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Presentation to Investors
October 2010

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Our company

Background

- Clean Seas Tuna Limited listed on the ASX in December 2005
- Founded by South Australian family with 50 years fishing experience
- Two businesses – Kingfish commercial and Southern Bluefin Tuna (SBT) R&D
- Company Vision – To be a Global Leader in Sustainable and Profitable Bluefin Tuna Production
- Grow-out licenses for 8000 tonnes/p.a.; potential to increase to 20,000 tonnes/p.a.
- Only company in the world to successfully breed SBT in on-land facility
- Own mature broodstock (10-12 years to sexual maturity) in on-land tank
- Aiming for SBT fingerlings ready for “at sea” transfer in FY2011
- Produces commercial quantities of aquaculture-bred Kingfish

Company details

- More than 7000 shareholders
- Stehr family interest shareholdings reduced from 49% to 26%
- Strong investor value.
Share price currently 12c v
Net Tangible Assets of 23c



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Our people

Board changes



- **John Ellice-Flint** replaces Hagen Stehr AO as CleanSeas Chair in December, 2009. Background in “corporate Australia” (Santos CEO). Strong track record in corporate governance, regulatory requirements and change management



- **Hagen Stehr AO** appointed (non-executive) Founding Director. Protecting CleanSeas’ vision



- **Marcus Stehr** appointed Operations Director Responsible for Clean Seas’ Marine Operations

Board changes

- **Sir Tipene O'Regan** continues to bring widespread industry experience and commercial acumen to the Board, stemming from his longstanding leadership positions in the New Zealand fishing industry
- **Paul Steere** appointed to Board in May-2010
14 years as Managing Director of New Zealand King Salmon during which he re-built the company from near –bankruptcy to a strong profit performance. Strong aquaculture business skills and proven change manager.
- **Clifford Ashby** appointed as Managing Director in December, 2009
Background in listed horticultural companies in Australia and an international corporate finance career in South Africa and the UK. Experience in listed primary production companies, new market development and international finance



Financials

	2008	2009	2010
Sales (tonnes)	1,555	2,219	3,059
Annual growth		45%	49%
Revenue (\$,000)	16,050	30,458	39,470
Net loss after income tax (\$,000)	-658	-12,562	-15,651
Net Tangible Assets (NTA) (\$,000)	54,872	63,051	96,199
NTA per share (cents) *	0.35	0.31	0.23
Cash/(Borrowings)	(8,631)	(13,164)	5,803
Number of shares (millions)	156	202	418

* Current share price 0.12c

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AL8
NEWELL GLASS TANKS
THE HICKELL GROUP PTE. LTD.

Stehr Grow
CLEAN SEAS
AQUACULTURE

Operations

Kingfish

- Reduction in Kingfish fingerlings (1.25m to 700K)
- Conscious decision to reduce bio-mass from approximately 5,000 tonnes to 2,800 tonnes.
- Allows CleanSeas to concentrate on fresh fish market and meeting the requirements of longer-term higher value customers.
- Little need to enter the VAP and frozen sectors

Cash flow

- Positive cash flow forecast due to reduction in kingfish bio-mass (stock replacement cost eliminated).
- Kingfish business to become profitable in its own right before further expansion.



Cost control

- Restructured marine operations has resulted in 20 per cent staff reduction.
- Enhanced net protection system has reduced overall operating costs.
- Investment in state-of-the-art feed barges paying strong dividends with both fully utilised for kingfish.
- Earlier production of FY₁₁ fingerlings will provide greater growth opportunity before the first winter.
- Improved feeding regime.
- Consolidation of processing and logistics has improved farmgate returns.
- One harvest vessel going forward.



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Our Market



Marketing

Marketing Team

- Europe – 7 (exceptionally strong penetration in Switzerland, Italy and Northern Europe)
- US – 4
- South East Asia – 2 (with planned expansion)
- Australia – in-house team including Sydney office



New Products

- Clean Seas developing new products for fresh, chilled and frozen sectors provided they achieve high farmgate returns
- Small frozen sashimi packs – currently aimed at chefs but retail potential

Market outlook

- Kingfish – Limiting supply (reduced biomass) has lifted prices.
- Farmgate prices have increased along with global demand.
- 60% exported (largely to white tablecloth restaurant market and Japanese sector)
- Europe – strong penetration
- US – gaining momentum
- Asia – steady progress, particularly in Thailand, Singapore and Hong Kong.
- Exchange rate a factor



International Markets

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Southern Bluefin Tuna

- SBT breeding program in Research & Development phase, soon to enter commercialisation
- Strong, newly formed internal R&D team
- Kinki University – MOU and R&D cooperation ongoing and aiming for commercial relationship agreement late 2010
- Expecting success with lesser expectations of quantities (Japanese took 34 years to achieve breeding success. Clean Seas has achieved early success within three years)
- Together with Seafood CRC and FRDC have appointed R&D teams to work in Arno Bay and SARDI West Beach facility (SA), Port Stephens (NSW), and Darwin (NT). These teams will continue their roles while extending R&D activities at Arno Bay.



Southern Bluefin Tuna

- Extended Arno Bay facility will provide greater R&D flexibility with up to 12 trial environments to prove and guide commercial production.
- \$7 million spent completing facility which will be trialled with kingfish before 2010-11 SBT season
- Late September- early December, 2010 – Kingfish commissioning run
- January, 2011 – SBT spawning planned

Spawning season

- 2009 March – mid-April (35 days in total)
- 2010 Mid-January – mid-April (significant milestone)
- Longer spawning cycle provides much greater chance of success



Market outlook

- SBT – expanding marketing to establish acceptance of propagated tuna
 - Wild caught pellet fed SBT is now well accepted, creating a beach-head and positive comfort levels among chefs.
 - Japanese have been enthused by quality.
 - FCR's have been favourable.



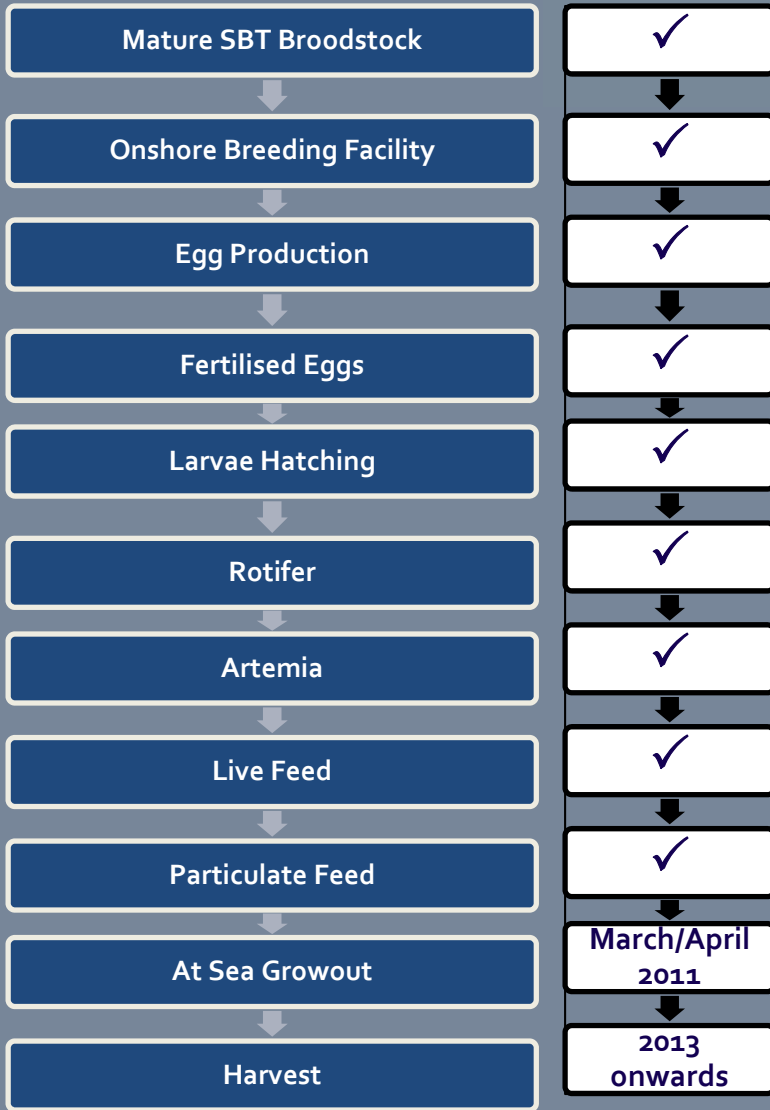
Learnings from 2009-10

- High bacteria count as a result of hatchery being pushed too hard without being dried out – a result of our own success and poor hatchery practice with back to back runs of kingfish, SBT, kingfish and SBT .
- Both Arno Bay and Port Augusta hatcheries have been dried out. Rotifers were reduced to very small cultures, cleaned and re-grown.
- Little use of new state-of-the-art hatchery and will be bacteria free ahead of kingfish trial and SBT run.
- Recognition of need for in-house R&D capability for trials to assist commercialisation.
- Staff being strengthened to give more support to Hatchery Manager





Our progress



Key risks

An investment in Clean Seas involves a degree of risk and should be considered speculative, particularly having regard to the stage of Clean Seas' business development and the work still needed to be done to commercialise the closure of the SBT lifecycle.

There are a number of factors that may have a material adverse effect on Clean Seas' future operating and financial performance. Some of the key risk factors are outlined below. This list is not intended to be comprehensive and there may be other risks not outlined below that may have a material adverse effect on Clean Seas' future operating and financial performance. While some of these risks can be mitigated by the use of appropriate safeguards and systems, many are outside the control of Clean Seas, including possible loss of income and principal invested, and cannot be mitigated. Neither Clean Seas nor its advisers guarantees any particular rate of return or the performance of Clean Seas. Before investing in Clean Seas, you should carefully consider (amongst other things) the risks and uncertainties set out below and whether this investment is suitable to you. Potential investors should consider all publicly available information on Clean Seas (such as that available on the websites of Clean Seas and ASX), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant and/or other professional adviser before making an investment decision.

➤ **Future production of SBT and Kingfish does not meet current expectations**

- ➔ *In addition to the technical risks associated with breeding and growing out SBT and Kingfish, Clean Seas could be adversely affected by disruptions to operations caused by (among other things) adverse climate conditions, disease, labour disputes and port delays. Additionally, investors should be aware of the risks involved when operating a business at sea. Adverse weather conditions may affect fish health, fishing regularity, containment of fish, fishing net integrity and general operations*
- ➔ *Clean Seas announced to the ASX on 22 September 2009 that the Company is targeting production of approximately 4,400 tonnes per annum of Kingfish by FY2011 at a farmgate margin of A\$3/kg and production of approximately 10,000 tonnes per annum of SBT by FY2015 at a farmgate margin of A\$10/kg. It is possible that Clean Seas may not achieve these targets due to the abovementioned operating risks*

▶ **Environmental conditions**

- ➔ *There are a number of environmental conditions attached to the water licences of Clean Seas. Failure to meet such conditions could lead to forfeiture of these licences. Future legislative and regulatory changes may have a possible adverse impact on Clean Seas' profitability*
- ➔ *Although Clean Seas currently has secure access to adequate sources of water for Clean Seas' hatcheries at Arno Bay and Port Augusta, no assurance can be given that sufficient water will be available for future projects, or that such access will be uninterrupted in all circumstances*

▶ **Reliance on key personnel**

- ➔ *Clean Seas' business development has been, and is likely to continue to be, largely dependent upon the commitment and expertise of its key personnel. While Clean Seas has ensured appropriate senior aquaculture staff are employed, the loss of, or significant interruption to, the continued full-time services of any key personnel may have a material adverse effect on Clean Seas' future operation and financial performance*

▶ **SBT and Kingfish price volatility**

- ➔ *SBT and Kingfish prices have varied significantly over recent years and are difficult to predict. Potential decreases in the market price of SBT and Kingfish could cause occasions where Clean Seas may not be able to sell its products at an economic profit*

▶ **Exchange rate volatility**

- ➔ *Selling SBT and Kingfish into foreign markets exposes Clean Seas to exchange rate fluctuations associated with the Euro, British pound, US dollar and Japanese Yen currencies, while the majority of expenses are paid in Australian dollars. Currency exchange rate fluctuations may have an impact on the performance of Clean Seas*

▶ **Future capital needs and additional funding**

- ➔ *The future capital requirements of Clean Seas will depend on many factors, including the pace and magnitude of its development of its business. Should Clean Seas require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing, if required, would have a material adverse effect on Clean Seas' business, financial condition and results of operation*

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Culinary Excellence

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