

ASX / MEDIA ANNOUNCEMENT

24 October 2007

## MARINE PRODUCE AUSTRALIA OPERATIONS UPDATE

### WINTER TECHNICAL SUCCESS FISH SALES TO INCREASE

- 25,000 kg of premium *Cone Bay Saltwater Barramundi* sold during the quarter.
- Sales planned to increase with run-up to Christmas.
- Continuing strong growth rates and low mortalities during winter period.
- Current farm biomass exceeds 630 tonne.
- MPA's 30 metre steel vessel, *Merindah Pearl*, provides improved logistics support.
- Stage 2 expansion to capitalise on technical successes.
- Current fish numbers capable of producing in excess of 1,500 tonne of harvested fish.
- \$3 million finance facility approved.

**Marine Produce Australia** (ASX: **MPA** – “MPA” or “the Company”) is pleased to advise that following on from the recently completed Stage 1 expansion program the Company's **Cone Bay Saltwater Barramundi** farm has delivered exceptional Winter (Jul – Sep) operational results from the strong growth rates and low mortalities of its premium **Cone Bay Saltwater Barramundi**, with current standing biomass at over 630 tonne.

The recently announced Stage 2 expansion program will, together with the Company's own logistics support vessel the **Merindah Pearl**, capitalise on the technical successes of the past twelve months. This ongoing expansion program represents further significant development at the Company's **Cone Bay Saltwater Barramundi** facility in the Kimberley region of Western Australia.

The harvesting of **Cone Bay Saltwater Barramundi** has continued on a weekly basis, with the Company planning to increasing harvest volumes and sales in the lead up to Christmas.

## SALTWATER BARRAMUNDI – OPERATIONS UPDATE

### ***Harvesting & Sales***

MPA has harvested, delivered and sold 25,000 kilograms of premium **Cone Bay Saltwater Barramundi** during the last quarter. The price for whole fish is continuing to exceed budget.

MPA is preparing to lift harvest volumes and sales in the lead up to Christmas. With current high levels of demand for premium quality fish and with wild catch volumes down locally, prices have the potential of increasing further. MPA is in an excellent position to take advantage of the increasing demand for the regular supply of high quality, white-fish products.

The company is currently negotiating long term agreements with several major marketers of fish within Australia and overseas, and has already supplied fish to some of the leading seafood wholesalers. Response to our product has exceeded expectation and further re-enforces our view of the future of Barramundi sales in all market areas.

The Company's recently purchased marine logistics support vessel, the 30 metre, steel hulled **Merindah Pearl**, with its refrigerated holds, deck crane and ice making facilities will ensure that harvesting can be achieved efficiently and in the required timeframes.

### ***Nursery***

Nursery operations have continued throughout the quarter, with minor modifications to monitoring systems. Further large batches of fingerlings are scheduled for arrival before the end of calendar year 2007.

Studies are currently being carried out on the feasibility of modifying and converting the existing state of the art Pearl Hatchery on Turtle Island into a facility that has the capability of receiving up to 1 million Barramundi fry at a time.

### ***Marine Farm***

The Company is pleased to advise that fish growth rates have surpassed expectations and continue to impress, with a cumulative total biomass increase of 161 tonnes recorded for the September Quarter. The company is extremely pleased with this result, especially given that cooler water temperatures during the quarter were forecast and recorded.

Standing farm biomass at the end of the September Quarter reached a record 630 tonne.

The Company's Stage 2 Expansion Program is currently being programmed for implementation.

This expansion will be based on plastic nets which have a greater lifespan than steel nets. These units provide a more cost effective and easily managed alternative to the current cages and will contribute to lower production costs in the future.

### ***Finance Facility***

The Company advises that a \$3 million finance facility, secured against the Company's 100%-owned prawn farm, located near Darwin in the Northern Territory, became effective following approval by share holders of options granted to WU Investments Pty Ltd. The company will continue to formally market that property for sale. Enquiries should be directed to Managing Director, John Hutton, on 0411 076 628 or MPA Director, Mr John Drummond – 0439 777 888.

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