CLEANSEAS
SUSTAINABLE SEAFOOD

# SPENCER GULF KINGFISH & SOUTH AUSTRALIAN YELLOWTAIL

JULY 2022

SOUTH AUSTRALIAN YELLOWTAIL

CLEANSEAS
SUSTAINABLE SEAFOOD

# SPENCER GULF KINGFISH
FROM SOUTH AUSTRALIA

## THE GLOBAL LEADER

### OUR KINGFISH FROM SOUTH AUSTRALIA

Clean Seas is the global leader in the full cycle breeding, production and sale of Yellowtail Kingfish and is renowned world-wide for its exceptionally high-quality fish. Our company is recognised for innovation in Yellowtail Kingfish farming and has become the largest producer of aquaculture Yellowtail Kingfish outside Japan.

Our customers appreciate the consistently high quality of our fish and our reliability in supplying fresh fish to markets all over the world 52 weeks of the year.

# CLEAN SEAS PRACTICES

### LONGSTANDING FARMING EXPERIENCE

20 years of experience and Industry leading 13th generation of brood stock, optimizing biology over time.

### SUSTAINABILITY

Sustainable and environmentally friendly farming practices, focusing on animal welfare.
ASC & Friend of the Sea certified.

### NATURAL PROVENANCE

Our Kingfish is farmed in the pristine waters of South Australia's Spencer Gulf - one the most arid locations in the world with limited agricultural run-off keeping the water clean and pure.

### LEADER IN FULL-CYCLE BREEDING & FARMING

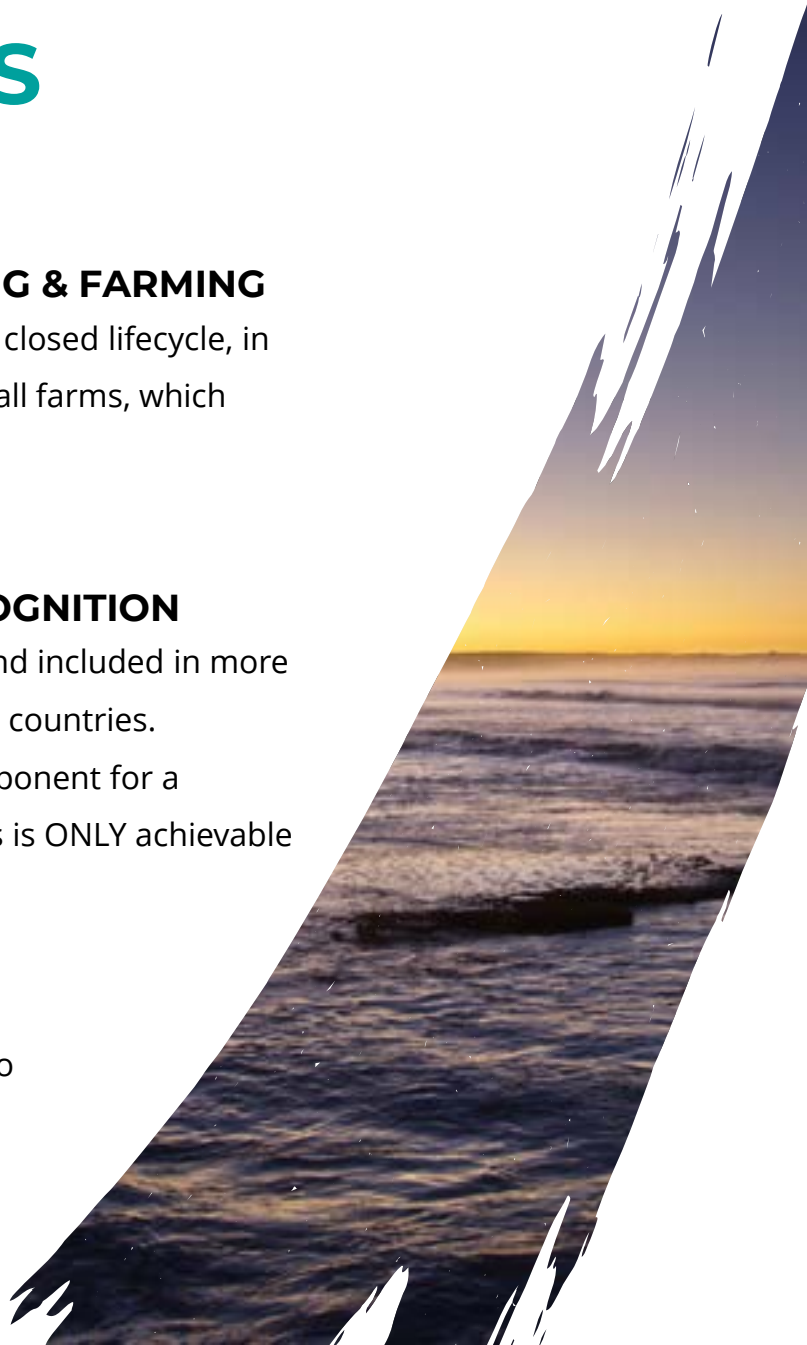
Clean Seas practices a sustainable model of closed lifecycle, in contrast to the Japanese industry (many small farms, which catch wild fingerlings and fatten them up).

### UNIQUE PRODUCT, GLOBAL RECOGNITION

Multiple global awards for product quality and included in more than 200 Michelin star restaurants across 17 countries.
Firmness of flesh is an essential quality component for a successful retail product, and we believe this is ONLY achievable through a natural grow out in colder waters.

### GLOBAL PARTNERSHIPS

Unique global distribution arrangements into retail markets and meal kit companies.



# CLEAN, PURE OCEAN FLAVOUR

**WITH RICH FATTINESS AND DELICATE MOUTHFEEL**

# AUSTRALIAN KINGFISH: THE BEST WHITE FISH

## UNSURPASSED RAW

- Japanese Sushi Masters consider the Seriola Lalandi the best fish in the world for sashimi. Also known as “Hiramasa” in Japan, it is in fact **higher regarded by chefs** and in value than Hamachi.
- Firm white to pink flesh with a sweet, rich, clean flavour.
- Yellowtail Kingfish from Australia has long been known across Europe as **the best white fish for sushi** of course, but also for carpaccio/ tartare/ ceviche/ poke dishes.
- Clean Seas Ocean Raised Kingfish is the best white fish in both **culinary and in sustainability credentials**

# BEST IN CLASS

## OUR KINGFISH CONTINUOUSLY CHOSEN AROUND THE WORLD

- Sensory Research has shown Spencer Gulf Kingfish as the very Best in Class. Blind taste tests by leading chefs, food and wine writers and industry experts **chose Spencer Gulf Kingfish from Australia over other products including:**
  - → Japanese Hamachi
  - → Wild Caught Yellowtail
  - → Yellowtail farmed in tanks
  - → Farmed Cobia

- Our product is featured on menus of **the best restaurants around the world**, including Nobu, Roka, Cipriani, Zuma, Gordon Ramsay etc.

# A NATIVE SPECIES TO THE SPENCER GULF

## NATURAL ENVIRONMENT

We farm in the waters of Spencer Gulf, where our Yellowtail Kingfish naturally breed and grow, ensuring sustainable and environmentally friendly practices and the highest product quality.

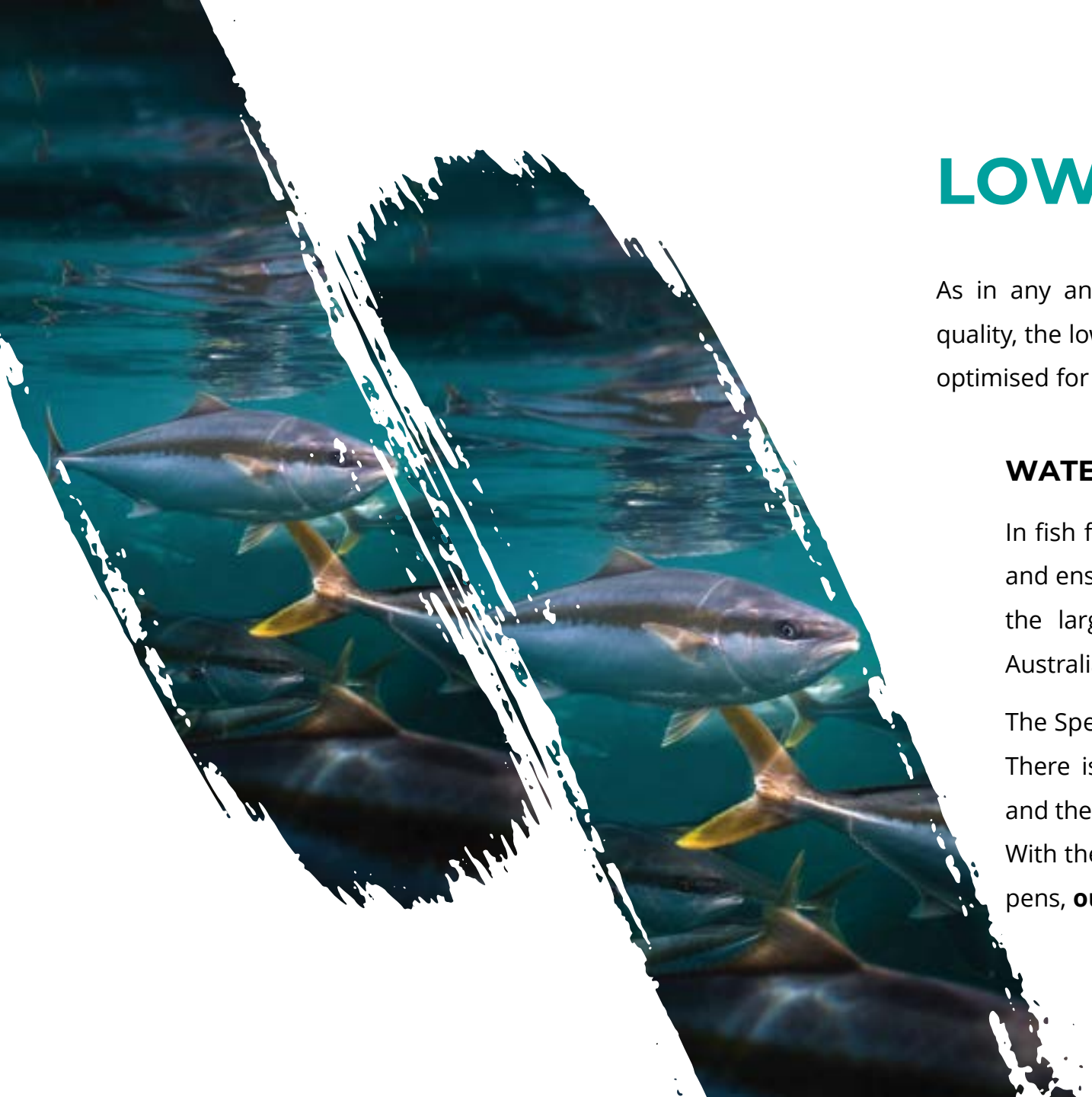
### OUR BREEDING PROGRAM

All our brood stock have originally come from the Spencer Gulf where we farm our fish.
Our 20 years world class breeding program ensures our fish stay genetically identical to the wild Yellowtail Kingfish that move through the Spencer Gulf, but have been bred for quality, health and growth under our farming conditions.

# A NATIVE SPECIES TO THE SPENCER GULF

## THE IMPORTANCE

- There is no impact on the local population of Kingfish living in the Spencer Gulf.
- Results in the best quality. Attempts have been made to farm Seriola Lalandi in many sites around the world - including New Zealand, South Africa, Mexico (and of course the tank farmers in Holland and Denmark) - and fortunately for us, our Spencer Gulf seems to have proven itself as the absolute best site in the world to grow Kingfish.
- The water temperatures match the physiology of the kingfish, for optimum growth in summer and cold fat conditioning winters.
- There is no need for power/electricity thanks to the natural flow of Antarctican courants, bringing clean oxygenated water to the Spencer Gulf.



# LOW FARMING DENSITY

As in any animal farming, density is the key element that drives quality, the lower the density the better the quality. Our densities are optimised for the wellbeing and quality of our fish.

## WATER IS EVERYTHING

In fish farming, water is the main factor to fish health and wellbeing and ensures the fresh ocean taste on the plate. Our fish are grown in the large protected stretch of water on the Southern Coast of Australia called **“The Spencer Gulf”.**

The Spencer Gulf in one of the cleanest bodies of water in the world. There is nothing between the water where the kingfish are raised and the Antarctic but the icy, vast expanse of the Southern Ocean. With the clean waters of the Spencer Gulf flowing through our ocean pens, **our kingfish are produced to the highest quality**.

# SUSTAINABILITY

**FROM THE PRISTINE WATERS OF THE SPENCER GULF IN SOUTH AUSTRALIA**
**HOME TO THE BEST YELLOWTAIL IN THE WORLD**

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# CERTIFICATIONS

Clean Seas production is the only Ocean Raised Seriola certified by the **Aquaculture Stewardship Council (ASC)**, which is the world leading sustainability credential.

**Friend of the Sea** was given since the beginning, which validates:
No impact on critical habitat, compliance with wastewater parameters, no use of harmful antifoulants or growth hormones, and compliance with Social Accountability.

For many years, we have had **HACCP**. We are very focused on safe work practices.

FOOD SAFETY SYSTEMS
HACCP
Certified

FRIEND OF THE SEA ®

FARMED RESPONSIBLY
asc
CERTIFIED
ASC-AQUA.ORG
TM

# FISH HEALTH & WELFARE

## STOCKING DENSITY

→ Average stocking density of around 7-10kg/m3, which is **7 times lower than tank farmed yellowtail**, our kingfish grow in 44m wide cages, with plenty of space to swim and develop.

→ The Spencer Gulf provides a good constant water flow, as well as the correct temperature range for wellbeing, growth and **premium quality**.

→ Our nets are continuously cleaned in situ enabling the maximum amount of water to flow naturally through our sea pens at all times.

## PREDATOR & PARASITE CONTROL

→ For the removal of external parasites, we very occasionally use oxidisers that do not hurt our fish and have close to zero impact on the environment.

→ Great white sharks are common occurrence in the South Australian waters, however luckily for us they rarely make it inside the gulf as their main food sources are in the Southern Ocean.

# IMPACT ON LOCAL ENVIRONMENT

## FEED MONITORING

Thanks to constant monitoring and automated feeding processes, we can ensure that **less than 0.3% of feed** is not consumed by the kingfish in the pens, so no food is wasted and goes down to the seabed.

## FISH WASTE

→ Nitrogen is the main waste output from aquaculture and the vast majority of nitrogen produced from Kingfish is dissolved. The nitrogen naturally disperses within the ocean currents while **only 3% ends up** as a solid. In contrast to salmon where 60-70% of its nitrogen waste is produced as a solid and therefore ends up under its sea pens.

→ We also invest heavily in broad scale monitoring of sea grass populations as part of our **Environmental Monitoring Program (EMP**). We know a healthy environment leads to healthy fish.

## CARBON FOOTPRINT

Farmed kingfish convert feed into body mass 7x more efficiently than cattle and sheep, while producing less than **1/10 the Co2 per kg** of cattle and sheep.

# FEED PHILOSOPHY

## THE HIGHEST QUALITY INGREDIENTS

We use the highest quality feed ingredients that **maximise both the health and wellbeing of our fish, as well as the culinary experience** of the people who enjoy our products. We do this in a way that minimises our use of non-renewable raw materials and all feeds are quality controlled and regularly tested under strict guidelines.

Our research on feed has allowed us to reduce the dependence on fish meal and fish oil in feeds, significantly lowering the Feed Conversion Ratio.
In the Spencer Gulf our feed input to grow 1kg of Yellowtail Kingfish is down to almost 2kg and **will continue to lower** as we learn more about the species (the Norwegian Salmon is of course lower, but a much more mature aquaculture species).

It is unlikely Kingfish will ever have the Feed Conversion Ratio of mass farmed Atlantic Salmon - firstly the industry is a few decades behind but more importantly Kingfish are a faster swimming and dynamic fish than salmon and as such also in the wild just eat a lot more. This is normal for them. If we want lowest Fish In Ratio, then we could all eat 100% exclusively salmon. Alternatively, then for a white fish with conditioning like our Kingfish has **the best conversion ratio.**

Spencer Gulf Kingfish is a natural, good source of essential nutrients including Protein (21.2 g/100g) and Omega 3 Fatty Acids (3340 mg/100g).

# FEED PHILOSOPHY

## OUR FEED CONTAINS

→ No hormones, no pesticides, no antibiotics, no heavy metals, no melamine, no dioxins or PCB's, no artificial colours, no untested or unproven ingredients, no unsustainable, unsafe or uncertified sources.

→ Fish meal and oil from seafood processing trimmings and well managed accredited wild caught fisheries.

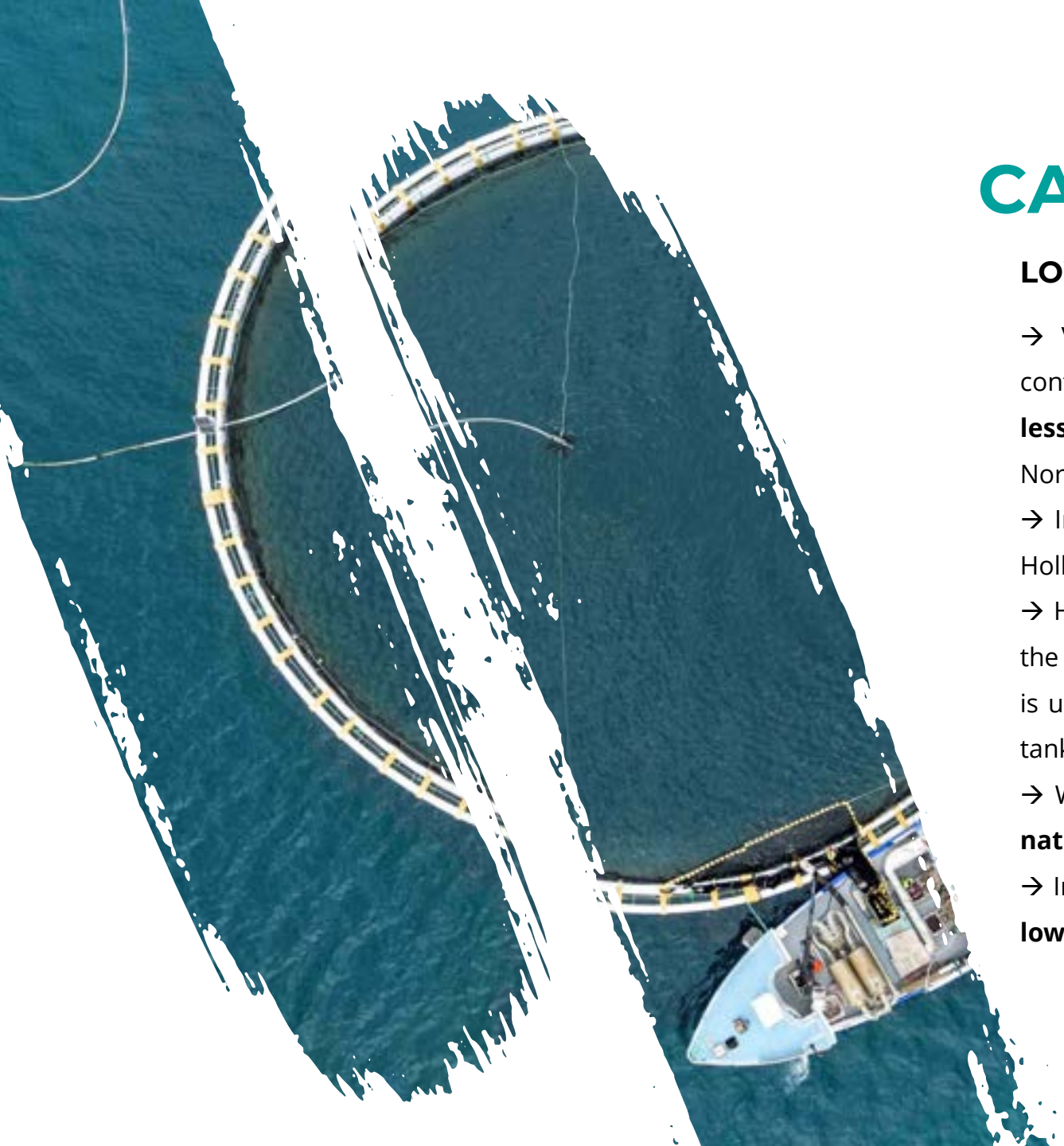
→ Vegetable proteins e.g., lupin kernel meal, soya meal, soya protein concentrate and a small amount of cereal grains to help form the pellet (e.g., wheat, beans, starch)

→ A small amount of meat and poultry proteins from by-products of human food production has been used to date but together with a local feed producer in Australia we have been moving our fish to a diet of no terrestrial animal input which is a first for the Southern Hemisphere.

→ Vitamins, minerals & supplements e.g., phosphorus & calcium for strong bones; vitamins c, e, zinc & folic acid to maintain health & well-being as well as prebiotics to help maintain good bacteria & excellent gut health.

→ Krill meal provides essential phospholipids, natural pigment, omega 3 & antioxidants for health & wellbeing. This ingredient is WWF & MSC certified.

*All high-quality ingredients are sourced within the requirements of our ASC certification.*



# CARBON FOOTPRINT

## LOWER THAN TANK FARMED KINGFISH

→ Various carbon freight calculators have shown that bringing full sea containers of seafood from origins such as Australia and New Zealand has **less carbon footprint** than bringing full trucks of seafood from origins like Norway.

→ In the case of comparing by sea from Australia to by truck from farms in Holland, the sea freight is slightly higher carbon usage but not by much.

→ However, the compelling component in the carbon footprint calculation is the **energy / carbon usage of running Land/Tank farms** - some solar power is used, but still huge amounts of traditional electricity are used to keep the tanks running and adjust the water temperature.

→ Whereas the ocean growing of fish in Australia is **100% powered by the natural energy of the Ocean.**

→ In the end, the carbon footprint of ocean raised Kingfish in Australia is **far lower than any tank farmed kingfish.**

# HARVEST & PROCESSING

## A STRESS-FREE HARVEST. SAME DAY PROCESSING.

Our whole fish harvest process has been developed to give a matching-quality final product as the **finest IkeJime** processing techniques in Japan. Whilst we don't use a long spike like the traditional Japanese method, we apply a pneumatic stunning and spiking technology which renders the fish brain dead instantaneously, so there is not pain felt by the fish, and nor is there any stress/lactic acid accumulated. Hence, we obtain **the optimum quality and flavour** which our fish is famous for.

Our State of the art in house processing facility provides end to end quality control across the supply chain from hatchery to customer.
Within hours of harvest, our fish can either stay at < 4 °C until they are delivered to our customers as a **fresh product,** or they are rapidly nitrogen frozen to -60 °C for our **Sensory Fresh product.**

SENSORYFRESH

# LATEST FREEZING CAPABILITY

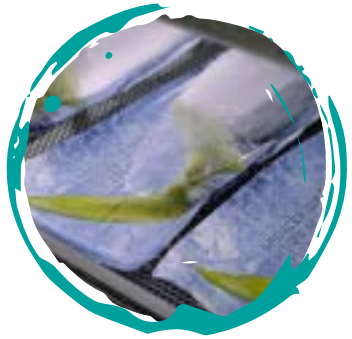
## SENSORYFRESH TECHNOLOGY

- Our world class processing facility uses the latest rapid freezing technology (liquid nitrogen) which freezes Kingfish to -10 degrees in 22 minutes, past the critical point for Seriola of -35c in 40 minutes (10x faster than conventional freezing) **terminating at -95C.** The end product can then be stored at conventional freezers by regional distributors around the world and still retain perfect quality for chefs.

- This SensoryFresh Liquid Nitrogen Rapid Freezing delivers far superior colour, texture and taste, and **matching quality to fresh Yellowtail** for chefs and restaurant groups who prefer the lower cost of a frozen supply chain.

FROZEN 95° SENSORY fresh FRESH

# BENEFITS OF SENSORYFRESH



Freezing high value, premium quality seafood requires **SPEED.** The ice formation stage must be fast for optimum texture.

This technology increases frozen sales to restaurants and has significant benefits in terms of **CARBON FOOTPRINT**.

Clean Seas rapid freezing **SENSORYFRESH** is 10 times faster than conventional freezing.

Taste tests prove **UNMATCHED** quality for frozen products.

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# THE WHITE FISH OF CHOICE BY SUSHI CHAINS AROUND THE WORLD

## THE ULTIMATE WHITE FISH FOR SUSHI

- → Strong Japanese Heritage
- → The best quality in white fish
- → Consistent supply
- → We offer the perfect format: Sushi Loins (300g)
- → SensoryFresh freezing technology to capture the unique texture, colour and smell
- → ASC Certified
- → Full marketing support to realise a successful launch

# PRODUCT ACCEPTANCE AND DEMAND FROM WORLD-CLASS RESTAURANTS

## PROVEN UNPARALLELED PRODUCT QUALITY.

The unparalleled product quality has been **proven and documented** – both through Clean Seas' "Chef's stories", where world-class chefs speak positively about the product; and from the extensive client list of Michelin restaurants.

Clean Seas Kingfish is on the menus of more than 200 Michelin restaurants **across 17 countries.**

# AWARDS

## AUSTRALIAN FOOD AWARDS

Best Fish" & "Gold Medal"

2016, 2017 & 2018

## SYDNEY ROYAL FINE FOOD SHOW

Fresh Fish Champion of the Year – 2021

## BUSINESS SA EXPORT AWARDS

Overall Exporter of the Year 2019

Agribusiness Exporter of the Year 2019

## FOOD SA INDUSTRY AWARDS

Primary Producer of the Year – 2018

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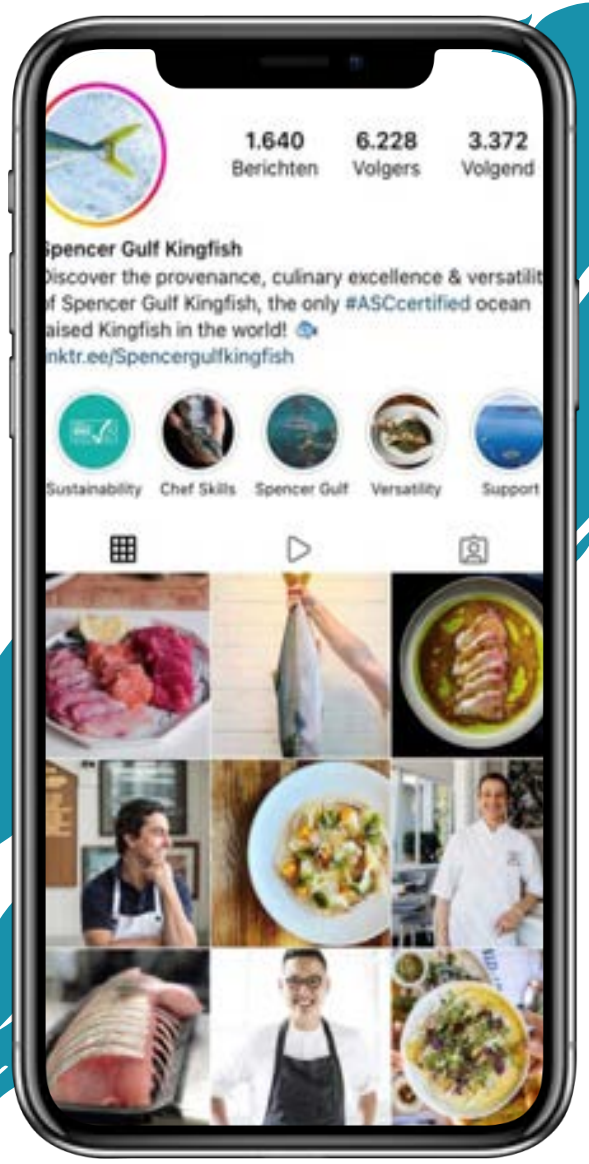
# STRONG SOCIAL MEDIA PRESENCE

**WE'RE ACTIVE ON SOCIAL MEDIA AND FOR COLLABORATION ON THE FOLLOWING CHANNELS:**

- @SPENCERGULFKINGFISH
- @SPENCERGULFKING
- @SPENCERGULFKINGFISH
- SPENCER GULF KINGFISH
- CLEAN SEAS SUSTAINABLE SEAFOOD



# WHY OUR AUSTRALIAN KINGFISH?

## THE BEST IN CLASS

→ It is the Ultimate White Fish for Sushi and Sashimi

→ Very versatile and great for many cooking applications too

→ Consistent all-year-round supply

→ A sustainable choice – ASC & Friend of the Sea Certified

→ Full in-market support

→ Strong End Customer Profits (next slide)

# THANK YOU

**INSTAGRAM**
@Spencergulfkingfish

**WEBSITE**
www.cleanseas.com.au

# APPENDIXES

# FULL LIFECYCLE BREEDING & FARMING

*Full growth cycle control provides output flexibility*

## 48h

### EGG

→ Proprietary brood stock in own facility in Arno Bay

→ Spawning takes place annually in multiple runs

## >20d

### HATCHLING

→ Hatching takes place 48 hours after spawning

→ After hatching, the larvae are gently counted before residing in a custom-designed larval rearing tank

## >53d

### FINGERLING

→ Once 22 days old, the hatchlings are transferred to a nursery for weaning

→ Fed specially formulated feed that replicates an ideal natural diet

→ Moved to sea farm at 75 days old

## 13-15m

### RETAIL (3-3.5 KG)

→ Sea farms located in the crystal-clear waters of Spencer Gulf

→ Retail sized fish achieved in 13-15 months while maintaining product quality

## 18-24m

### FOOD SERVICE (4-4.5 KG)

→ Restaurant-sized fish achieved in 24 months to the high-yield specification required for premium restaurants

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# MARKETING OF KINGFISH INTO RETAIL SEGMENTS

## AUSTRALIAN YELLOWTAIL

Producer
**CLEANSEAS**

- Global leader in full cycle breeding, production and sale of Yellowtail Kingfish outside of Japan
- Collaborates with the government, industry and universities to develop best practice regimes in fish health and welfare

RAISED WITHOUT ANTIBIOTICS

100% TRACEABILITY FROM EGG TO TABLE

PROCESSING SCALABILITY

### FREEZING TECHNOLOGY

Use of innovative SensoryFresh liquid nitrogen freezing technology provides a significant competitive advantage against the traditional Japanese (-18°C) frozen offering.

### DIET AND NUTRITION

All feed is made from sustainably sourced high grade fish meal, fish oil products, and from sustainable land based GMO free ingredients (proprietary blend).

### PEN DENSITIES

Farm raised in large, deep floating pens with a low pen density of 1.5% fish and 98.5% water gives maximum comfort and a healthy growth cycle.

### PRIME LOCATION

Raised in its native habitat, the Spencer Gulf is one of the cleanest bodies of water in Australia. The high tidal movement, consistent flow, and cold waters strengthen the yellowtail.

### PACKING OPTIONS

Skinpack, Retail Bags, 10K OTR Film

### PRODUCT FORMS

Loins, Portions, J-Cut Fillets, V-Cut Fillets

# GLOBAL MARKET POTENTIAL

## THE TIME IS NOW

- The market for Yellowtail **Kingfish has expanded significantly** over the last 10 years as awareness of the species has grown due to its increased availability in Asian restaurants and premium food service channels
- Clean Seas has built a substantial per capita consumption in Australia in **premium restaurants**
- Continued increases in per capita will see **total global consumption grow strongly** in future years
- Clean Seas has established distribution in **Australia and Europe**, and significant partnerships to expand into **North America and Asia**

# CLEAR PATHWAY TO INCREASE PRODUCTION

## 10,000 TONNES

→ Existing inshore licenses are held and can be farmed with existing technology, providing a clear pathway to increase production 3-fold

→ This growth can be achieved with current operational setup and funding of working capital in this financing round

## 30,000 TONNES

→ Additional capacity to come from farming using larger scale equipment, increased automation and an accelerated and increased onshore production

→ Government and regulatory support for this strategy

→ New farms will be located further from the shore than existing capacity, but still protected within the Spencer Gulf area

# FUTURE DEVELOPMENTS

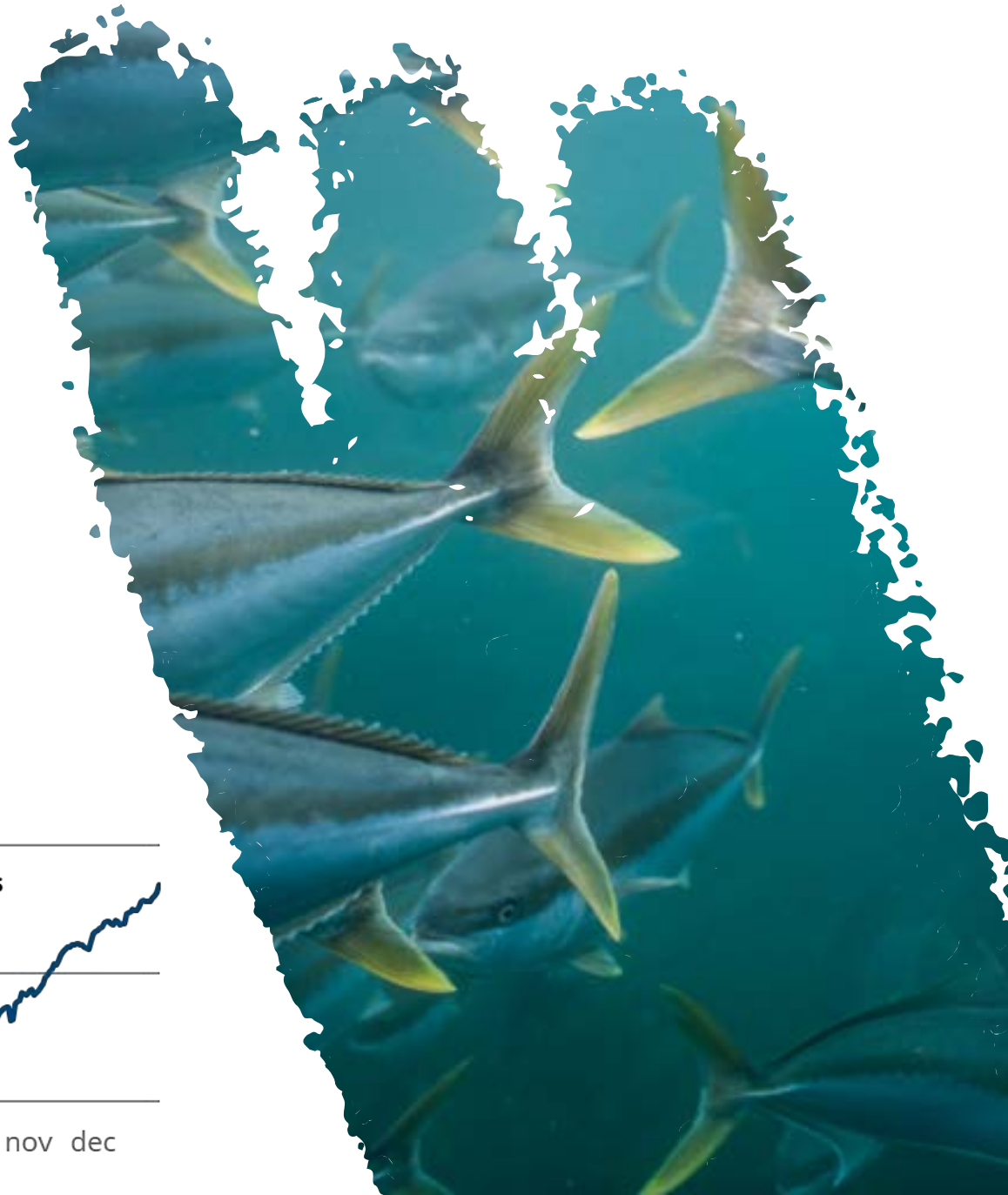
## NITROGEN AND CARBON SINKS

The waters of the Spencer Gulf contain native species of seaweed and algae that can be grown alongside Kingfish to capture the nitrogen and carbon footprint of farming. Harvested seaweed and algae can be used for food, as organic fertiliser, or as a feed supplement to reduce the methane emissions of cattle.

## ALTERNATIVE FEED COMPOSITIONS

Clean Seas feed is 100% processed pellets, using approximately 40% fish meal and oil (sourced from by-product). Trials are underway to substitute a proportion of the fish meal with insect meal, derived from food waste that has been diverted from landfill.

# COLD WATER PRODUCTION

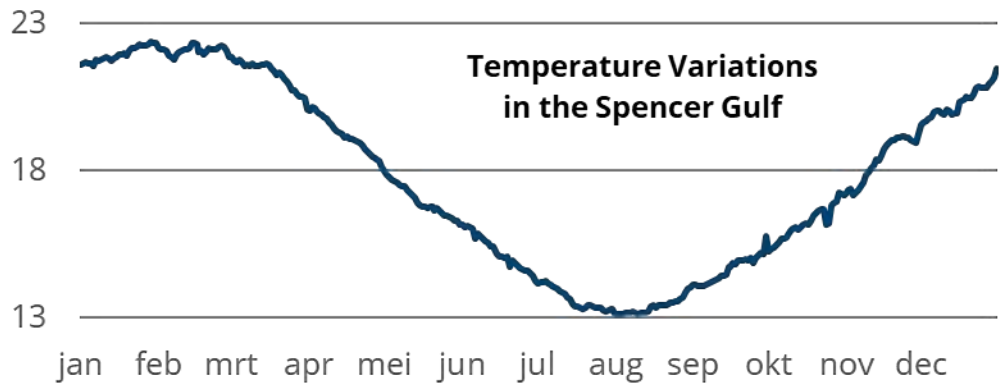


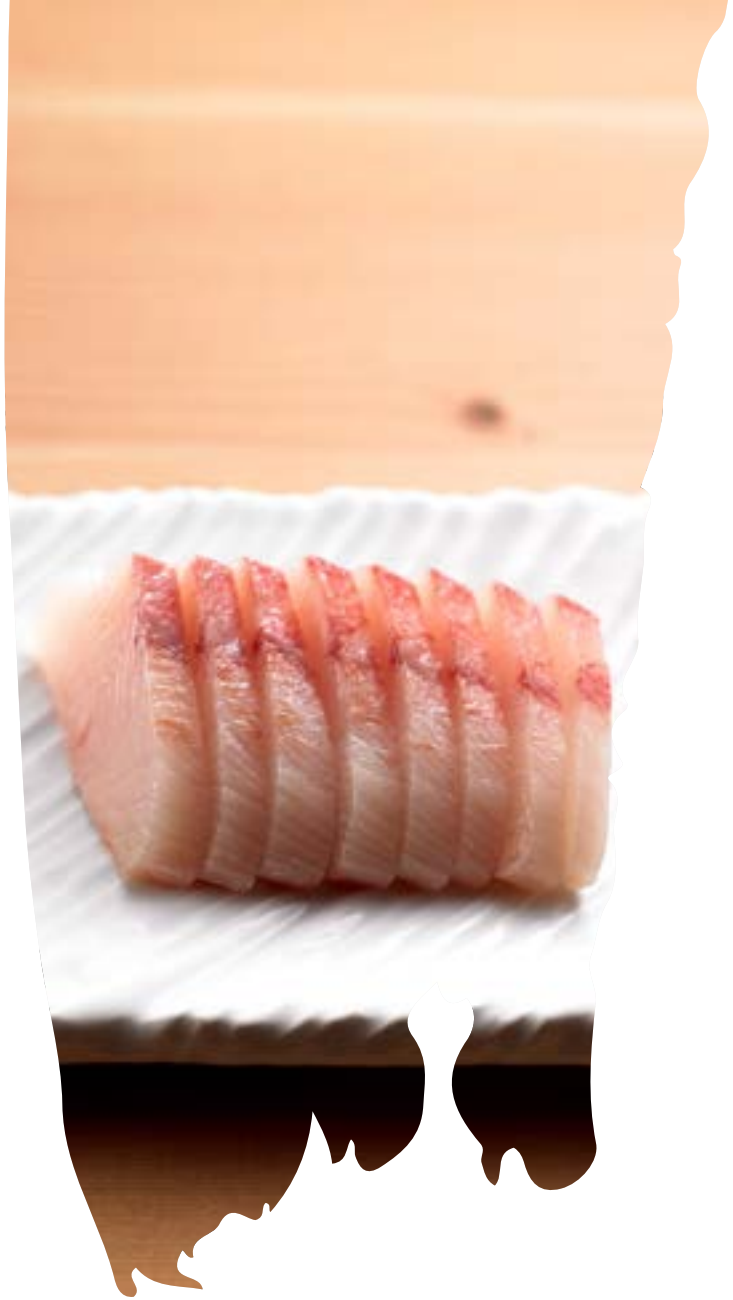
## A NECESSITY TO THE HIGHEST QUALITY.

Seasonal warm and cold water grow out cycle provides product quality versus warm water and tank farmed production.

Clean Seas Seafood produces its Kingfish in the perfect environment with temperatures in the range of 13 to 22 degrees Celsius, ensuring the best possible product quality.

This is why we farm in the Kingfish's natural environment.





# THE NEW WHITE FISH FOR RETAIL

- EXCELLENT FLAVOUR AND PRODUCT CONSISTENCY
- TRUE HEALTH CREDENTIALS
- AUTHENTICALLY ETHICAL AND SUSTAINABLE
- GENUINE PROVENANCE

# RETAIL PRODUCT OFFERINGS

**Impactful new packaging has been developed to support launch of our South Australian Yellowtail frozen range into mainstream retail.**

→ Prominent SAYT logo at top of pack to build brand awareness/recognition

→ Fresh white-led pack to support product proposition

→ Yellow used as our KEY brand colour and link to “Yellowtail”

→ Pristine blue ocean cues

→ Easy to read product info/benefits to drive purchase conversion

→ Convenient/quick/easy to prepare, health benefits

→ Visually appealing design with strong stand out amongst competitive set

→ Appetising serving suggestion appropriate for home cooks (example only)

→ ASC logo featured to reinforce sustainability credentials

→ Design to be consistent across pack formats to ensure Brand cohesion

*Note: Concepts only - packaging design will be finalised pending acceptance in major retail*

# EXAMPLES OF RETAIL PACKS AND FORMATS

## SOUTH AUSTRALIAN YELLOWTAIL RETAIL SLEEVE

CLAMMS SEAFOOD
RETAIL PACKAGING

KAILIS BROTHERS
RETAIL PACKAGING

SUPAFIN SEAFOOD
RETAIL PACKAGING

SOUTH AUSTRALIAN
YELLOWTAIL
150G WRAP

# FRESH & FROZEN RETAIL READY

## RETAIL PACKS

### COLLAR / WINGS

### SASHIMI / SAKU

### WHOLE FISH

### FILLET