

# ethicalinvestor

Corporate sustainability news and views

## Recreational Fishing Friend or foe?

Aquaculture's bright future in murky waters  
WWF calls time! on fish stocks run down  
Fish have feelings too  
Listed and VC fishing company profiles

Tassal does use introduced species of salmon and, while 16 years ago there were a lot of escapee-fish, 'these days we are only likely to lose 1-2%' of stock, he says. The fish are definitely worth holding onto and the company regularly maintains its nets through defouling and strength test and sets a replacement life at 5 years. Nor does Tassal see 'salmon turning into predators,' he says.

Tassal (ASX:TGR) was trading in late January at \$1.23 in a 52-week range of \$0.80-1.31.

### A fish tank you can eat from

Cell Aquaculture is the brainchild of its Managing Director, Perry Leach, who listed the company in July last year to raise funds to help commercialise a production technique that grows fish in pristine conditions through a land-based system.

'Our system is designed to deliver low-risk production of top quality fish comparable to or better than those

'Japanese buyers visit the pen-farms and "eat the feed and swim with the fish".'

taken from the open seas,' he says.

Developed over 7 years, the core unit of Cell Aquaculture's technology is a tank-like production unit that is small and modular in design, which enables efficient containerised transport, relocation and scalability to meet market demand. The system can be set up and operated virtually anywhere in the world where a demand for fresh premium seafood exists, he says.

Cell Aquaculture's cell system differentiates itself in at least 2 ways. Firstly, the bio-filtration, oxygenation and ozone process keeps the water to the highest quality, which then ensures the healthiest and best growth environments for the fish. Like humans, fish can carry latent diseases that only materialise when the organism is under pressure. By keeping the fish in healthy environments disease is mitigated and revenue maximised, he says.

A typical production cycle using the system produces barramundi in 5 months for plate-size fish and 9 months for filleting size.

Disease prevention is also afforded by the other advantage of the system. Namely, that each cell unit is distinct and separate from the others that together make up the whole production system. In this way any problem within a given cell can be quarantined to that specific unit and kept separate from the remainder of the production stock.

The process uses no chemicals (other than added salts), antibiotics, antimicrobials, or growth promotants, in its fish feeds or production process. The system maximises water re-use through recycling and there are no unpleasant odours. Fish waste

is continually removed from the system and disposed of as liquid or solid fertiliser, according to the company.

The type of feed used is also crucial to the tasting qualities of the fish; and in this area, as with others, Leach is not planning to compromise on quality. 'We are not feeding the world and don't claim to be. We are feeding the rich,' he says. In this vein he compares his system to organic agriculture. 'Our target is to be known as a producer of organic fish,' he says; and to further this end Cell Aquaculture has plans to develop its own organic fish feed within 3-5 years.

The company's 2 main areas of operations are research and development, in conjunction with James Cook University, and cell fabrication at its Western Australian headquarters. This building also houses a viable demonstration unit as well as planning and administration for worldwide deployment.

According to Leach, the company has bought a hatchery in the United States and is in the planning phases of getting its first farm into its production phase. In Holland the process is well advanced with 80% of a demonstration plant installed and on track to deliver output in 6-10 months. 'We also have very strong interest in Spain and France with documents ready to sign,' he says. Licensing procedures with the European Union are also well under way, he says.

Since listing, Cell Aquaculture has traded in the range of \$0.16-0.37 and was last at \$0.27.

### Investing in the deep blue sea

Deep Sea Fisheries is Australia's only listed company directly involved with wild sea fishing, according to Michael Grant, Managing Director. The company owns and operates fishing vessels and markets the ocean produce world-wide through a wholly owned subsidiary, Tiger Fisheries Pty Ltd.

Tiger Fisheries holds the fishing rights that enable the company to operate its fleet of 6 vessels in the Northern Prawn Fishery (NPF), the most valuable Commonwealth-managed fishery in Australia, and the North-West Slope Trawl Fishery (NWSTF). The company owns 7-8% of the licence in the NPF and is the largest stakeholder in the



Cell Aquaculture tanks