



PROSPECTUS

10 November 2008

PRO RATA NON-RENOUNCEABLE ENTITLEMENTS ISSUE OF APPROXIMATELY 68,055,704 NEW SHARES AT 6 CENTS EACH ON THE BASIS OF 1 NEW SHARE FOR EACH 1 SHARE HELD AT THE RECORD DATE TO RAISE UP TO \$4,083,342.

Applications for Shares pursuant to this Prospectus may only be made on the forms accompanying this Prospectus

IMPORTANT DATES

Lodgement of Prospectus with ASIC and Appendix 3B with ASX	10 November 2008
Shares quoted ex-Entitlements	13 November 2008
Record date	19 November 2008
Despatch of Prospectus and applications open	21 November 2008
Closing Date for acceptances	5 December 2008
Securities quoted on ASX (deferred settlement)	8 December 2008
ASX notified of any under subscriptions	9 December 2008
Anticipated despatch of statements	10 December 2008

Subject to ASX Listing Rules, the Company reserves the right to alter the above dates, with or without notice.

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abn 70 091 805 480

CORPORATE DIRECTORY

Directors

Miles Kennedy (Non-executive Chairman)
Prof Mehdi Doroudi
John Hutton
Dr Tor Theunissen

Secretary

Jean Mathie

Registered Office

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Enquiries

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Auditors*

KPMG
Level 31, Central Park
152-158 St George's Terrace
Perth 6000 Western Australia

ASX Codes

MPA (ordinary shares)

** These persons appear for information purposes only.*

IMPORTANT NOTICE

This Prospectus has been issued by Marine Produce Australia Limited (ABN 70 091 805 480) and was lodged with ASIC on, and is dated, 10 November 2008.

Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus.

No shares (or other securities) will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Company has issued both a printed and electronic version of this Prospectus and the electronic version may be accessed at www.marineproduce.com. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. There is no facility for online applications. The Corporations Act 2001 (Cth) prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered electronic version of this Prospectus.

This Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. Where this Prospectus has been received, or accessed electronically, in a jurisdiction outside Australia by Non-Residents, and where that jurisdiction's securities legislation requires registration of this Prospectus, this Prospectus is provided for information purposes only. Non-Residents should refer to **ADDITIONAL INFORMATION** - Non-Residents for further details.

The Company reserves the right not to accept an application from any person if it has reason to believe that when the person was given the application, that person was not provided with a complete and unaltered copy of this Prospectus and any relevant supplementary or replacement Prospectus. If you have received an Entitlement and Acceptance Form or Shortfall Application Form for the securities offered by this Prospectus without a complete and unaltered copy of this Prospectus, please contact the Company who will send you a copy of this Prospectus free of charge.

This Prospectus should be read in its entirety before deciding to invest in the securities offered by this Prospectus. The directors consider an investment in the securities offered by this Prospectus to be speculative and recommend that you consult your financial adviser as to the course you should follow with respect to the Offer.

In particular, potential investors should consider the risk factors that could affect the financial performance of the Company and consider these factors in the light of personal circumstances, including financial and taxation issues (refer to **ADDITIONAL INFORMATION – Risks**).

Neither the Company nor its directors nor any party named in this Prospectus guarantee any return on capital or the performance of the Company, and no person is authorised to give any information or to make any representation in connection with the Offer. Only information and representations contained in this Prospectus may be relied on as having been authorised by the Company in connection with the Offer.

Definitions (often with the first letter capitalised) appear both in the body of this Prospectus (refer to bold type) as well as in the Glossary.

DETAILS OF THE OFFER

The Offer

This Prospectus is for the offer of new Shares (**New Shares**) pursuant to a pro rata non-renounceable entitlements issue offered to eligible shareholders on the basis of 1 New Share at an issue price of 6 cents for every 1 Share held at the Record Date (19 November 2008) (**the Offer**).

Disregarding any Entitlements relating to Shares issued on the exercise of options prior to the Record Date, 68,055,704 New Shares will be issued pursuant to the Offer, if it is fully subscribed, raising \$4,083,342.24 before the costs of the Offer.

The Offer is not underwritten.

Shortfall

If any shareholders do not accept their whole Entitlement, the number of unaccepted New Shares (**Shortfall**), may be issued by the Company at the discretion of the directors, to shareholders who have applied for additional New Shares under this Prospectus.

Shareholders may apply for additional New Shares in excess of their respective Entitlements by following the procedure set out below in the section entitled *DETAILS OF THE OFFER - To apply for additional New Shares*.

As required by ASX Listing Rule 7.11.4, the issue of New Shares to shareholders in excess of their respective Entitlements will only be made out of the Shortfall.

Acting On Your Entitlement

The number of New Shares to which a shareholder is entitled (**Entitlement**) under the Offer is shown on the form (**Entitlement and Acceptance Form**) accompanying this Prospectus and headed *Entitlement and Acceptance Form*.

As the Offer is non-renounceable, shareholders may not sell or transfer any part of their Entitlements.

If you do not accept your full Entitlement, your percentage shareholding in the Company will be diluted as a result of New Shares issued under this Prospectus.

As a shareholder you may:

- a) accept your full Entitlement;
- b) accept your full Entitlement and apply for additional New Shares in excess of your Entitlement;
- c) accept part of your Entitlement and allow the balance to lapse;
- d) do nothing (in which case you will receive no benefit from your Entitlement).

To accept your full Entitlement

If you wish to accept your full Entitlement, you must complete the Entitlement and Acceptance Form accompanying this Prospectus (headed *Entitlement and Acceptance Form*) in accordance with the instructions set out in that form.

You must forward your completed Entitlement and Acceptance Form, together with your cheque for the amount shown on the form, to reach the Company's Share Registrars no later than 5.00pm AWDT on 5 December 2008.

To apply for additional New Shares

If you have accepted your full Entitlement, you may apply for additional New Shares in excess of your Entitlement, by completing the Shortfall Application Form (headed *Shortfall Application Form*) accompanying this Prospectus in accordance with the instructions set out in that form.

You must forward your completed Shortfall Application Form, together with your cheque for the amount calculated in accordance with the instructions on the form, to reach the Company's Share Registrars no later than 5.00pm AWDT on 5 December 2008.

There is no guarantee that there will be any or sufficient New Shares available from a Shortfall to fill any applications for additional New Shares in excess of Entitlements and, subject to the Listing Rules, the Directors reserve the right to allocate any additional New Shares applied for at their absolute discretion.

To accept part of your Entitlement and allow the balance to lapse

If you wish to accept part of your Entitlement and allow the balance to lapse, you must complete the accompanying Entitlement and Acceptance Form in respect of the number of New Shares you wish to apply for in accordance with the instructions set out in the form.

You must forward your completed Entitlement and Acceptance Form together with your cheque for the amount due in respect of New Shares applied for, calculated at \$0.06 per New Share, to reach the

Company's Share Registrars no later than 5.00pm AWDT on 5 December 2008.

Closing Date

The closing date (**Closing Date**) for acceptances will be 5:00 pm AWDT on 5 December 2008. Subject to ASX Listing Rules, the directors may extend this Closing Date (with or without notice and either before or after that date).

Issue of New Shares

The New Shares will be issued, and holding statements dispatched to shareholders to whom New Shares have been issued, as soon as practicable after the Closing Date.

Application Monies

Application monies will be held in a separate bank account on behalf of applicants until the New Shares are issued. If any application is rejected in whole or in part, the amount tendered in respect of New Shares that have not been issued will be repaid to the unsuccessful applicant without interest.

Brokers' Commission

If any Entitlement and Acceptance Form or Shortfall Application Form received by the Company's Share Registrars bears a stamp that purports to be the stamp of the applicant's broker (**Broker**), the Company will pay to the Broker concerned a commission of 6% of the issue price of New Shares issued pursuant to the application form purportedly bearing that Broker's stamp.

Minimum Subscription

The Offer is conditional upon the amount of at least \$1,500,000 (**the Minimum Subscription**) being subscribed, and no New Shares will be issued pursuant to the Offer until the Minimum Subscription is reached.

If the Company does not receive applications for at least the Minimum Subscription, the Company will not proceed with the Offer and all application monies will be returned to applicants without interest.

Stock Exchange Quotation

The Company will apply within 7 days after the date of this Prospectus for the New Shares being offered to be quoted on ASX. If the application for the quotation of the New Shares on ASX is not made within 7 days after the date of this Prospectus, or if the New Shares are not granted quotation within 3 months after the date of this Prospectus, the Company will:

- repay all application monies received with respect to the Offer, without interest; or
- give the applicants a supplementary or replacement Prospectus and 1 month to withdraw their applications and be repaid; or
- issue the New Shares to the applicants and give them a supplementary or replacement Prospectus and one month to withdraw their applications and be repaid.

The fact that ASX may grant quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company and the New Shares.

USE OF PROCEEDS

Table 1 below sets out how the Company intends, as at the date of this Prospectus, to apply the funds raised pursuant to this Prospectus.

Table 1

Details	Minimum Subscription \$	Full Subscription \$
The continuation of the commercialisation of the Company's salt water Barramundi operations including the completion and stocking of additional sea-cages, the continued grow out, harvesting, grading, processing and marketing of Barramundi and continued additions and improvements to equipment and infrastructure	178,000	2,808,342
Repayment of loans and borrowings	275,000	275,000
Working capital to fund Group operational expenditure	1,000,000	1,000,000
Estimated costs of the Offer ¹	47,000	93,500
Total	1,500,000	4,083,342

¹ This includes an amount of \$27,000 (in the case of the minimum Subscription), and \$73,500 (in the case of the Full Subscription) for commissions that may be payable to Brokers on the assumption that up to an estimated 30% of application forms may bear Brokers' stamps. (See *DETAILS OF THE OFFER-Brokers' Commission*). The amount, if any, that may become payable as commissions to Brokers will differ if the percentage of application forms bearing Brokers' stamps is not 30%.

In the opinion of the directors, the Company will not be materially disadvantaged if the Offer is not fully subscribed. The Company will still be able to pursue its objectives but will do so at a reduced rate than if the Offer had been fully subscribed.

Given the nature of the Company's aquaculture business, the allocation of funds detailed in the above table may change depending on environmental, regulatory, market conditions and other natural and commercial factors.

EFFECT ON COMPANY

Effect on Financial Position

Assuming that the Offer is fully subscribed, the Company's cash reserves, contributed equity and net assets will increase by approximately \$3,989,842, which is the amount that would be raised pursuant to the Offer (approximately \$4,083,342), less the estimated expenses of the Offer (approximately \$93,500).

Table 2 comprises a Pre-Offer pro forma balance sheet and a Post-Offer pro forma balance sheet, each based on the audited accounts and balance sheet of the Company as at 30 June 2008 (**Balance Date**).

Table 2

	Pre-Offer Pro forma (As at 30-09-2008) \$000's	Estimated Post-Offer Pro forma \$000's
Current Assets		
Cash and cash equivalents	719	4,984
Trade and other receivables	1,301	1,301
Inventories	227	227
Biological assets	5,448	5,448
Other Assets	37	37
Total Current Assets	7,732	11,977
Non-Current Assets		
Property, plant and equipment	3,915	3,915
Intangible assets	482	482
Total Non-Current Assets	4,397	4,397
TOTAL ASSETS	12,129	16,394
Current Liabilities		
Trade and other payables	1,726	1,726
Loans and borrowings	1,500	1,775
Employee benefits	55	55
Total Current Liabilities	3,281	3,556
TOTAL LIABILITIES	3,281	3,556
NET ASSETS	8,848	12,838
Shareholders' Equity		
Net Contributed Equity	26,963	30,953
Reserves	1,014	1,014
Accumulated Losses	(19,129)	(19,129)
TOTAL SHAREHOLDERS' EQUITY	8,848	12,838

The unaudited Pre-Offer pro forma balance sheet has been derived from the Balance Date balance sheet adjusted to reflect material changes since the Balance Date.

The unaudited estimated Post-Offer pro forma balance sheet has been derived from the Pre-Offer pro forma balance sheet adjusted to reflect the issue of 68,055,704 New Shares under the Offer at \$0.06 each to raise approximately \$4,083,342 (assuming that the Offer is fully subscribed and no options are converted after the date of this Prospectus but prior to the Record Date), plus an additional \$275,000 from debt funding less the estimated costs of the Offer of approximately \$93,500.

As indicated in the Post-Offer pro-forma balance sheet above, the effect of raising a net amount of \$3,989,842 by the Offer is that cash increases by this amount, as does net contributed equity and net assets. If there is a shortfall of cash raised by this Offer, the shortfall will be reflected in a correspondingly lower amount of cash than shown above, and a lower amount of net contributed equity and net assets.

Effect on Capital Structure

The capital structure of the Company following completion of the Offer (assuming that the Offer is fully subscribed and no options are converted after the date of this Prospectus but prior to the Record Date) is summarised in Table 3 below.

Table 3

Shares	Number
Shares on issue at the date of this Prospectus	68,055,704
Shares to be issued pursuant to the Offer ¹	68,055,704
Shares on issue on completion of the Offer ¹	136,111,408
Options	
Unlisted August 2009 Options (exercisable at \$3.00)	1,000,000
Unlisted June 2010 Options (exercisable at \$3.00)	309,055
Unlisted September 2012 Options (exercisable at \$0.20)	15,000,000
Options on issue on completion of the Offer	16,309,055
Maximum number of Shares on a fully diluted basis following completion of the Offer ¹	152,420,463

Note ¹: The above table does not take into account the Entitlements that would attach to Shares that would be issued if any of the 16,309,055 unlisted options described in the table were exercised before the Record Date.

If the Offer is not fully subscribed, the number of Shares specified in the above table on completion of the Offer will decrease by the under-subscribed amount.

ADDITIONAL INFORMATION

Interests, Fees and Benefits

Other than as set out below or elsewhere in this Prospectus, no (a) director of the Company or (b) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation and distribution of this Prospectus or (c) stockbroker or manager to the offer of securities under this Prospectus, has or had within 2 years before lodgement of this Prospectus with ASIC any interest in (i) the formation or promotion of the Company or (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the offer of securities under this Prospectus or (iii) the offer of securities under this Prospectus; and no amounts have been paid or agreed to be paid and no amounts have been given or agreed to be given to any of those persons as an inducement to become or to qualify as a director of the Company or for services rendered in connection with the formation or promotion of the Company or the offer of securities under this Prospectus.

- a) Miles Kennedy has a relevant interest in 4 Shares held by Kennedy Holdings (WA) Pty Ltd (as trustee for the Kennedy Family Trust), 250,000 Shares held by MAK Super (WA) Pty Ltd (as trustee for the MAK Superannuation Fund) and 882,065 Shares held by Resource Development Company Pty Ltd (**RDC**) (as trustee for the Resource Development Discretionary Trust and the Miles Kennedy Trust).
- b) Prof Mehdi Doroudi has a relevant interest in 72,000 Shares.
- c) John Hutton has a relevant interest in 13,140,571 Shares held by Faustus Nominees Pty Ltd (**Faustus**) (as trustee for the GJ Hutton Family Trust), 258,272 Shares held by JCO Investments Pty Ltd (as trustee for JH Family Trust) and 413,466 Shares held by JCO Investments Pty Ltd (as trustee for the JCO Superannuation Fund).
- d) Dr Tor Theunissen has a relevant interest in 400,000 Shares held by Indigo Holdings Pty Ltd (as trustee for Theunissen Superannuation Fund).

- e) The remuneration paid to the directors or their related entities during the period of 2 years prior to the date of this Prospectus is set out in Table 4 below.

Table 4

Director	Period	Primary	Post-employment	Equity Compensation
	12 Months Ended	Salary & Director's Fees	Superannuation Benefits (paid or due to be paid)	Value of Options
Miles Kennedy	10/11/2007	\$70,479	\$0	\$0
	10/11/2008	\$58,306	\$1,906	\$0
Mehdi Doroudi	10/11/2007	\$0	\$0	\$0
	10/11/2008	\$26,250	\$0	\$0
John Hutton	10/11/2007	\$71,689	\$50,000	\$0
	10/11/2008	\$38,333	\$857	\$0
Tor Theunissen	10/11/2007	\$0	\$0	\$0
	10/11/2008	\$26,250	\$0	\$0

Directors are also reimbursed for all reasonable expenses incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

- f) Miles Kennedy is a director of RDC (as trustee for the RDC Trust) and has a 50% relevant interest in RDC. He, and his associates, are discretionary beneficiaries of the RDC Trust. During part of the 2 years prior to lodgement of this Prospectus, RDC (as trustee for the RDC Trust) provided secretarial and accounting services to the Company and aggregates of \$34,510 and \$98,804 (exclusive of GST) were paid to RDC by the Company for those services during the years ended 10 November 2007 and 2008 respectively.
- g) John Hutton had a 45% relevant interest in, and is a director of Maxima Fish Farms Pty Ltd (**MFF**) which became a wholly owned subsidiary of the Company in July 2008. During that part of the 2 years prior to lodgement of this Prospectus before MFF became a wholly owned subsidiary of the Company, MFF incurred operating and capital expenses on behalf of the Company and provided aquaculture facilities and management and research services to the Company in relation to its Barramundi fish farming operations. Aggregates of \$1,370,389 and \$143,341 (exclusive of GST) were paid by the Company to MFF in reimbursement of those capital and operating expenses and in payment for those facilities and services during the years ended 10 November 2007 and 2008 respectively.
- h) John Hutton is a director of Maxima Pearling Company Pty Ltd (**MPC**) and has a 66.66% relevant interest in MPC. During the 2 years prior to lodgement of this Prospectus, MPC provided access to aquaculture infrastructure and facilities for the Company in Cone Bay and Derby, Western Australia and also incurred operating and capital expenses on behalf of the Company in relation to its Barramundi fish farming operations. Aggregates of \$47,551 and \$423,515 (exclusive of GST) were paid by the Company to MPC for the facilities and the provision of those services and in reimbursement of those operating and capital expenses during the years ended 10 November 2007 and 2008 respectively.
- i) John Hutton is director of Ustov Pty Ltd. During the year prior to the lodgement of the Prospectus, Ustov Pty Ltd provided office, workshop and storage premises to the Company and was paid an aggregate of \$35,000 (exclusive of GST) as rent and variables in respect of the provision of that accommodation.
- j) John Hutton and Denise Hutton are related and are shareholders in, and the directors of, Faustus Nominees Pty Ltd (**Faustus**) and are in a named class of beneficiaries of the G J Hutton Family Trust.

In February 2008, Faustus, as trustee for the GJ Hutton Family Trust, advanced \$1,000,000 as a loan to the Company (repayable after 12 months). In September 2008, Faustus assigned its rights in this loan to Denise Hutton, and a further \$500,000 was lent and advanced by her to the Company, increasing the principal amount of this loan to \$1,500,000. This loan is secured by the assets of the Group and accrues interest at the rate of 12.0% per annum (variable in accordance with variations made to the Official Interest Rate by the Reserve Bank of Australia) from the dates on which the loan was drawn down to the date of repayment.

- k) Prof Mehdi Doroudi is the principal of Doroudi Consultants. During the 2 years prior to lodgement of this Prospectus, Prof Mehdi Doroudi was paid \$10,020 (exclusive of GST) for technical services provided to the Company by Doroudi Consultants.
- l) During the 2 years prior to lodgement of this Prospectus, Dr Tor Theunissen was issued with 200,000 Shares in payment of fees (inclusive of GST) for consulting services rendered to the Company prior to his appointment as a director of the Company.

Risks

Aquaculture by its nature contains elements of significant risk. The ultimate success of aquaculture depends on the availability of suitable fingerlings from hatcheries and harvesting an economic yield from grow out to a marketable size of those fingerlings, the possibility of high mortality rates due to a variety of factors, the acquisition or access to the use of necessary licences, the maintenance and continuation of such licences or access to them, adhering to governmental regulations, conditions and approvals, obtaining and servicing funding arrangements and otherwise funding the aquaculture operations.

The Company has commenced commercial Barramundi sea cage farming operations at Cone Bay in Western Australia under an agreement with MPC for the use of and access to assets and infrastructure in connection with its sea farming operations and the Company plans to apply the funds raised through the Offer towards the continuation and expansion of those operations (See *USE OF PROCEEDS* for further details). The Group plans to harvest and sell significantly less than the projected total fish biomass growth during the 2009 financial year to expand the biomass of the farm. This planned biomass expansion, predominantly of the fish currently on hand, is subject to harvest licensing approvals and will require significant additional investment capital. The relevant government agencies are presently considering applications to increase the existing licence and to grant further licences.

The performance of the Group's aquaculture operations and thus the value of the Company's securities could be impacted by various other factors including: weather conditions; the possibility of disease and high mortality rates; the price of and market for its products; exchange rates; unexpected variations in aquaculture development and operating costs; general economic and stock market conditions in Australia and worldwide. Many of these factors are beyond the company's control.

If the Minimum Subscription is not received and the Company is not able to otherwise secure funding from other capital raisings or other alternative funding arrangements, there is material uncertainty which may cast significant doubt as to whether the Company and Group will be able to continue as a going concern and continue to pay its debts as and when they fall due. If the Group is unable to continue as a going concern, it will be required to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts that may be different to those stated in the Company's financial reports. This includes, but is not limited to, the Group's major assets, being its biological assets, which represent 75% of the Group's current assets and 50% of the Group's total assets.

The above statement of risk factors is by way of illustration only. Risk factors are also identified in the Company's Annual Financial Report for the year ended 30 June 2008 which was lodged with ASX on 26 September 2008.

There are numerous other risk factors inherent in an investment in the Company's securities and there can be no assurance whatsoever that a return on investment will be obtained by investing in the Company's securities or that the investment therein will not be lost. Further, an investment in the Company's securities should be considered in light of recent Australian and world events, which have had a significant impact on the stability of financial markets in Australia and worldwide and the ultimate consequences of which cannot be predicted with any certainty.

Share Trading History

The highest and lowest market sale price of the Shares on ASX during the 3 months immediately preceding the date of this Prospectus, and the respective dates of those sales and the last sale on the business day immediately preceding the date of this Prospectus, were:

	Dates	Cents
Highest	15-10-2008	14.0
Lowest	17-10-2008	3.1
Latest	07-11-2008	5.0

The highest and lowest market sale price of the Shares on ASX during the 12 months immediately preceding the date of this Prospectus, and the respective dates of those sales, were:

	Dates	Cents
Highest ¹	10-06-2008	18.0
Lowest	17-10-2008	3.1

¹ The highest price of \$0.18 shown in the above table is the result of multiplying the actual Share price of \$0.018 which was attained on 10 June 2008 by 10 to reflect the price of the Shares on that date as if the 10:1 consolidation that took place on 29 July 2008 had already taken place.

Taxation implications for Shareholders

The Australian taxation information provided in this section is only intended as a brief guide, based on current Australian income tax laws and established interpretations as at the date of this Prospectus, for eligible individuals shareholders:

- a) who are resident in Australia for income tax purposes, and hold their Shares on capital account, or
- b) who are non-residents who are subject to Australian income tax either on Australian sourced income or because their Shares are connected with an Australian permanent establishment.

On 27 May 2007, after the decision of the High Court of Australia in *The Commissioner of Taxation v McNeil* (McNeil's case), the Australian Taxation Office issued Class Ruling 2007/42 relating to Hutchison Telecommunications (Australia) Ltd in which the ATO took the view that the market value of entitlements constitute assessable income.

The Government concluded that such an outcome would have serious implications with respect to capital raisings and announced its intention to legislate to rectify the issue. Accordingly, Tax Laws Amendment (2008 Measures No.3) Bill 2008 (*the 2008 Bill*) was introduced to Parliament. In the Explanatory Memorandum to the bill it was stated that the intention of the bill was to "*ensure that no amount is included in the assessable income of a shareholder in a company or a unitholder in a unit trust as a result of acquiring certain rights issued by the company to acquire further shares or by the trustee of the unit trust to acquire further units.*" The amendments will only apply to "certain" rights issued by a company where certain specific conditions are met

The directors have been advised that the amending legislation is currently before Parliament and is not yet law, notwithstanding that the proposed date of effect is 1 July 2001. The directors are unable to express any opinion as to whether or not the 2008 Bill will be passed with or without amendment or at all.

Accordingly, the directors have been advised that the precise Australian tax implications of the Offer for each eligible shareholder is not yet clear.

Furthermore, the taxation implications for each Shareholder will also depend on their particular circumstances, and the directors accordingly recommend that you seek your own professional tax advice concerning the tax consequences for you which arise from the Offer. You should seek this advice whether or not you wish to accept your Entitlement.

The Company, its officers and advisors do not accept any liability or responsibility in respect of any statements concerning any Australian taxation consequences of the Offer.

Continuous Disclosure and Documents Available for Inspection.

For the purposes of the Corporations Act 2001 (Cth), the Company is a "disclosing entity" and as such, it is subject to regular reporting and disclosure obligations. This Prospectus is issued in accordance with section 713 of the Corporations Act 2001 (Cth) and incorporates by reference into this Prospectus the documents itemised below that have been lodged by the Company with either of ASIC or ASX. Copies of documents lodged with ASIC in relation to the Company may be obtained from or inspected at an office of ASIC.

Any person has the right to obtain a copy of the following documents and the Company will provide a copy of each of the following documents, free of charge, to any person who asks for it during the application period for this Prospectus:

- a) the financial report of the Company for the financial year ended 30 June 2008, being the last annual financial reported lodged with ASIC on 26 September 2008 in relation to the Company before the issue of this Prospectus;

- b) all documents used to notify ASX of the information relating to the Company under ASX Listing Rules since the lodgement of the financial report referred to in (a) above. As at the date of this Prospectus, the only such documents were:

Date Lodged	Description of Document
21/10/2008	Director resignation
21/10/2008	Final Director`s Interest Notice
29/10/2008	Notice of Annual General Meeting/Proxy Form
24/10/2008	Annual Report to shareholders
24/10/2008	Appendix 4C - quarterly
05/11/2008	Development Plan
07/11/2008	Non-Renounceable Issue

Non-Residents

Non-Residents should consult their professional advisors as to whether any formalities need to be observed (either by themselves or the Company) to enable them to subscribe for Shares. It is the responsibility of Non-Residents to obtain all necessary approvals so they may legally subscribe for (and be issued) the Shares. The return of a completed application form from a Non-Resident applicant will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained and that the Company may legally issue the Shares to the applicant.

Rights and Liabilities Attaching to Shares

New Shares issued under this Prospectus will, from the time they are issued, rank *pari passu* in all respects with the Company's existing Shares. The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights, privileges, and restrictions attaching to all Shares.

- Subject to any special rights or restrictions for the time being attached to any class or classes of Shares (at present there are none), at a general meeting every shareholder present in person or by proxy, representative or attorney has on a show of hands one vote and on a poll one vote for each share held.
- Subject to the rights of Shares issued with any special or preferential rights (at present there are none), any profits of the Company, which the Company from time to time distributes by way of dividend, will be divisible amongst the shareholders in proportion to the Shares held by them respectively.
- Subject to the rights of shareholders (if any) with Shares with special rights in a winding-up (at present there are none), on a winding-up of the Company, all assets which may be legally distributed amongst the shareholders will be distributed in proportion to the Shares held by them.
- Subject to payment of stamp duty and to some limited restrictions contained in the Company's Constitution, ASX Listing Rules, SCH Business Rules and the Corporations Act 2001 (Cth), Shares are freely transferable.
- Where Shares of different classes are issued, the rights attaching to the Shares of a class can thereafter only be varied by a special resolution passed at a general meeting of the holders of the Shares of that class, or with the written consent of the holders of at least three quarters of the issued Shares of that class.
- Each shareholder is entitled to receive notice of and to attend and vote in person or by proxy, representative or attorney at general meetings of the Company and to receive all notices, financial reports and other documents required to be furnished to shareholders under the Constitution of the Company or the Corporations Act 2001 (Cth).

Glossary

ASIC	Australian Securities & Investments Commission.
ASX	Australian Stock Exchange Limited (ABN 98 008 624 691).
August 2009 Options	Unlisted options, exercisable on or before 25 August 2009, each entitling the holder to acquire a Share at an issue price of \$0.30.
AWDT	Australian Western Daylight Time.
Cents	Australian cents.
Company or MPA	Marine Produce Australia Limited (ABN 70 091 805 480).
Company's Share Registrars	Security Transfer Registrars Pty Ltd (ACN 008 894 488) of 770 Canning Highway, Applecross WA 6153 and PO Box 535, Applecross WA 6953.
December 2009 Options	Unlisted options, exercisable on or before 6 December 2009, each entitling the holder to acquire a Share at an issue price of \$0.30.
Group	The Company and its wholly owned subsidiaries
June 2010 Options	Unlisted options, exercisable on or before 30 June 2010, each entitling the holder to acquire a Share at an issue price of \$3.00
Non-Residents	Persons domiciled outside Australia.
Record Date	19 November 2008.
September 2012 Options	Unlisted options, exercisable on or before 28 September 2012, each entitling the holder to acquire a Share at an issue price of \$0.20
Share	Fully paid ordinary share in the capital of the Company.
\$	Australian dollar.

CONSENTS

Security Transfer Registrars Pty Ltd (the Company's share registrars) and KPMG (the Company's auditors) have been named in this Prospectus for information purposes only and have not consented to being named herein.

Directors' Consent

This Prospectus has been issued by Marine Produce Australia Limited and each director has consented to the lodgement of this Prospectus with ASIC.



MILES KENNEDY
CHAIRMAN

SHORTFALL APPLICATION FORM

Applicants should read the Prospectus dated 10 November 2008 (*Prospectus*) in its entirety before completing this form. A person who gives another person access to this application form, must at the same time and by the same means give that person access to this Prospectus.

No of New Shares applied for:	Identifying Stamp Only
Application monies at \$0.06 per New Share: \$	

Given Names/Company Name	Surname/ACN/ABN
Joint applicants or account designation	

Postal Address		
City/Town	State	Postcode
Email Address		

Contact Name	Daytime Contact No.
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CHESS HIN

Tax File No/Exemption Category	Applicant 2	Applicant 3
Cheque Details Drawer	Bank	Branch
		Amount
		\$
		\$

DECLARATION

By lodging this application form and a cheque for the application money the applicant hereby:

- a) applies for the number of New Shares specified in this application form or such lesser number as may be allocated by the directors;
- b) agrees to be bound by the Constitution of the Company;
- c) authorises the directors to complete or amend this application form where necessary to correct any errors or omissions;
- d) authorises the Company to send the applicant a substituted application form (if this application form ceases to be current) to the applicant's email address set out in this application; and
- e) declares that the applicant has received a full and unaltered version of the Prospectus either in an electronic or paper format.

Cheques must be made payable to "MARINE PRODUCE AUSTRALIA LIMITED" and be in Australian dollars.

NOTES

- 1 Enter the number of additional New Shares you wish to apply for. **Applications must be for a minimum of 10,000 and thereafter for multiples of 1,000 New Shares.**
- 2 Enter the total amount of application monies payable. To calculate this amount, multiply the number of New Shares you are applying for by the issue price (i.e. \$0.06 per New Share).
- 3 Enter the full name(s) of all legal entities that are to be recorded as the registered holder(s).
- 4 Enter the postal address for all communications from the Company.
- 5 Enter the name and telephone number of the person who should be contacted if there are any questions with respect to this application.
- 6 If you are CHESSE sponsored, enter your Holder Identification Number (**HIN**) in the CHESSE HIN box, otherwise leave this box blank and a Shareholder Reference Number (**SRN**) will be allocated to you on issue.
- 7 Enter the tax file number(s) of the applicant(s) – this is not mandatory.
- 8 Unless otherwise agreed by the Company, payment must be made to “**MARINE PRODUCE AUSTRALIA LIMITED**” by cheque drawn or payable on a bank within Australia, crossed “**Not Negotiable**” and be in Australian dollars. Receipt of payment will not be acknowledged.
- 9 This application form does not need to be signed. Return of this application form with the required application monies will constitute acceptance of that number of New Shares stated on this application form.
- 10 **If you have received an application form without a complete and unaltered copy of the Prospectus detailing the offer pursuant to which this application is made, please contact the Company for a free printed or electronic version of the Prospectus.**
- 11 Please note that if an application form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the directors as to whether to accept an application form, and how to construe, amend or complete it, shall be final. An application form will not be treated as having offered to subscribe for more New Shares than is indicated by the amount of the accompanying cheque.
- 12 Please deliver the completed application form (accompanied by a cheque for the application monies) at any time prior to Closing Date (5 December 2008) to the Company's Share Registrars, **Security Transfer Registrars Pty Ltd:**

Delivery:

770 Canning Highway
Applecross WA 6153

Post:

PO Box 535
Applecross WA 6953

Please telephone the Company's Share Registry on (08) 9315 2333 if you have any questions with respect to this application form.

Applications are for fully paid ordinary shares as detailed in the Prospectus dated 10 November 2008.