



Tassal Operations Pty Ltd
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Tassal Group Limited in discussions with Webster Limited

Tassal Group Limited (“Tassal”) announced today that it is having discussions with Webster Limited (“Webster”) regarding a possible merger of Tassal with Webster’s Aquatas division (Aquatas).

The Companies are discussing a transaction where

1. The Directors of each Company have agreed in principle a ratio of relative value of Tassal and Aquatas;
2. Mutual due diligence occurs;
3. It is intended
 - a. Webster will receive shares in Tassal according to the agreed ratio; and
 - b. Tassal will assume a debt level in Aquatas according to the level of debt presently held in Tassal divided by the above ratio, and adjusted for working capital differences and post 30 June Balance Sheet movements;
4. Tassal will require shareholder approval to issue shares in excess of 20% to Webster.
5. In the event the merger occurs, Webster will be invited to nominate two of six Directors to the Tassal Board.

For further information contact:

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Overview of Tassal

- Tassal is a publicly listed Australian company based in Hobart. Its current market capitalisation is circa \$80m. The company was listed on the ASX in November 2003.
- Sales in the current financial year are expected to be circa \$100m.
- Tassal operates from 18 marine sites on the west, east and north coasts of Tasmania. It also operates a modern hatchery at Russell Falls and a state of the art value added facility in Huonville.

Overview of Aquatas

- Aquatas operates a vertically integrated salmon business in Australia; owned by ASX listed Webster.
- Fish farming is located at Southern Tasmania's North West Bay region and on the Tasmania's west coast at Macquarie Harbour. Value-add processing is at the company's Margate facilities.
- Sales in the current financial year are expected to exceed \$30m.