



Our Ref: CO2 ASX Announce Seafarm (396)

20 December 2013

ANNOUNCEMENT 396

Market Announcements Office
Australian Securities Exchange
Level 6
20 Bridge Street
SYDNEY NSW 2000

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Dear Sir,

CO2 Group Acquires Seafarm Business

CO2 Group Limited (CO2) today announces its wholly owned subsidiary Western Australian Resources Limited (WARL) has executed agreements to acquire the business and business assets of iconic Queensland prawn aquaculture company Seafarm Pty Ltd (Seafarm).

Established in 1984, Seafarm is the oldest and largest fully integrated prawn aquaculture business in Australia, producing prawns under the Crystal Bay® brand which are sold widely throughout Australia in supermarkets and seafood outlets.

The acquisition of Seafarm establishes WARL in the marine protein production industry and the completion of the agreement facilitates WARL immediately becoming one of the largest aquacultured prawn producers in Australia. The acquisition is expected to be earnings positive this financial year and will grow in coming years as WARL introduces advanced production procedures and converts the operations to also produce Black Tiger prawns.

The Seafarm business platform provides the opportunity for expansion of production and a pathway via increased tonnage to export markets.

The acquisition is conditional on satisfaction of relevant regulatory consents and approvals. The consideration comprises \$7 million payable on Completion and 2 further payments of approximately \$2.1 million each in 2015 and 2016.

The acquisition of Seafarm is another important milestone in WARL's business plans to develop major aquaculture business platforms in Australia. WARL's recent purchase of Marine Farms in Exmouth formed part of this overall plan and will now complement the Seafarm business through providing an early start on the Black Tiger prawn breeding program.

This acquisition of Seafarm facilitates WARL's plans to develop its Project Sea Dragon (PSD) business. More information will be provided on the Seafarm business plans and PSD in coming months.

For further information on the contract, please call Rob Bell on (08) 9321 4111.

Yours faithfully,
CO2 Group Limited

Harley Whitcombe
Company Secretary

CO2 Group Limited

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CO2 Group Limited is a corporate authorised representative ("CAR") (Number 420079) of CO2 Group Financial Services Pty Ltd (ABN 92 142 542 774 AFSL 388086). The Group's Authorised Representative numbers are: CO2 Group Limited (CAR # 420079); Carbon Banc Limited (CAR # 420080); CO2 Australia Limited (CAR # 420081).



About WARL

Western Australian Resources Limited is a wholly-owned subsidiary of the CO2 Group Limited (ASX: COZ). WARL's vision is to develop a new, transformational agri/food enterprise in Australia through sustainable development of large-scale aquatic protein production systems. Leveraging off CO2 Group's expertise in sustainability project delivery track-record, WARL is currently undertaking feasibility studies to site, design and develop the first development of its vision – Project Sea Dragon – a world class, land-based prawn farming enterprise in northern Australia, to deliver reliable long-term supplies of sustainable, high quality volumes – of the world's most highly traded seafood commodity – to international markets, primarily in Asia.

About CO2 Group

CO2 Group is a broad based environmental services company with operations in Australia, New Zealand and South East Asia. The Company is Australia's largest carbon offset project developer and manages of diverse trading portfolio across environmental and energy markets. The advisory arm provides services for ecosystem offsets and carbon project development. The company currently manages landmark commercial contracts for Qantas Airways, Greenstate Power, Macquarie Bank, Woodside Energy, INPEX Browse, ACTEW AGL, Newmont Mining and Wannon Water. Our voluntary client list represents a broad cross section of Australian businesses and organisations.