

25 July 2013

Company Announcement

Australian Securities Exchange Limited

JUNE QUARTER 2013

CASH FLOW COMMENTARY

Clean Seas Tuna Limited (ASX: "CSS") provides the following comments on cash flow for the quarter ended 30 June 2013.

We outlined in our announcement on 17 July 2013 that we are progressing to plan on the rebuild of the business to lift annual kingfish production from 500 tonnes to 1,100-1,500 tonnes by 2015.

The company is preparing for the introduction of new season fingerlings in October to meet the objectives of our rebuild plan. Currently we have our first of three batches of juveniles in the hatchery, well ahead of the schedule for increasing our fingerling intake from the 225,000 last year, to 600,000 fingerlings in the next few months. We also continue to implement a range of strategies to improve the profitability of the company, improve cash flow and reduce our costs.

Clean Seas announced in April and May this year the results of the renounceable right issue and this successful capital raising will further support funds to rebuild the yellowtail kingfish business.

Cash flow movement overview

Cash held at the end of June 2013 was \$5.218 million, which represents a \$1.363 million increase on cash held at the end of the full year ended 30 June 2012. Cash from FY2013 investing activities included net proceeds from surplus asset sales for the full year of \$1.689 million. These sales are part of our plan to more efficiently utilise our assets. Cash from FY2013 financing activities included net proceeds from the renounceable rights issue announced in March 2013 of \$3.179 million.

Craig Foster
Chief Executive Officer

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Clean Seas Tuna Limited

ABN

61 094 380 435

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	2,443	15,434
1.2 Payments for		
(a) staff costs	(774)	(6,039)
(b) advertising and marketing	(82)	(362)
(c) research and development	(214)	(737)
(d) leased assets		
(e) other working capital	(2,043)	(11,627)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	16	90
1.5 Interest and other costs of finance paid	(10)	(33)
1.6 Income taxes paid		
1.7 Other (Grant received)		
(Insurance claim)		
(Net CRC funds)	67	102
Net operating cash flows	(597)	(3,172)

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	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(597)	(3,172)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(220)	(533)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	18	1,689
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
Net investing cash flows	(202)	1,156
1.14 Total operating and investing cash flows	(799)	(2,016)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	3179	3,179
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		543
1.18 Repayment of borrowings	(237)	(343)
1.19 Dividends paid		
1.20 Other (Expenses incurred in capital raising)		
Net financing cash flows	2,942	3,379
Net increase (decrease) in cash held	2,143	1,363
1.21 Cash at beginning of quarter/year to date	3,075	3,855
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	5,218	5,218

Notes :

1.9(e) Reallocation of Tuna research costs to investing activities has ceased. All Tuna research costs are shown in 1.2(e) – other working capital.

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	179
1.25	Aggregate amount of loans to the parties included in item 1.11	Nil
1.26	Explanation necessary for an understanding of the transactions - Directors fees (\$14) - Office rental payments. (\$11) - Staff hire (\$13) - Tuna purchases (94) - Marina cost (\$11) - Consulting (\$36)	

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements (Letter of Credit)	Nil	Nil

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Curent quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	618	1,392
4.2	Deposits at call	4,600	1,683
4.3	Bank overdraft		
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.23)		5,218	3,075

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	Nil	Nil
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date:25 July 2013.....
 (Company Secretary)

Print name:Frank Knight.....

Notes

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1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
- 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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