



Murray Cod Australia Ltd

ASX:MCA

ASX ANNOUNCEMENT

1 September 2022

Correction to Annual Results Presentation

Murray Cod Australia Ltd (ASX:MCA) advises a correction to the Annual Results Presentation released on 31 August 2022.

The presentation contains a typographic error on slide 4, which incorrectly states “The company’s growth trajectory of 10,000 tonnes by 2027 is still on track”.

The correct reference is “The company’s growth trajectory of 10,000 tonnes by 2030 is still on track”.

The updated presentation is attached.

ENDS

ABOUT THE COMPANY

Murray Cod Australia is a vertically integrated producer, involved in the breeding, growing and supply of premium “Aquna” branded Murray Cod to domestic and export markets. The production process produces a unique fish with some of the best culinary qualities in the world. Murray Cod Australia uses an innovative farming technique with market-leading bio-security techniques whilst being environmentally friendly and sustainable. The Company has developed a land-based aquaculture model, using dams and irrigation water, allowing control of the breeding, feeding, water conditions and biological inputs throughout the entire lifecycle of the fish. This provides confidence for customers in the quality and sustainability of the produce. The business’ operations are located in the Riverina region of New South Wales, Australia.

For more information contact: Mr. Ross Anderson (Chairman), +61 269 625 470

The release of this announcement was authorised by the Chairman.



MURRAY COD AUSTRALIA LIMITED

Life tastes better our way

ASX code: MCA

2022 Annual Results Summary



2019 Winner of
Excellence in Sustainability
& Excellence in Innovation

BUSINESS AWARDS
2018 STATE WINNER





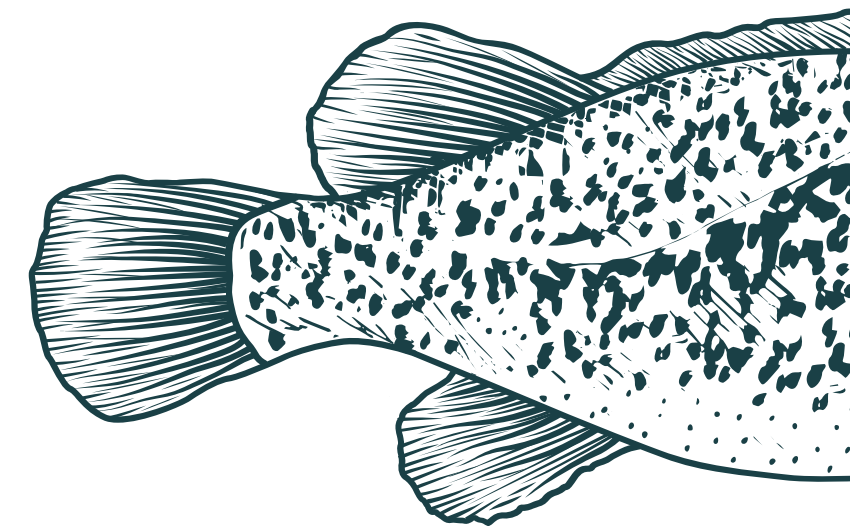
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All figures included in this presentation are in AUD\$ unless otherwise stated.



KEY POINTS

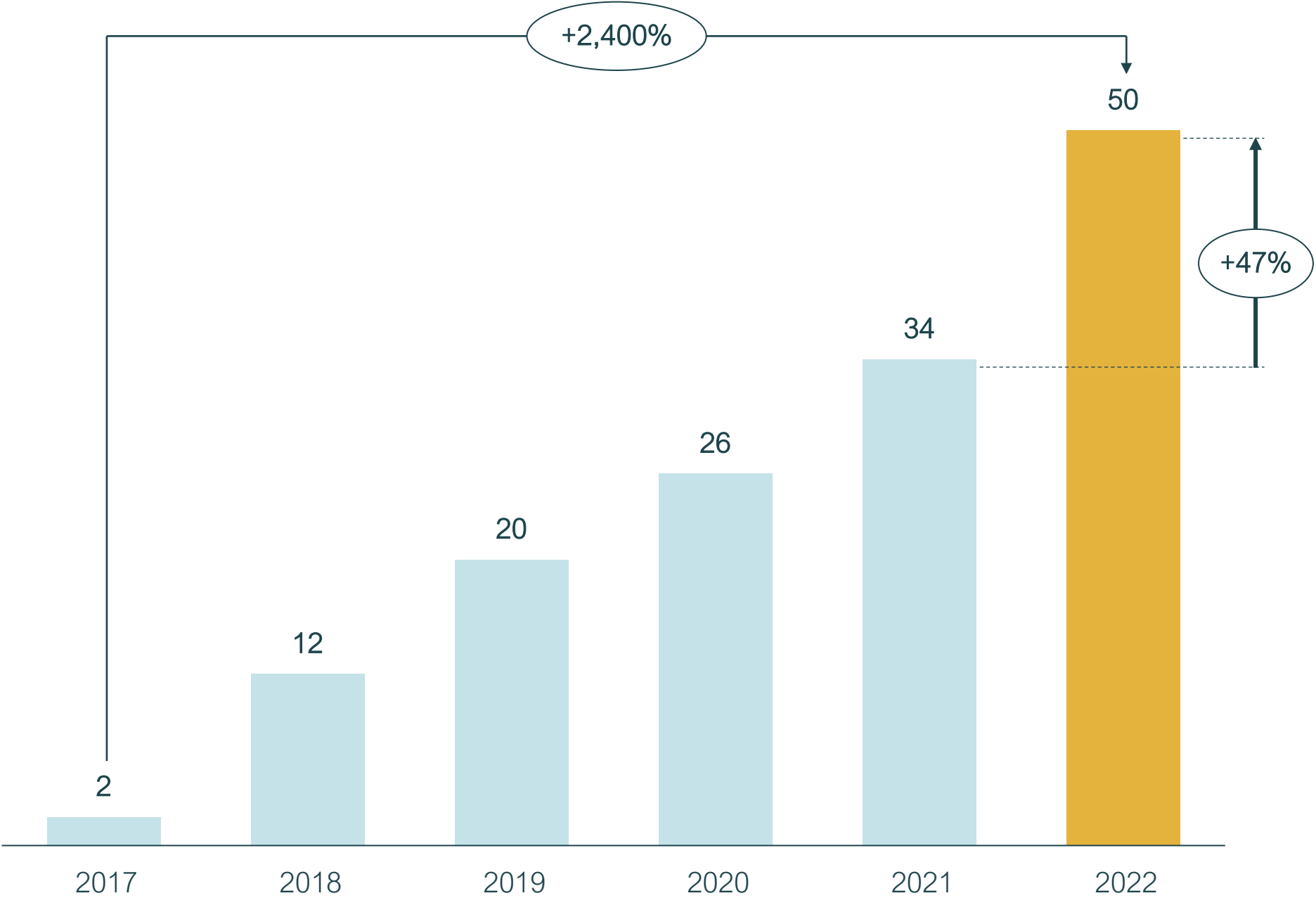
- Strong sales growth
- \$76m balance sheet with \$27m in cash
- Price increase from \$20 to \$24 whole round fish
- Demand Exceeding Supply
- Expect limited growth in sales in FY 2023
- Growth trajectory of 10,000 Tonnes still on track
- Innovation saving capital - trial of “free range fish”, out of season spawning, juvenile production change



NUMBER OF PONDS PER CALENDAR YER INCLUDING THE 16 PONDS BEING BUILT IN 2022

GROWTH TRAJECTORY

- The company’s growth trajectory of 10,000 tonnes by 2030 is still on track
- Earthworks on 6 of the planned 16 ponds are complete. We expect to commission all 16 ponds this calendar year
- Currently planning major expansion in 2024

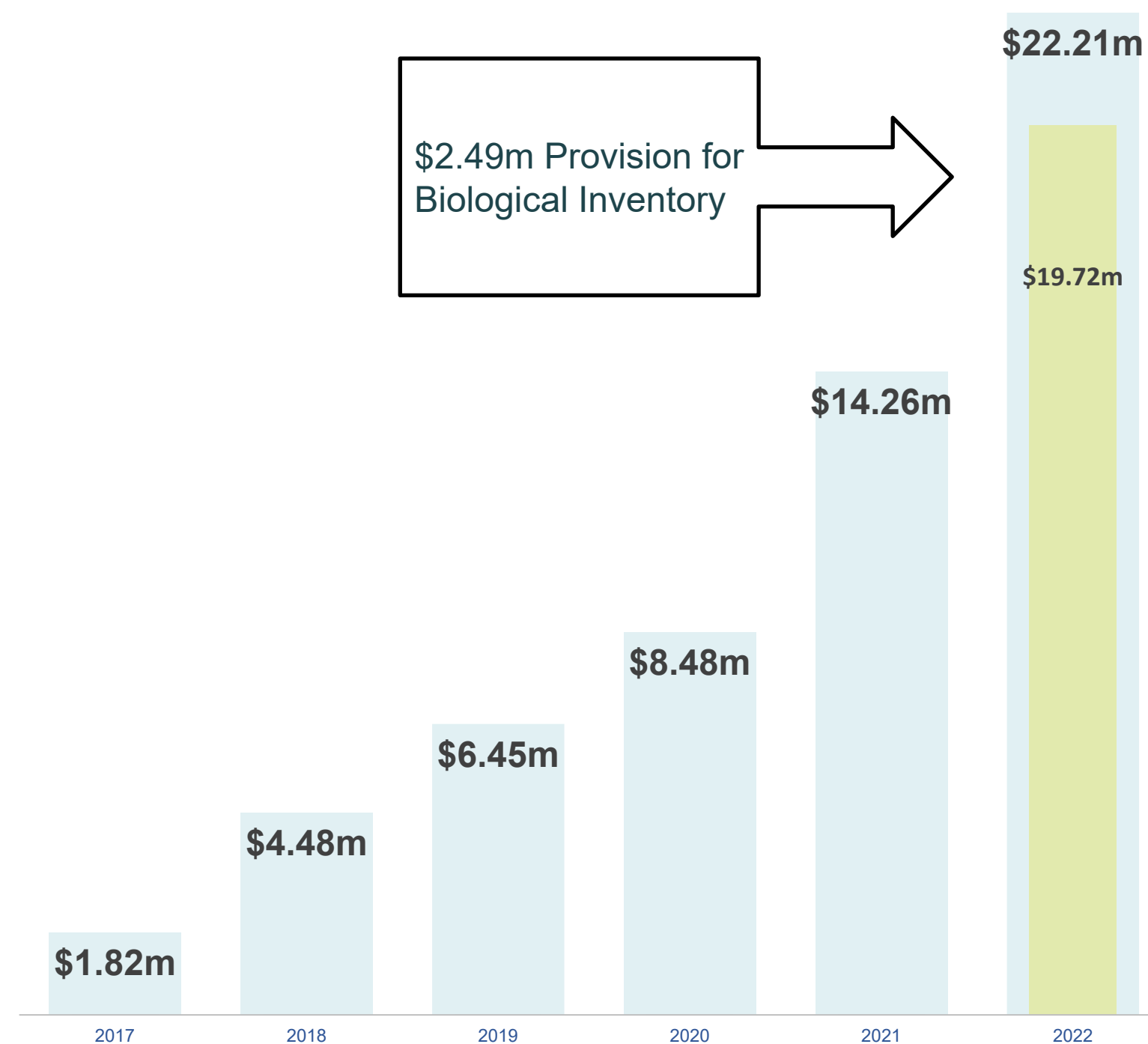


FINANCIAL OVERVIEW

- Strong Revenue growth
- Strong balance sheet
 - Net assets \$76.4M
 - \$27m Cash
 - Land & buildings and water assets \$26.9M
- 525 tonnes of fish harvested 2022 FY
- Net operating cash used:
 - 1st half to Dec 2021 \$4.7M
 - 2nd half to June 2022 \$807K

TOTAL REVENUE

Including Biological Stock



PROVISION - BIOLOGICAL INVENTORY

- The company has made a provision for \$2.6 million against biological stock. This represents a conservative value of the biomass for fish which have moved outside faulty nets but are contained within ponds.
- The biomass value has been calculated based on the last average weights recorded prior to faults being discovered. The amount accounted for as increase in biological inventory included in these financial statements does not include any growth by unaccounted fish after the date they were recorded as being escaped.
- Within the next 24-36 months, those ponds will be drained as part of normal maintenance. At that time, the biomass outside of nets but remaining within the ponds will be harvested. As those harvests occur adjustments to the provision may be made





COST OF FISH SALES

2022 FY Increase of \$8.8 million over 2021 FY

	Difference
Changes in Inventory & Biological value increase	\$5.9 m
Growing and Selling Costs	\$1.6 m
Purchases from Contract Growers	\$1.3 m
Total	\$8.8 m

DEMAND EXCEEDING SUPPLY

- Demand is exceeding supply which will impact availability of saleable size fish in the 2kg+ range over the next 12 months.
- We are running out of larger sized fish as a result of conservative stocking in summer of 2020/21 and pivoting to live sales of smaller fish during COVID 19 pandemic
- Time factor is our limitation as the growth of a fish to saleable size can take 2+years. (Now that juveniles held in ponds not RAS)
- This limitation will decrease over the coming years as our existing stocks of small fish grow out to saleable size

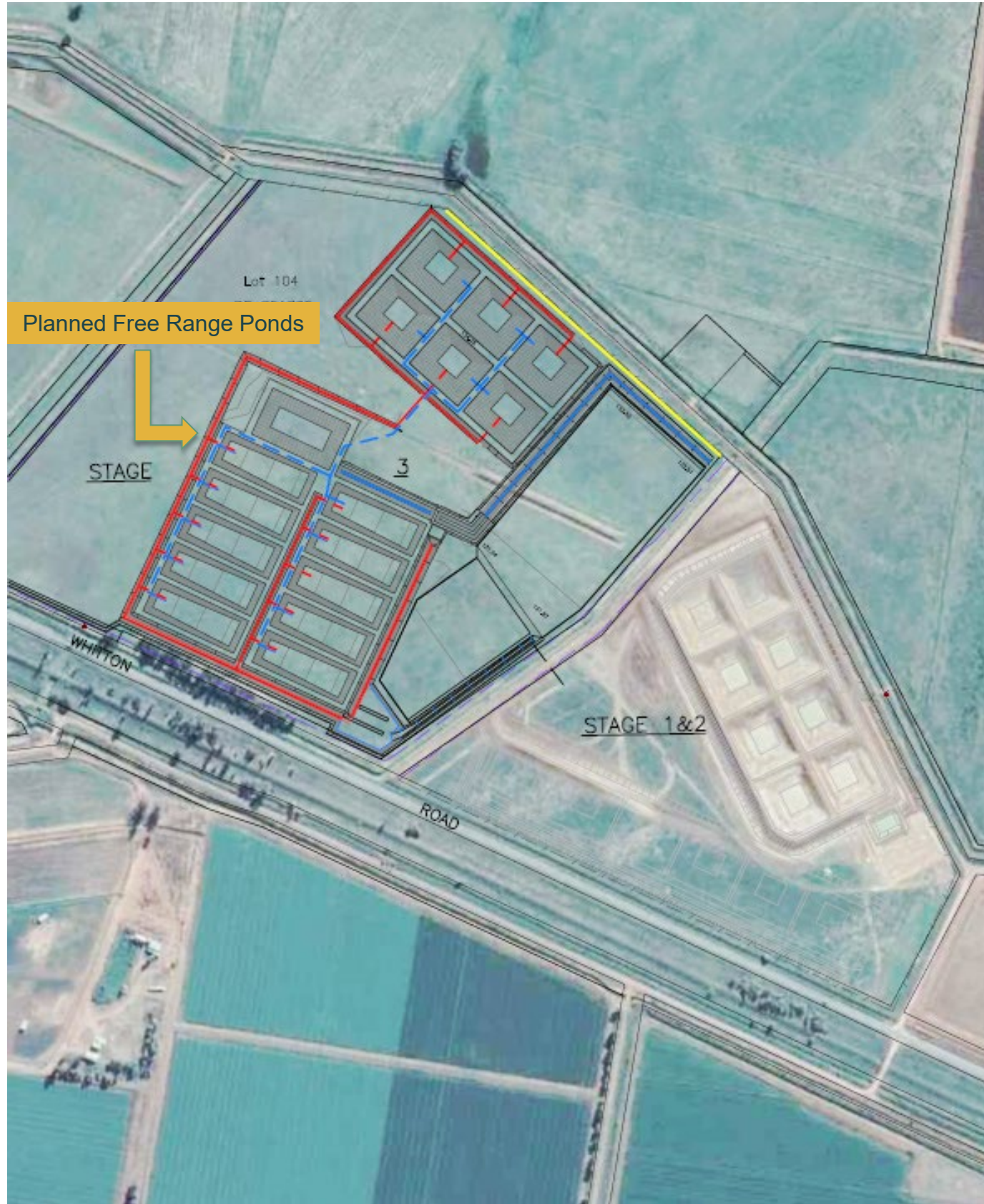


AIM FOR LONG TERM VALUE WILL LIMIT SALES GROWTH IN FY 2023

- Over the longer term our aim is build on Aquna's position as a high margin luxury product - not a commodity
- Move to larger fish by top end chefs over COVID period has changed our sales mix
- Larger sized fish to be grown out for luxury market will mean less smaller fish to be sold in FY 2023
- Short term sacrifice in sales for long term value creation in Brand, Margin and Enterprise Value



CHEF JOSH NILAND, CHARCOAL FISH



INNOVATION

Free range trial

- Trial to commence in 2022 calendar year
- Predicted benefits include significant reduction in future capital cost and operating expenses.
- Potential capex savings of \$90M over next 8 years as we head towards 10,000 tonne target

Out-of-Season Spawning

- In April 2022, we commenced our Out of Season Spawning Trial.
- There have been trials conducted in the past by Vic Fisheries* MCA is undertaking its own research trials to commercialize out of season spawning

**Trials conducted by Victorian Department of Fisheries on Murray Cod out of season spawning 2012*



INNOVATION

JUVENILE FISH PRODUCTION

- Juvenile fish now kept in ponds not RAS
- Juveniles are weaned at an earlier life stage
- Less infrastructure required - Much lower capex required for expansion
- Higher output – smaller footprint
- Increased efficiencies driving costs savings
- Has cost us time in the first season but longer term benefits are substantial



NEW WEANING SYSTEM INSTALLED AT THE SILVERWATER HATCHERY, GRONG GRONG

GROCERY EXPANSION

WE HAVE EXPANDED OUR RETAIL PRESENCE ACROSS THE EAST COAST

WOOLWORTHS

150 stores across Victoria and New South Wales

COLES

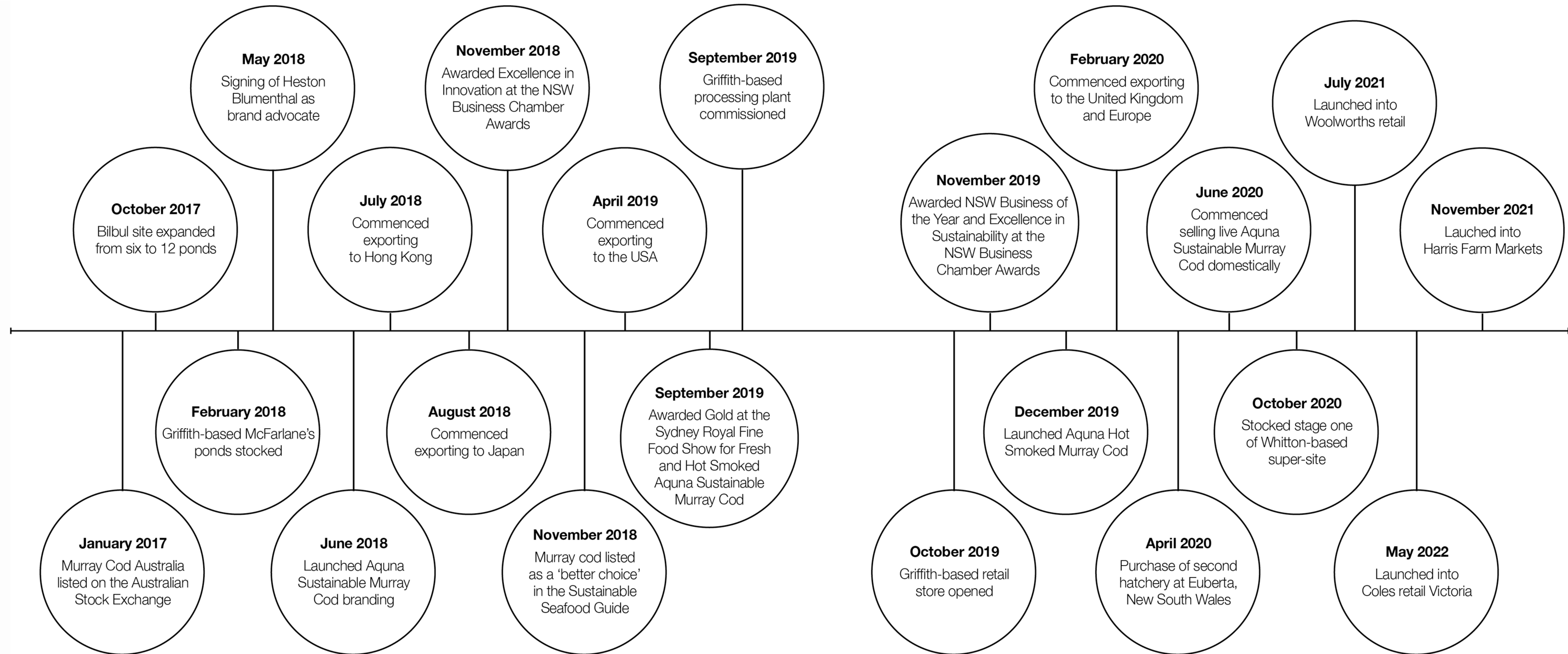
39 stores throughout Victoria

HARRIS FARMS

6 selected stores within New South Wales



OUR BRAND TIMELINE



OUR FISH

Delicate. Clean. Sweet.

Aquna Murray Cod has a firm texture and naturally clean, creamy flavour. The pale white fillet has a large flake and relatively high fat content making it perfect for most cooking conditions. That is why Aquna is coveted as a fine-dining fish at top restaurants around the world.

A truly versatile fish – when raw and cooked – Aquna Murray Cod is perfect for sashimi, when pan-seared, baked, battered, steamed, and grilled.





Aquna has created a luxury fish product by combining natural processes evolved over millions of years with cutting edge technology that has resulted in a fantastic quality fish.

Heston Blumenthal, Michelin starred chef.

WHAT WE BELIEVE IN

— BRAND POSITIONING —

LIFE TASTES BETTER OUR WAY.

At Aquna Sustainable Murray Cod, we believe the best product comes from the best approach. We want to make an impact on people’s plates and their wider lives by inspiring a better way to deliver the future of food production.



SUSTAINABILITY

RESTOCKING PROGRAM:

- For every farmed Murray cod harvested from our production ponds, the Murray-Darling Basin was restocked with seven MCA fingerlings

WE RELEASED:

- 300,000 Murray Cod larvae
- 1,520,000 Murray Cod fingerlings
- 655,000 Silver Perch fingerlings
- 1,865,000 Golden Perch fingerlings

NEW INITIATIVES

- The company provided large Murray Cod fish to both the Victorian and South Australian Department of Fisheries to act as brood stock for both state's restocking plan



**IAN CHARLES, BUSINESS DEVELOPMENT CORPORATE MANAGER,
RELEASING LARGE FISH INTO THE MURRAY DARLING RIVER SYSTEM**

SUSTAINABILITY AND SOCIAL REPORTS



At Aquna Sustainable Murray Cod, our goal is to have a positive impact on people’s plates and the planet. Our vision is to set the sustainability benchmark globally for the Aquaculture industry.

Over the last year, Aquna’s sustainability performance has focused on eight key areas:



Award

Winner of the 2019 NSW Business Chamber Excellence in Sustainability award, which led to being crowned NSW Business of the Year.

Zero Organic Waste

Our Griffith-based processing plant diverts tonnes of organic waste from landfill through partnerships with recyclers and local pig farmers.



Energy Management

Through the installation of solar panels at our Bilbul nursery, 50% of our total nursery energy is now provided by solar power.

By-product Trials

In an effort to continue to innovate and value add, R&D trials have begun on developing several by-product lines.



100% Water Recycling System

Our land-based production model uses the same water twice — once through fish ponds, then for crop irrigation or pasture on farms.



Restocking

We participate in a state government restocking program. To date, across our two hatcheries, more than 20 million fingerlings have been released into the river system.



Community

Through COVID-19, we have been participating in a Foodbank for Sydney-based out-of-work hospitality workers.



50% Reduction in Water Usage

Through closer monitoring, we have reduced our water usage by 50% in our ponds.

Visit our website for detailed information on our award-winning sustainability practices: <https://aquna.com/sustainability/murray-cod>



AQUNA
Sustainable Murray Cod