



Level 9, Marine Board Building
1 Franklin Wharf
Hobart Tasmania 7000

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Lodgement of Market Briefing**

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Market Briefing

Tassal MD on the company's global sustainability leadership in salmon farming

Interview with Mark Ryan (Managing Director & CEO)

In this Market Briefing interview, Mark Ryan, Tassal's Managing Director & CEO, discusses:

- *Recently announced Federal Senate inquiry into Tasmania's aquaculture industry, and the difference between State and Federal responsibilities - marine leases are a State responsibility*
- *Support Tassal has from both sides of State politics - Liberal and Labor*
- *Corrections to factually incorrect media coverage*
- *Tassal's focus on sustainability, which is at the core of everything the company does*
- *Tassal's global aquaculture leadership, especially regarding sustainable salmon farming.*

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The Federal Senate recently announced an inquiry into Tasmania's aquaculture industry, across all types of fish and seafood farming. What are the terms of reference of this inquiry?

Mark Ryan

Given marine leases in Tasmania are the responsibility of the State Government, not the Federal Government, it is not yet clear what the specific terms of reference for the Senate committee's inquiry will be.

Public statements indicate that the committee will consider the regulation of Tasmania's fish farming industry and the industry's economic impacts and employment profile in Tasmania.

We have been in contact with various senators and have been assured that this inquiry will focus on clearing up these issues. We believe it is important that the social, environmental and economic benefits of the Industry are highlighted. We will have more information regarding timing and terms of reference in the next few weeks.

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With marine leases being the responsibility of the Tasmanian State government, not the Federal government, and the aquaculture industry in Tasmania already very well regulated, is this committee inquiry necessary?

Mark Ryan

The State Liberal government, and Labor opposition, have both publicly stated that they believe that this inquiry is not necessary. This is not because of jurisdictional issues. It is because the Tasmanian aquaculture industry is already very well regulated. The State Labor party's support for Tasmania's aquaculture industry was no different to when it was in government.

We agree with the State Liberal and Labor parties that a Federal inquiry is not necessary. However, we see this inquiry as an opportunity to inform the committee of Tassal's sustainability practices and global leadership in this area. We look forward to providing the committee and the public with further assurance that we operate in the most responsible and sustainable manner possible.

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How important are sustainability initiatives for Tassal?

Mark Ryan

Sustainability is much more than a buzz word for us. It is at the core of everything Tassal does. Something the Tassal Board and all 950 people working at Tassal are very proud of, is the company's global leadership in sustainable salmon farming.

Reflecting Tassal's global leadership in sustainable fish farming, Tassal is the only aquaculture company in Australia that has a partnership with WWF Australia, the World Wildlife Fund. This should tell you a lot about our focus on sustainability and the environment.

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Given Tassal's global leadership in sustainability practices within the aquaculture industry, does the company also work closely with other aquaculture companies so that they may benefit from Tassal's knowledge and experience?

Mark Ryan

Tassal supports all fisheries working together. There is good science underpinning all of our operations which is constantly enhanced through collaboration and ongoing scientific research. For example, Tassal is currently participating in a research project where the Abalone council and Tassal are both sitting on the steering committee.

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Recent media coverage has been critical of Tassal, as well as Tasmania's aquaculture industry more generally. Is there a sound basis for this criticism?

Mark Ryan

Unfortunately not only recent media coverage, but media coverage for some time, has not accurately reflected the true nature of what is happening in Tasmania's aquaculture industry, and its major producers including Tassal.

I can't speak on behalf of others, but I would like to clarify the true facts in relation to recent media coverage in relation to Tassal.

Concerns raised in recent media coverage regarding the abalone fishery have been raised previously in October 2014. No new information has been provided by the Abalone council since then.

Media coverage of the mussel farmer is inaccurate. Tassal was contacted by a single mussel farmer, to which we responded fully and quickly, and are investigating his concerns. The Tassal site he is referring to is not used as a main grow out site, is used sporadically to temporarily hold fish, and is currently empty.

There has been no concerns voiced by oyster growers.

In regard to the statements made by a previous Tassal employee to the media, this person was last employed with the company in 1999 and worked on and off with an external contractor until 2005. His knowledge of Tassal is outdated, inaccurate and incorrect given over ten years have passed. Tassal has a completely different management team in place then it had over ten years ago. The media did not approach Tassal to seek any clarification of the statements made by this person.

In regards to the recent "leaked" report and email, this report is not news. The report looks at the scope of oxygen reduction in the harbor, natural processes in the harbor, the industry's role in oxygen use, and a summation of the science the industry has been doing and will do in Macquarie Harbor. It is not a secret, it is a technical working document. Tassal's sustainability report to be published next week will discuss our work on bottom water Dissolved Oxygen. The leaked email from the two other companies was six months old and simply inaccurate.

Tassal has clearly, publicly stated that we have never breached any biomass stocking or Area Management Agreement terms in the harbor. We have certified our Macquarie Harbor farms to Aquaculture Stewardship Council standard, the toughest standard in the World.

Importantly, Tassal has enjoyed another year of excellent fish performance and survival in the harbor. In fact the oxygen in the harbor has recovered as the science to date predicted it may very well do, due to natural variables in fresh water flows and meteorological events.

To put the current growing conditions into perspective, as we reported in Tassal's half year result at the end of December 2014, the primary harvest class fish for FY15 had 38.30% more biomass at sea compared to the previous primary harvest year class at the end of December 2013. This trend has continued.

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There has been a lot of language in the media about Tassal providing jobs at the expense of the environment. Can you comment on this please?

Mark Ryan

It is very disappointing for me and the entire board that these comments would be made by the media. I have made several attempts to correct this view in the media, but our perspective has not been published.

Tassal employs 950 people, and outside of the State government and government bodies, is the largest employer in Tasmania. I can't make this any clearer, Tassal does not provide jobs at the expense of the environment. We work in the environment and we are working hard to make sure we are good stewards of that environment which is why WWF is our proud partner. Most importantly it is not only about jobs, it is about individuals and families. The press and our critics often forget that.

We understand and respect that people will have differing opinions about what Tassal does and how we do it. However, this will not stop us continuing to work hard on our sustainability journey and letting our actions and global leadership in this area define who we are.

Everyone at Tassal believes that we are custodians of the environment that we operate in, and we take this role extremely seriously. We are all proud to work for Tassal given the company's culture of caring not only for its people, but also for its fish and the environment. It is this culture that has driven sustainable long term returns for our shareholders.

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You mentioned earlier that Tassal is a global leader in sustainable salmon farming. What can you point to that supports this statement?

Mark Ryan

Given Tassal's focus on sustainability is at the core of everything we do, the company has achieved multiple firsts that reflect our global leadership in sustainable salmon farming, a key differentiator from other companies operating in the industry.

Tassal was the first Australian aquaculture company to produce a sustainability report. In 2014, Tassal was rated the world's leading salmon farmer by Seafood Intelligence for Corporate, Social & Environmental Reporting.

In addition to how and what we report on, it is critical that we execute on our sustainability initiatives. The sustainability initiatives we have put in place are something I, our board, and all 950 of our people are most proud of.

Tassal was the first Salmon grower in the world to certify all of its marine farming operations to the Aquaculture Stewardship Council Salmon Standard. This was a key milestone in Tassal's partnership with WWF Australia. Tassal is the only Australian salmon or aquaculture company to have a partnership with WWF Australia.

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Lastly, Tassal is an important member of the regional communities in which we operate, bringing economic stability, training and funding to those communities. We also participate in numerous conservation and education projects.

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Thank you, Mark.

For further information, please contact Tassal on 1300 880 179, or visit www.tassal.com.au

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