020
(ii) Included in the operating loss are the following items of operating revenue:		
Revenue from operating activities		
- sale of equity investments	-	298,702
- interest received	90,941	12,913
- other revenue	174,096	-
- Revenue outside operating activities	-	-
	265,037	311,615
(iii) Individually significant items.		
Gain on disposal of investment	-	(120,702)
Feasibility costs expensed	-	100,000

Notes to the Financial Statements for the year ended 30 June 2005

	2005	2004
	\$	\$
NOTE 3. INCOME TAX EXPENSE		
Prima facie income tax benefit		
Calculated at 30% on the loss from ordinary activities	(738,699)	(444,281)
Increase in income tax expense due to:		
Non-deductible amortisation of intangibles	47,716	-
Research & development tax offset	(24,827)	
Legal expenses	9,719	21,456
Sundry	57	467
Transfer of tax losses to future income tax benefit not brought to account	706,034	422,358
Income tax benefit attributable to operating profit	-	-
NOTE 4. CASH ASSETS		
Cash at bank	3,932,041	459,858
NOTE 5. RECEIVABLES		
Current		
Trade debtors	23,257	7,500
Other debtors	40,795	1,300
GST receivable	51,890	88,584
	115,942	97,384
NOTE 6. PROPERTY, PLANT AND EQUIPMENT		
Property, plant and equipment		
At cost	4,416,753	3,638,710
Accumulated depreciation	(215,883)	(75,621)
Carrying value	4,200,870	3,563,089

Notes to the Financial Statements for the year ended 30 June 2005

NOTE 7. INVESTMENTS

	Ownership interest of Company	
	2005	2004
Interest in controlled entities		
Tiger International Hatchery Pty Ltd	100%	80%
Tiger International Farms Pty Ltd	100%	80%
Aussie Prawns Pty Ltd	100%	100%
Tiger International Management Pty Ltd	100%	100%
Tiger International Fish Farms Pty Ltd	100%	100%

The Company's interest in Tiger International Hatchery Pty Ltd and Tiger International Farms Pty Ltd increased from 80% to 100% during the reporting period.

	2005 \$	2004 \$
NOTE 8. PAYABLES		
Current		
Trade creditors	268,956	224,989
Other creditors and accruals	192,669	25,307
	461,625	250,296

NOTE 9. INTANGIBLES

Intellectual property at cost	1,293,743	693,743
less Accumulated amortisation	(138,601)	(49,227)
	1,155,142	644,516
 Hatchery licences at cost	 75,000	 75,000
less Accumulated amortisation	(75,000)	(5,322)
	-	69,678
	1,155,142	714,194

Notes to the Financial Statements for the year ended 30 June 2005

	Total number	Issue price per security \$	Value \$
NOTE 10. CONTRIBUTED EQUITY			
Ordinary fully paid shares			
Balance at 30 June 2004	77,464,249		9,392,956
Changes during current period:			
Shares issued as consideration for acquisition of			
Controlled Entity	1,428,571	0.14	200,000
Placement	12,000,000	0.14	1,680,000
Placement	3,878,571	0.14	543,000
Placement	14,215,708	0.10	1,421,571
Rights issue	23,692,847	0.10	2,369,285
Shares issued as consideration for acquisition of			
final 50% of Barramundi Joint Venture	3,440,000	0.1162	400,000
Placement	6,689,746	0.10	668,974
Total placement issue costs for the period			(480,472)
Balance at 30 June 2005	142,809,692		16,195,314
Unlisted Options			
	Total number	Exercise price	Expiry date
Unlisted options outstanding at 30 June 2004	8,533,334	0.30	30 June 2006
Issued during current year	5,000,000	0.20	30 July 2007
Issued during current year	10,000,000	0.30	25 August 2009
Issued during current period	10,000,000	0.30	6 December 2009
Issued during current period	3,090,545	0.30	30 June 2010
Unlisted options outstanding at 30 June 2005	36,623,879		
Listed Options			
	Total number	Exercise price	Expiry date
Listed options outstanding at 30 June 2004	4,000,000	0.20	1 February 2006
Issued during current year	8,653,570	0.20	1 February 2006
Listed options outstanding at 30 June 2005	12,653,570		

NOTE 11. DIVIDENDS

There have been no dividend payments proposed, paid or provided for by the Company during the financial year.

NOTE 12. DIVIDEND REINVESTMENT PLAN

There is no dividend reinvestment plan in operation.

Notes to the Financial Statements for the year ended 30 June 2005

	2005	2004
	\$	\$
NOTE 13. ACCUMULATED LOSSES		
Accumulated losses at 30 June 2004	(4,818,033)	(3,337,095)
Net loss attributable to members	(2,462,331)	(1,480,938)
Accumulated losses at 30 June 2005	(7,280,364)	(4,818,033)

NOTE 14. SEGMENT INFORMATION

The Company operates within the aquaculture industry within Australia.

NOTE 15. JOINT VENTURES

The Company has no joint ventures.

NOTE 16. LOSS PER SHARE

The loss per security has been calculated based on the following:

	2005	2004
Basic Loss	(\$2,462,331)	(\$1,480,938)
Diluted Loss	(\$2,462,331)	(\$1,480,938)
Weighted average number of shares used as the denominator number for basic loss per share	99,433,920	57,148,351

Potential ordinary shares on issue are not considered dilutive and accordingly diluted loss per share is the same as basic loss per share.

NOTE 17. NET TANGIBLE ASSETS PER SECURITY

	2005	2004
Net tangible assets	\$7,759,808	\$3,860,729
Number of ordinary shares on issue	142,809,692	77,464,249
Net tangible asset backing cents per ordinary share	5.43 cents	4.98 cents

Notes to the Financial Statements for the year ended 30 June 2005

NOTE 18. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

For reporting periods on or after 1 January 2005, the consolidated entity must comply with Australian Equivalents to International Financial Reporting Standards (AIFRS) as issued by the Australian Accounting Standards Board. This preliminary financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements (Australian GAAP) applicable for reporting periods ended 30 June 2005.

Transition management

The Company has allocated internal resources to assess the impact of transition to AIFRS and to achieve compliance with AIFRS reporting for the financial year commencing 1 July 2005.

The assessment project is achieving its scheduled milestones and the consolidated entity is expected to be in a position to fully comply with the requirements of AIFRS for the 30 June 2006 financial year.

Assessment and planning phase – included the high level identification of the key differences in accounting policies and disclosures that are expected to arise from adopting AIFRS.

The assessment and planning phase is completed as at 30 June 2005.

Design phase – formulated the changes required to existing accounting policies and procedures and systems and processes in order to transition to AIFRS.

The design phase is completed as at 30 June 2005.

Implementation phase – includes the implementation of identified changes to accounting and business procedures and processes and enables the consolidated entity to generate the required reconciliations and disclosures of AASB 1 *First Time Adoption of Australian Equivalents to International Financial Reporting Standards*.

This phase is substantially complete as at 30 June 2005.

Impact of transition to AIFRS

The impact of transition to AIFRS, including the transitional adjustments disclosed, are based on AIFRS standards that management expect to be in place, or where applicable, early adopted, when preparing the first complete AIFRS financial report (being the half-year ending 31 December 2005). Only a complete set of financial statements and notes together with comparative balances can provide a true and fair presentation of the Company's and consolidated entity's financial position, results of operations and cash flows in accordance with AIFRS. This note provides only a summary, therefore, further disclosure and explanations will be required in the first complete AIFRS financial report for a true and fair view to be presented under AIFRS.

Revisions to the selection and application of the AIFRS accounting policies may be required as a result of:

- changes in financial reporting requirements that are relevant to the Company's and consolidated entity's first complete AIFRS financial report arising from new or revised accounting standards or interpretations issued by the Australian Accounting Standards Board subsequent to the preparation of the 30 June 2005 financial report;
- additional guidance on the application of AIFRS in a particular industry or to be a particular transaction; and

Notes to the Financial Statements for the year ended 30 June 2005

NOTE 18. IMPACT OF ADOPTING AIFRS (continued)

- changes to the Company's and consolidated entity's operations.

Where the application or interpretation of an accounting standard is currently being debated, the accounting policy adopted reflects management's current assessment of the likely outcome of those deliberations.

The rules for the first time adoption of AIFRS are set out in AASB 1 *First Time Adoption of Australian Equivalents to International Financial Reporting Standards*. In general, AIFRS accounting policies must be applied retrospectively to determine the opening AIFRS balance sheet as at transition date, being 1 July 2004. The Standard allows a number of exemptions to this general principle to assist in the transition to reporting under AIFRS. The accounting policies note below includes details of the AASB 1 elections adopted.

The significant changes in accounting policies expected to be adopted are set out below. The Company does not anticipate that there will be any adjustments resulting from the application of these policies, unless otherwise stated:

a) Taxation

On transition to AIFRS the balance sheet method of tax effect accounting will be adopted, rather than the liability method applied currently under Australian GAAP.

Under the balance sheet approach, income tax on the profit and loss for the year comprises current and deferred taxes. Income tax will be recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it will be recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided will be based on the expected manner of realisation of the asset or settlement of the liability, using the tax rates enacted or substantively enacted at reporting date.

A deferred tax asset will be recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets will be reduced to the extent it is no longer probable that the related tax benefit will be realised.

The Company does not expect there to be an impact on the deferred tax balances and the tax expense as a result of this change.

Notes to the Financial Statements for the year ended 30 June 2005

NOTE 18. IMPACT OF ADOPTING AIFRS (continued)

b) Employee benefits

Share based payments

Under current Australian GAAP no expense is recognised for options issued to employees.

Under AIFRS, the fair value of options granted must be recognised as an expense with a corresponding increase in equity. The fair value will be measured at grant date taking into account market performance conditions only, and spread over the vesting period during which the employees become unconditionally entitled to the options. The fair value of options granted will be measured using the Black Scholes method.

No adjustment will be made for options granted before 7 November 2002 which have vested before 1 January 2005.

For the financial year ended 30 June 2005, consultants fees and share option reserve are expected to be increased by \$3,003 in the consolidated entity as a result.

c) Impairment

Under current Australian GAAP the carrying amounts of non-current assets valued on a cost basis, other than exploration and evaluation expenditure carried forward, are reviewed at reporting date to determine whether they are in excess of their recoverable amount. If the carrying amount of a non-current asset exceeds its recoverable amount the asset is written down to the lower amount, with the write down recognised in the income statement in the period in which it occurs. Where a group of assets working together supports the generation of cash inflows, recoverable amount is assessed in relation to that group of assets. In assessing recoverable amounts, the relevant cash flows have not been discounted to their present value.

Under AIFRS, the carrying amount of the consolidated entity's non-current assets, excluding investment property, defined benefit assets, deferred tax assets, goodwill and indefinite life intangible assets will be reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset will be tested for impairment by comparing its recoverable amount to its carrying amount.

Goodwill, which is not amortised under AIFRS, intangible assets that have an indefinite useful life and intangible assets not yet ready for use are tested for impairment annually.

A cash generating unit will be the smallest identifiable group of assets that generate cash inflows largely independent of the cash inflows of other assets or group of assets, each cash-generating unit must be no larger than a segment.

The Company does not expect there to be an impact on the 30 June 2005 financial report as a result of this change.

d) Intangible assets

Other intangible assets

Other intangible assets (excluding goodwill and research and development) acquired will be stated at cost less accumulated amortisation and impairment losses.

On transition intangible assets are being reviewed to ensure they are capable of recognition under AASB 138 *Intangible Assets* and tested for impairment. Management have determined the intangible assets held will likely continue to be classified as intellectual property.

Notes to the Financial Statements for the year ended 30 June 2005

NOTE 18. IMPACT OF ADOPTING AIFRS (continued)

Amortisation

Amortisation will be recognised on a straight-line basis over the estimated useful lives of the intangible assets, unless such lives are indefinite. Goodwill and intangible assets with an indefinite useful life will not be subject to amortisation but tested for impairment annually. Other intangible assets will be amortised from the date they are available for use. Changes in useful life on transition to AIFRS will be accounted for prospectively.

e) Financial instruments

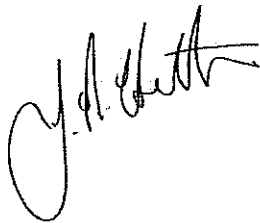
MPA expects to take advantage of the election in AASB 1 not to restate comparative for AASB 132 *Financial Instruments: Disclosure and Presentation* and AASB 139 *Financial Instruments: Recognition and Measurement*. There are no expected adjustments in relation to these standards for 1 July 2004 or the financial year ended 30 June 2005 as current Australian GAAP is expected to continue to apply.

NOTE 19. EVENTS SUBSEQUENT TO BALANCE DATE

For reporting periods beginning on or after 1 January 2005 the consolidated entity must comply with Australian Equivalents to International Financial Reporting Standards (AIFRS) as issued by the Australian Accounting Standards Board. The implementation plan and potential impact of adopting AIFRS are detailed in Note 18.

COMPLIANCE STATEMENT

- 1 This report has been prepared in accordance with AASB standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.
- 2 This report, and the accounts upon which the report is based, uses the same accounting policies.
- 3 This report gives a true and fair view of the matters disclosed.
- 4 This report is based on accounts which are in the process of being audited.
- 5 It is not anticipated that the audit report will be qualified. If the audit report is qualified, that qualification will be lodged immediately when it is available.
- 6 The entity does not have a formally constituted audit committee.



J HUTTON
Managing Director
13 September 2005