

ASX and MEDIA ANNOUNCEMENT

2nd February 2016

FOCUS FISHERIES ACQUISITION INCREASES VERTICAL INTEGRATION AND SEAFOOD BRANDS

Australian agribusiness, Mareterram Limited (“Mareterram”) (“the Company”) (ASX:MTM) is pleased to announce that it has:

- executed a binding agreement to purchase the net assets of Focus Fisheries Pty Ltd (Focus)
- entered into an option agreement to purchase the share capital of Focus Fisheries Pty Ltd ; and
- appointed Mr. Brett Hogan as Marketing and Fisheries Development Executive Manager of Mareterram Fisheries Pty Ltd (a wholly owned subsidiary of the Company)


Pursuant to the agreement the Company will acquire certain assets and assume certain liabilities (“Net Assets”) from Focus as at 29 February 2016 for the lower of cost or net realisable value, estimated to total \$1.3m, payable in cash.

The agreement further provides the Company with an option for 6 Months (from the date of completion of the Net Assets sale) to acquire all the share capital in Focus for the Net Tangible Assets (NTA) of Focus (following the Net Assets sale) plus \$150,000. Alternatively, the Company may acquire certain key export and import permits from Focus for \$150,000.

Focus was established in 1998 to provide co-operative seafood marketing and product development services to independent fishermen. Focus also facilitated the access to export and domestic markets on their behalf. Focus went on to provide independent fishermen a consulting service dealing in fishery specific matters and negotiations with government and community groups.

Today, Focus commercialises wild caught seafood by providing contract marketing and sales services in export and domestic seafood markets. Focus is a major facilitator of contract off-shore processing of Australian wild caught seafood. Over the past two years Focus has also performed a fully integrated assistant marketing and management role in the operations of the Company’s recently purchased business of Norwest Seafoods.

Distribution of Focus’ Famous Australian Seafood brand via Mareterram Trading Pty Ltd trading as ‘Mareterram Foods’ will increase margins captured through vertical integration.



Mareterram Fisheries Pty Ltd is also pleased to announce the appointment of highly regarded commercial fishing veteran (and major shareholder of Focus), Mr Brett Hogan as Marketing and Fisheries Development Executive Manager. Mr Hogan will commence employment on the 1st of March 2016.

Mr Hogan has over 25 years' experience in marketing and general fishing. He has sat on a number of fishing industry boards and management groups, including a three year period as a director of the Western Australian Fishing Industry Council. Mr Hogan has previously held roles as the Procurement and Operations Manager for Kailis and France Group, the Marketing Manager for Ricciardi Seafoods, and for the last 17 years has been the Managing Director of Focus.

Mareterram Limited's CEO, David Lock, said *"It is a real coup for Mareterram to attract a person of Brett's calibre in the seafood industry in Australia. He brings decades of hands-on knowledge of the industry as well as both domestic and export markets. He will be of tremendous benefit to Mareterram's operations and future expansion plans. As we prepare for the start of the 2016 fishing season at the beginning of April, the integration of the Famous Australian Seafood brand into the Mareterram Foods product offering will offer immediate benefits. We see a number of areas to leverage the vertically integrated nature of the Mareterram business through considered and value adding transactions for shareholders."*

For more information:

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