

ANGEL SEAFOOD

ASX:AS1 Company Update – dated 13 March 2018

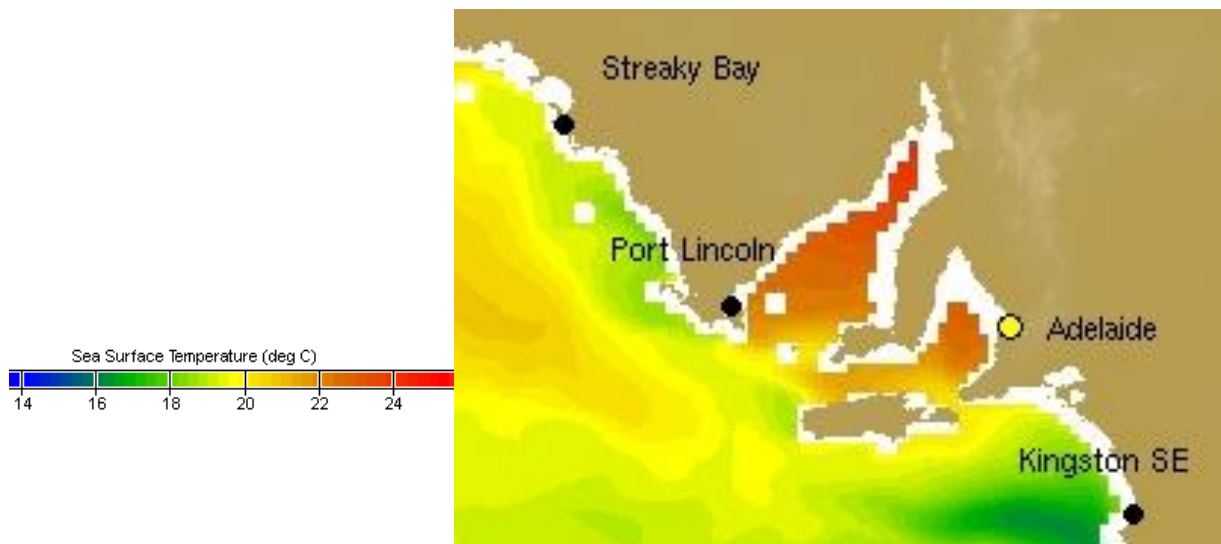
As previously announced the Pacific Oyster Mortality Syndrome was detected in the Port River, in Adelaide, SA. Since this time both Primary Industries and Regions SA (PIRSA) and Industry have been working tirelessly to contain the outbreak to ensure the disease does not spread.

The Company is pleased to announce that to date POMS has not been discovered in any of its growing areas, this was confirmed by the latest PIRSA update released on 09 March 18. Since initial detection PIRSA has targeted at risk growing areas for testing; this has included Angel's operations at Cowell. These at-risk areas were targeted for proximity to Adelaide or higher water temperatures. Over Jan-Feb 18 >240 tests from bays on the Eyre Peninsula have taken place with no results indicating the presence of POMS. The livestock standstill remains in place as a precautionary measure.

It is worthy of note that one of the key environmental factors for the survival of POMS is water temperature. In 2016 the University of Sydney conducted a study into the water temperatures required for POMS to express itself¹. They found that generally speaking POMS requires temperatures of over 20-degrees to attack any infected oysters; whereas the Fisheries Research Development Corporation in their 2011 report stated that outbreaks are rare below 18-degrees.

Current water temperatures in Coffin Bay are now around 18-degrees with Cowell temperatures reducing from summer peaks (see below). This report also commented that intertidal oysters, such as all of Angel's leases, may be less affected by POMS².

Source: <http://www.bom.gov.au/oceanography/forecasts/>



¹oysterhealthsydney.files.wordpress.com/2016/02/poms-temperature-factsheet-4-usyd-13-2-2016

²eurl-mollusc.eu/content/download/52616/747032/version/4/file/OYSTER+HERPES+VIRUS+WORKSHOP+final+REPORT

Current Stock Condition:

Angel's stock currently numbers over 8-million oysters on hand. These are split between Cowell and Coffin Bay. The Oysters at Coffin Bay continue to improve in condition in readiness for sale. At this stage the Company expects sales of these to commence in April 2018.

Below are some photos taken during a grading operation at Cowell on the 10 March 2018.



Left – Spat showing good growth at Cowell



Below – Oysters almost ready for sale

Export Facility Update:

On the 27 Feb 18 the Company announced the acquisition of a purpose-built export facility in Port Lincoln. The Company has now completed its legal due diligence on this facility and is awaiting final paperwork from the vendor to allow for a settlement in the near future.

Further Information

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

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