

Clean Seas Tuna Pty Ltd  
Annual General Meeting 30th November 2009  
At The Pavilion, Adelaide Oval, Adelaide , South Australia  
11:00 – 12:30

**AGENDA**

**Invited :**

Hagen Stehr (Director)  
Marcus Stehr (Director)  
Ian McLachlan (Director)  
Sir Tipene O'Regan (Director)  
Frank Knight (Company Secretary)  
Paul Robinson (Alternate Director)  
Philip Patterson (Auditor)  
Clifford Ashby (CEO)

1. Welcome address
2. Motion that notice of meeting be taken as read.
3. Item 1 - Consideration of financial reports, Directors' report and Auditor's report
4. Chairman's address
5. Managing Director's address
6. Questions from the floor on company management
7. Item 2 – Resolution 1 - Remuneration report motion
8. Announce resignation of director , Ian McLachlan
9. Item 3 – Resolution 2 - Motion to elect director  
(a) Ian McLachlan
10. Item 4 – Resolution 3 Subsequent approval of the issue of 30,316,880 ordinary shares
11. Item 5 - Resolution 4 – Approval of the issue of 137,683,120 ordinary shares
12. Item 6 - Resolution 5 – Approval of the issue of 48,000,000 ordinary shares
13. Item 7 - Resolution 6 – Approval for ordinary shares to be issued to related parties under the share purchase plan

14. Other business

- (a) Questions from the floor for directors or management team.
- (b) Introduce John Ellice-Flint

15. Close meeting.

**Clean Seas Tuna – Annual general Meeting**  
**30 November 2009**  
**Chairman's Address**

Welcome to our Annual General Meeting

No doubt you have all read my chairman's report and we could talk for hours about the industry I have been part of for some 49 years, but I will give you a short overview from my perspective. The last 12 months have been difficult in some areas, but highly successful in others. On Kingfish, we have become victims of our own success. We have proven to everyone, we can produce Kingfish, in any quantity we desire.

We used kingfish as a surrogate species for Tuna and earlier this year had close to 5600 tonnes in our farms. That created a problem on the marketing side. I should take much of the responsibility for this position as I wanted to prove to the shareholders that we had the ability to grow large quantities of fish in the Spencer Gulf.

I thought I could bulldoze my way through any problem Port Lincoln style. But marketing takes time and we were heavily overstocked and had an imbalance between production and marketing but let me assure you, that it is being addressed rapidly to give you some idea. 3 years ago, we sold 8-10 tones of kingfish per week and our target is now 100 tones per week and on a number of occasions, have achieved this target.

We had many sceptics, who said we would not be able to produce such large quantities of Kingfish. Well, we have proven that we can do it and are now on the way to lifting our sales price.

Our strategy for the future is,

- 1) keep our production in tune with sales targets
- 2) get our marketing right

We know where we went wrong and have made adjustments, but make no mistake and I give you no spin. We have created a major new seafood sector with massive possibilities which in the future will show big rewards.

**Southern Bluefin Tuna**

With much pride can I announce our success with a world first, 35 days spawning event, with Southern Bluefin in our Hatchery in Arno Bay. What many around the world thought an impossibility, became a reality. We were stunned. Nobody thought it could happen with such intensity and in such quantities so early in our onshore systems. You may remember I said too many of you it is just a matter of time, a foregone conclusion and a giant step into the future.

We have lifted the holy grail of Tuna propagation, and as some scientists stated, this is as important as Armstrong's first step on the moon and if we do our business right, we have a billion dollars business in our hands. I don't know if any of you saw the article but two weeks ago the prestigious Time magazine of the US rated our company in second place in the 50 Best and Most Important Inventions of the Year in the World, just behind NASA's Ares #1 Rocket and ahead of the 10 Million Dollar light bulb. This goes to show, what Food Security means to the rest of the world, but

especially Tuna. We are on the right path and as I said before, if Clean Seas Tuna has to run second to anybody it might as well be NASA.

We are close in all the assessments we made since going public and well focused. At present we are working 24-7 on the second stage for our Tuna Hatchery, for the next Tuna spawning cycle, which is very close. In an international press statement from Kinki University just issued today, they have transferred 100,000 fingerlings from their Hatchery to net cages. Kinki are our Research partners and we are happy with their continuing success. History is being made, between Kinki, Clean Seas and a new seafood sector is in the making.

Our own broodstock are looking superb and are expecting positive results with our own spawning. I could tell you more but I won't at this stage. What I can say however is, we have cleared the major hurdles and obstacles and are now one of two operations in the world to take the first step in the commercialisation of propagated Tuna.

The wild fish Tuna sectors around the world are under siege, from Governments and Environmental organisations and we, with a little luck, have our destiny firmly in our hands and will now concentrate to guide Clean Seas Tuna into a secure and profitable future.

I also take this opportunity to thank my fellow Directors, for their help over the last 12 months, but especially our Hatchery staff who helped us become the first in the world to complete a southern bluefin spawning cycle. Now we are on the way to take the final step to commercialisation. I also like to thank my son Marcus Stehr for his help. Marcus and I come from the wild fish Tuna business that needs 24 hours a day commitment in operations it will be up to people like him to drive it hard into the future.

All in all we have laid the foundation for a world class seafood business with huge possibilities. It is up to Directors and Management to make it happen. I take this opportunity to introduce our new Chairman elect John Ellis Flint

John Comes with blue-blood credentials, and doesn't need much introduction from me, except to say, he was Managing Director of Santos and knows how to create Shareholder value on national and international levels. I am extremely happy John will come on board as Chairman at our next Directors Meeting, and wish him well.

**CLEAN SEAS TUNA LIMITED**

**4<sup>TH</sup> ANNUAL GENERAL MEETING – 30 NOVEMBER 2009**

**Managing Director's Report**

Ladies and gentlemen, I join the welcomes already extended to you.

As Managing Director I am pleased to update you on our company's progress over the last 12 months.

Operationally there are two aspects to our business Kingfish & Tuna.

We continue to increase our sales, volumes and market penetration of our Kingfish product range and we are successfully bringing production and sales back into balance.

Most importantly we are well advanced with our Tuna lifecycle program and confidently expect to commence at-sea grow out of Tuna fingerlings early in the New Year.

Your Board recognises the need for continuous improvement at all levels of the company operations if we are to achieve our objective of becoming the Southern Hemisphere's most successful aquaculture company.

To this background, the Board, with the full support of the Stehr Family as the largest shareholder and original promoters, have unanimously resolved to endorse the following key personnel changes and appointments at a forthcoming board meeting:-

- **My role** is to become "Executive Director of Operations" which is all about production and harvest, an area within the business that needs devoted and concentrated attention to drive the profitability that we know is there, which will bring to realisation the extraordinary achievements in the aquaculture sector that we have already made.

- **Clifford Ashby**, will be running the company. I will report to him as the “Executive Director of Operations”. Clifford has had 12 years experience as MD of a listed Australian Agribusiness company and having worked with Clifford over the last six months, I strongly support his appointment.
- **John Ellice-Flint** will be appointed “Independent Chair”. We are fortunate to have John on the board as he has had a most distinguished career including eight years as Chief Executive and Managing Director of Santos Ltd. We are all looking forward to working with John, who I am sure will bring to the company the necessary rigour and discipline that will be required as we move towards successful commercialisation of Tuna.

After the formal part of today's meeting, both Clifford and John will be introduced to you and they will provide an overview of their relevant experience and commitment to our corporate goals.

Turning now to my formal Managing Director's operational summary as set out in your company's annual report, I wish to highlight the following:-

- The hatchery team achieved a continuous 35 day Tuna spawning from 12 March 2009
- Tuna fingerlings were successfully weaned and reared at the Arno Bay hatchery in on-shore tanks with the oldest of these fish now over 200 days old and approximately 2kg in weight – an exceptional result
- Shareholders, you will appreciate our anxiety to ensure a successful transfer from hatchery to sea cages. The determining factor of “when” this will happen will be when **all** the conditions are optimum. We must be certain when the time is right that WE are ready. We must monitor closely every step of this process.

- This season's Tuna spawning is targeted for December and this should result in viable Tuna fingerlings being transferred to ocean cages for grow out trials early in the new year.
- Whilst we are still in the early phase - **we have** successfully spawned and hatched juvenile Tuna. Clean Seas is understandably proud of these achievements, which were recognised this month by Time Magazine as being the second ranked international invention of 2009. The success achieved with our on-shore breeding facilities is timely given recent global Tuna quota cuts.
- I would like to take this opportunity to express my appreciation for the effort and support our Tuna program has received, not only from our employees but also from our alliance Universities, Seafood CRC & FRDC - **their input has been invaluable.**
- We are currently constructing a major two stage expansion of our Tuna breeding facility at Arno Bay. These Tuna fingerling rearing systems are being funded from the current capital raisings. This will give us the capacity to increase this season's production grow out of 25,000 Tuna.

Turning now to Kingfish and Mulloway, I wish to elaborate on my statement further as follows:-

- Kingfish and Mulloway were selected as surrogate species to enable Clean Seas to build an internationally skilled aquaculture team capable of closing the Tuna lifecycle and successfully commercialising the grow out of that species throughout the Spencer Gulf of South Australia.
- We have been incredibly successful in producing high quality product, however our capacity to produce high quality fish has not been matched by our sales and marketing performance. This is now being vigorously addressed.

- Whereas Mulloway has not proven to be a commercially viable species for Clean Seas, Kingfish will ultimately prove to be a successful premium species for long term sustainable aquaculture production. Growth rates and culinary excellence are key attributes for a successful industry. From January, Australian consumers will be able to access our quality product from their local Coles, IGA and Woolworth's supermarkets, in addition to enjoying it at premium restaurants throughout the world.
  
- The financial performance of our Kingfish/Mulloway division during last financial year was not satisfactory. Hence our decision to exit Mulloway over this financial year and to restore a profitable production/sales balance to the Kingfish division. We continue to work on reducing our cost of production and increasing our price for premium product.
  - Reducing this years Yellowtail Kingfish output from some 1.25 million to some 1 million fingerlings
  
  - Changes to feeding regimes, stocking policies and utilisation of automated feeding equipment. This has resulted in materially improved Food Conversion Ratios and substantially lower feed costs
  
  - Under the direction of our Sales & Marketing team, we have strengthened our distribution channels and product range. Sales for the first four months of this financial year are upwards of 50% for the same period last year and prices are progressively improving.

Overall, I am proud to have had the opportunity to be Clean Seas inaugural Managing Director.

The time is now however for me to give my full 150% attention to that which I do best, and that is – the management and direction of the operations of this enterprise **on** the ocean **and** with the people who make the enterprise at sea.

I also want to take this opportunity to thank my fellow Directors and all of the hard working team at Clean Seas for their considerable efforts throughout what proved to be a most difficult and challenging last. I have no doubt that with continuous change and improvement Clean Seas **will** continue to grow the Kingfish & Tuna business.

Thank you Chairman.

I will be pleased to take any questions.