



12 December 2018

## Company Update

*Angel continuing to add scale to its operations*

Angel Seafood Holdings Ltd (ASX: AS1) (the “Company” or “Angel”) is pleased to provide the following update on the Company’s successful progress in building scale to its operations.

### **Water Based Infrastructure**

The Company has completed upgrades to its water-based infrastructure and can now hold over 20-million oysters across its water holdings in Cowell, Haslam and Smoky Bay. The previously planned upgrades of leases in Cowell are now completed and are holding a full profile of oysters.

In Coffin Bay, the Company has completed the transfer of lease water infrastructure to the high performing ‘Beacon Zone’. The “high current” nature of this water will allow Angel to optimise the growth of oysters to ensure consistent turnover of market-ready oysters.

Following the recent announcement of the acquisition of prime water leases in Coffin Bay, Angel is now able to deliver to market over 9-million oysters per annum from its water holdings in Coffin Bay.

### **Land Based Infrastructure**

The Company is pleased to announce it has completed the fit out of its processing facility in Coffin Bay. This includes the installation and commissioning of side-by-side SED Graders capable of processing 2,500 Dozen oysters per hour, the fitment of a large capacity refrigeration room for holding oysters for sale, and the extension of the facility to house the two large oyster tenders.

The expansion of the oyster processing facility in Cowell and the fully accredited export site in Port Lincoln are both underway and will each be completed early in 2019. These improvements will allow for the better handling of oysters throughout the Angel farming system. Both these projects are on time and under budget.

### **Spat and Stock on Hand**

Angel is pleased to report that quantity and quality of spat supply continues to improve. Spat mortality in deliveries since April 2018 continues to be in the low range, with growth rates being higher than forecast. Angel will be applying strict farming practices over the summer months when traditionally higher mortality is expected.

Currently Angel’s leases in Cowell and Coffin Bay are approaching maximum capacity.

### **Outlook**

Angel remains very well placed as it enters its busiest period of the year, where peak demand exists over Christmas, New Year and out to Australia Day. There continues to be significant demand for Angel oysters, and the Company is aiming to meet as much of this demand as possible without compromising quality of product sold. At this stage the Company anticipates selling throughout December and January as the quality of the oysters allows.

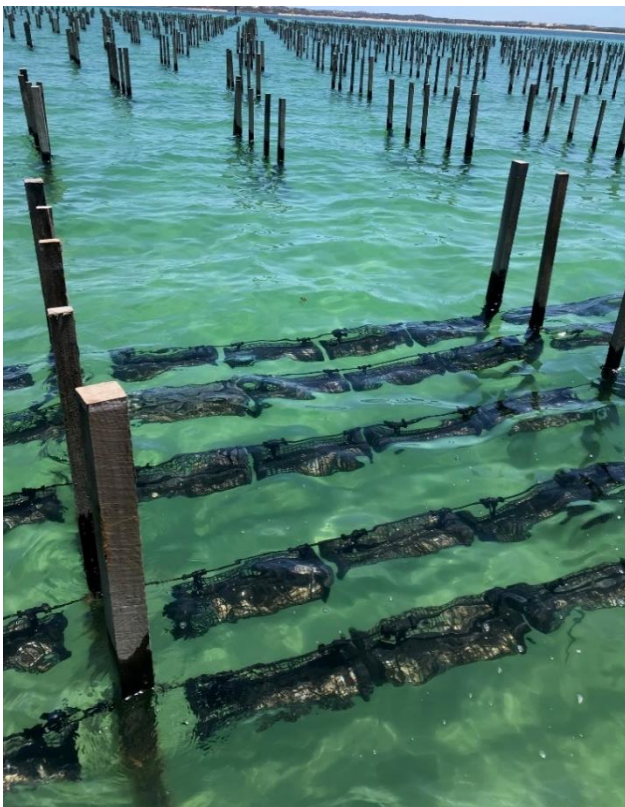
The Company remains on track to be operationally cash flow positive in FY19.

## Further Information

Any questions or requests for further information should be directed via email to:

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**Images Top to Bottom** (all images dated 30 Nov 18) – expanded processing facility at Coffin Bay; new Beacon Zone lease in Coffin Bay; side-by-side SED Graders in operation



**Forward Looking Statements**

This announcement may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results.

Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, variations in spat supply, production estimates and growth and mortality rates from those assumed, as well as the impact of governmental regulation. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities law.