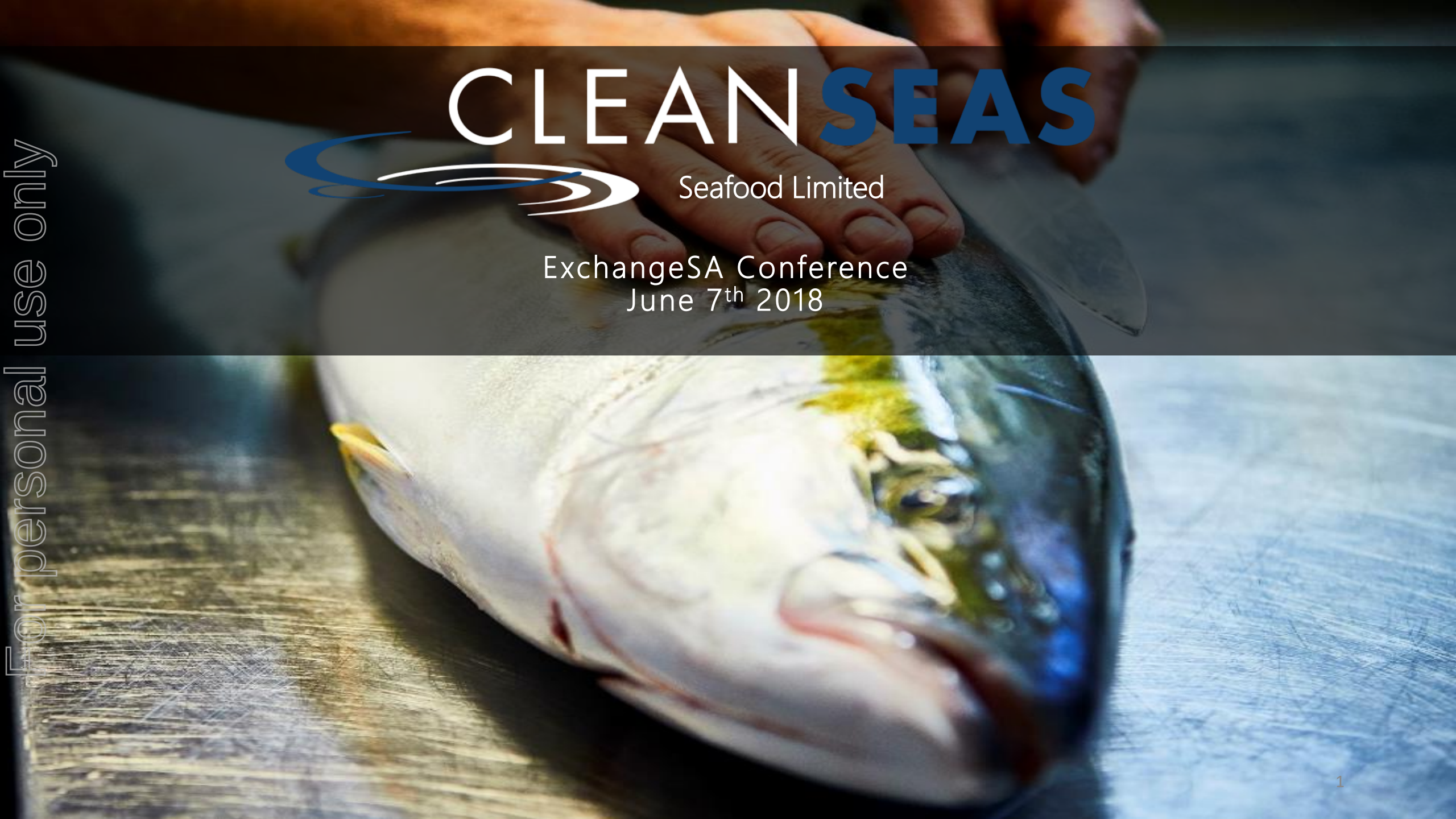

CLEANSEAS

Seafood Limited

ExchangeSA Conference
June 7th 2018

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“We won’t say *absolutely* it’s the best raw fish in the world, but after talking to chefs around the world, we don’t believe there is a fish that matches Spencer Gulf Hiramasa Kingfish”

Here’s why;

- Provenance
- Culinary excellence and versatility
- Sustainability

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Our Long-Term Investment is Yielding Results

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- Having invested more than $180 million over 18 years, Clean Seas has learned the hard way the ups, downs and challenges of aquaculture
- Today we are proud to be able to consistently deliver the highest quality fresh Kingfish to customers around the world twice per week – 52 weeks per year
- We have direct relationships with more than 150 distributors and wholesalers worldwide
- Our product in served in some of the world's leading restaurants in Europe, the USA and Asia within 4-5 days of harvest
- This is an outstanding but relatively unknown species
- **So we think we have only just begun…**

Nicky Riemar
Bellota Restaurant
Melbourne

Global Leader

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Clean Seas Seafood Limited (ASX: CSS) is the global leader in full cycle breeding, production and sale of Yellowtail Kingfish.

TRADING INFORMATION

ASX stock code	CSS
Shares quoted on ASX	1,667m
Cash + available finance facilities (31 March 2018)	$25m
Market cap at 5.6 cents/share	$93m

MAJOR SHAREHOLDERS (AS AT 1/6/18)

JP Morgan Nominees Australia Limited *	9.2%
Australian Tuna Fisheries Pty Ltd – combined	7.0%
Citicorp Nominees Pty Limited	2.1%
Merrill Lynch (Australia) Nominees Pty Limited	1.9%
HSBC Custody Nominees (Australia) Limited	1.8%
UBS Nominees Pty Limited	1.2%
BNP Paribas Noms Pty Ltd	1.2%
David Head (Managing Director) Related Entities - combined	0.6%
Top 20 Shareholders	31.5%

* (includes Bonafide Global Fish Fund 5.0%)

Farmed in a Unique Area of South Australia

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- Our Hatchery and Sea Farms are located in the Spencer Gulf, in a remote corner of Southern Australia near the famous fishing town of Port Lincoln.
- By any measure, the Spencer Gulf in one of the cleanest bodies of water in Australia. There is nothing between the water where the kingfish are raised and the Antarctic but the icy, vast expanse of the Southern Ocean.
- Yellowtail Kingfish are indigenous to these remote crystal clear waters. Spencer Gulf Hiramasa Kingfish brood stock are bred from fish originally sourced only an hour or so from our current operations.

Hatchery at Arno Bay

Farm at Port Lincoln

World Class Hatchery

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World Class Hatchery

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World Class Hatchery

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Our Spencer Gulf Farms – Extraordinary Provenance

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Lease Capacity for 11,000 tonnes – Currently 3,000

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“One on One” Global Chef Activation Programs

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- To support our global distribution network, we are meeting **“one on one “** with more than 1,600 leading chefs across Europe, USA and Australia over an initial 16 week period
- We see it as our responsibility to go door to door across the leading cities of the world to introduce and explain why other chefs consider Spencer Gulf Hiramasa Kingfish to be the best raw fish in the world
- At each meeting, we present the chef with one of our Spencer Gulf Hiramasa Kingfish in a specially designed presentation box
- Results from the first **523** restaurants are very encouraging: **39%** of chefs visited who are <u>not currently</u> using our Kingfish have indicated they would <u>definitely start buying</u>
- We intend to further expand this program over the next two years to reach thousands of leading restaurants across Europe, USA, Asia and Australia to grow sales for our brand and our distributors

Single fish presentation box

“One on One” Chef Meeting → Demonstrate and Explain → Provide Fish for Trial → High Conversion Rate (30%+)

Investment in World-Class Processing Facility

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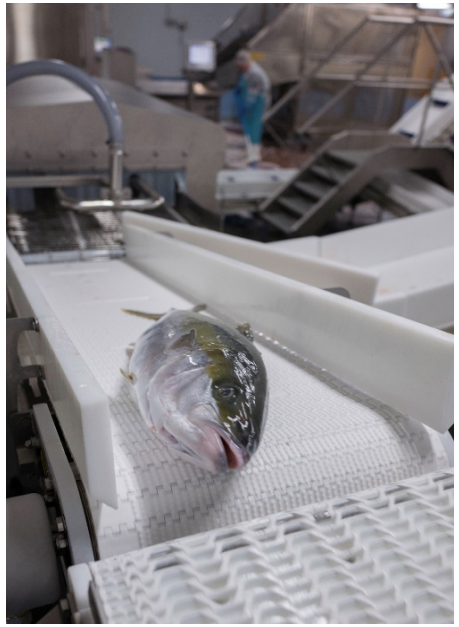
- Historically, Clean Seas has used a third party processor
- Over the past nine months, Clean Seas has made a significant investment in a new in-house processing facility that will deliver high quality fresh and frozen product from Adelaide to the world
- End to end quality control across Clean Seas' supply chain from hatchery to customer
- Significant capacity for future expansion, including production of new "value added" products planned from 2019
- As part of this multi million dollar investment, Clean Seas will also set a new standard for frozen Yellowtail Kingfish with an investment in new rapid freezing technology



SensoryFresh: A game changer in frozen Yellowtail Kingfish

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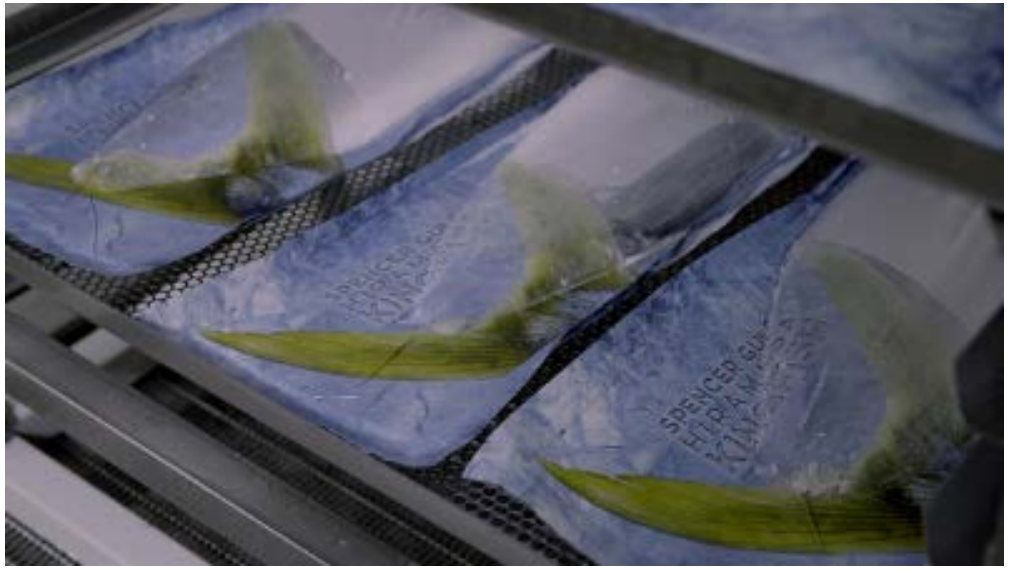

- Freezing high value, premium quality seafood is all about speed. The ice formation stage must be fast for optimum texture.
- Clean Seas Rapid Freezing does this in **around 22 minutes**, **10 times faster** than conventional freezing
- To capture the colour, aroma and flavour, -35°C must be reached quickly. Conventional freezing won't do this.
- Our Rapid Freezing achieves **surface temperature -95°C** and **core temperature -50°C**
- We call it "**SensoryFresh**"

Growth has slowed in H2 (New Competitors) but still double digit

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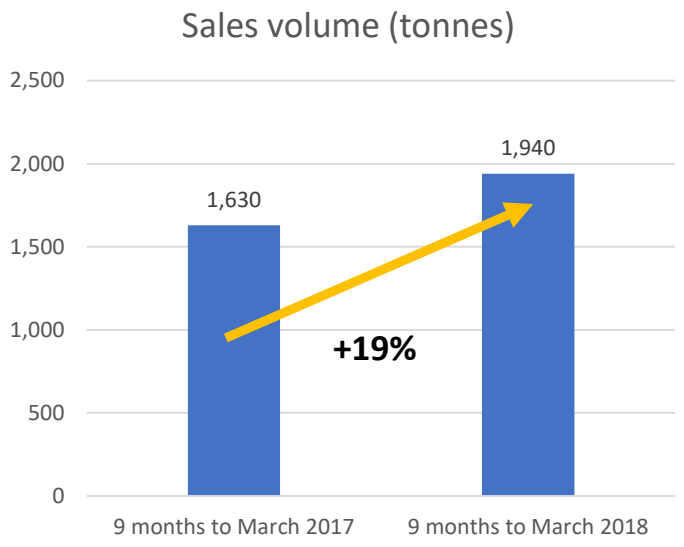

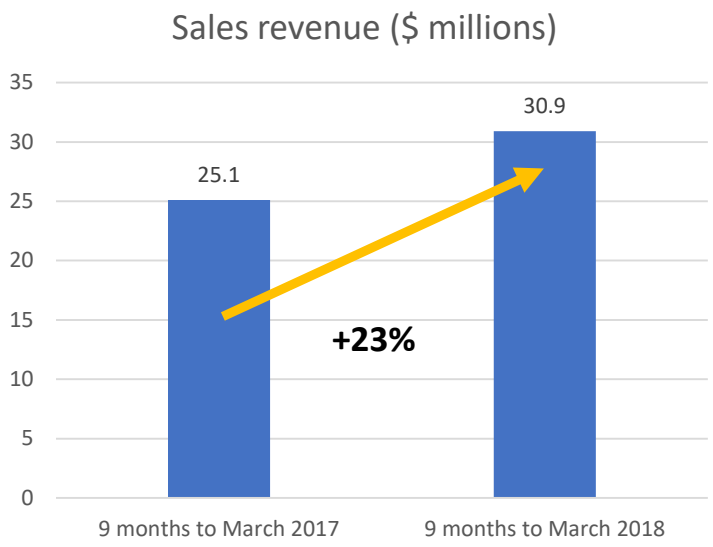

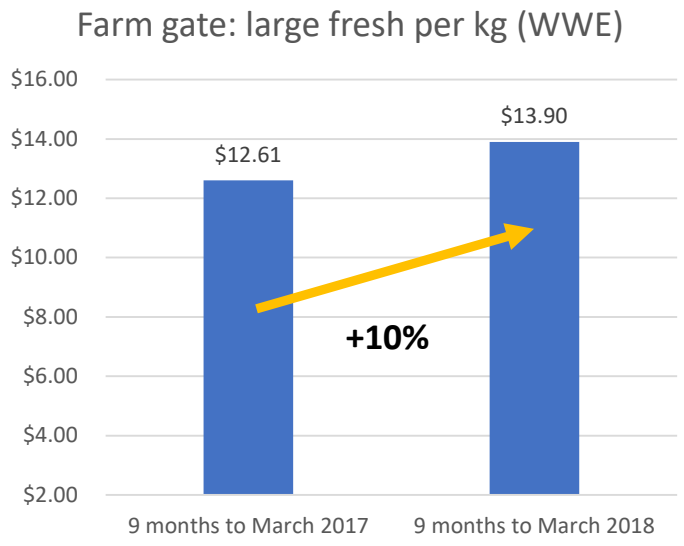

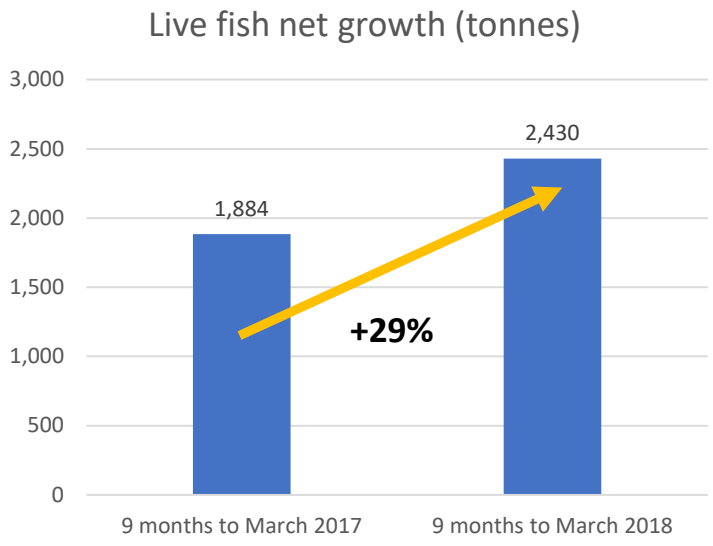

Investment highlights

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- Yellowtail Kingfish is an outstanding species but is still relatively unknown outside Japan. Clean Seas Seafood is taking the Spencer Gulf's untold and unique provenance story to the world
- Significant scope to increase per capita sales across major Australian cities and expand into relatively underdeveloped markets for Kingfish across major cities in Europe, USA and Asia
- Global sales expansion is underway via new marketing campaign and targeted customer activation program
- Leveraging Clean Seas' improving brand positioning empowers the company to maintain premium pricing
- Introduction of new rapid freezing technology brings value-added product capabilities and significantly cuts transport costs to markets in Europe, Americas and Asia
- We will continue to widen Clean Seas’ advantage in quality and cost of production through our ongoing investment in genetic research

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CONTACT:
David Head | Managing Director and CEO
david.head@cleanseas.com.au
+61 (0) 419 221 196

Tim Dohrmann | Investor Relations
tim@nwrcommunications.com.au
+61 (0) 468 420 846

CLEANSEAS Sustainable Seafood