

24 January 2011

Company Announcement

Australian Securities Exchange Limited

TUNA SPAWNING AND HALF-YEAR RESULTS UPDATE

Clean Seas Tuna Ltd (ASX: "CSS") is pleased to advise that its Southern Bluefin Tuna (SBT) broodstock commenced spawning late last week and consequently this season's SBT larval rearing trials are also under way at the Company's Arno Bay operations in South Australia.

The various initiatives undertaken during the past year have the Company well placed to progress its knowledge and achievements in the production of juvenile aquaculture bred SBT.

These include the new recirculation SBT hatchery which has now been fully commissioned via a successful trial of yellowtail kingfish fingerling production. Further, the Company has completed its recruitment of a skilled SBT research and development team which is now in place at Arno Bay providing ongoing support to the commercial hatchery team.

Company policy is to provide Investor Updates on the SBT spawning and larval rearing season at critical times in the annual lifecycle development program as follows:

1. Commencement and cessation of SBT broodstock spawning.
2. Transfer of fingerlings for controlled grow-out trials to either sea cages or holding tanks.
3. Significant progress and/or failures with grow-out trials, e.g. number of SBT juveniles living post 180 days hatch.

The company's SBT lifecycle research and development program is ongoing and it is not possible at this stage to anticipate the likely extent of outcomes or the start or end dates for each season. For example, in FY2010, spawning started in mid-January and stopped in mid-April, whilst in 2009 it started in mid-March and ended in mid-April. In both previous seasons, any single spawning during this time could have resulted in "to sea" or "to holding tank" transfers. Furthermore, as the technology used is groundbreaking, the Company needs to maintain an appropriate level of commercial confidentiality.

While Clean Seas' financial result for the half-year ended 31 December 2010 is yet to be finalised, due to a range of factors - inventory valuation requirements in particular - it is anticipated that there will be a reduction in the order of 25% to 35% in the level of the after tax loss for the six months, compared to the half-yearly loss for the previous corresponding period to 31 December 2009.

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The winter months are seasonally slow growth months for Kingfish. Whilst this impacts on the first half-year results the sell-down of inventory, price increases and cost saving initiatives have resulted in the Company's kingfish business being cash flow positive for the latest half-year

Additional information regarding the financial performance of the Company will be released with the 2011 interim results in February.

Clifford Ashby
Managing Director

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