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Murray Cod Australia Ltd

ASX:MCA

29/04/2025

March 2025 Quarterly Activities Report, Appendix 4C & Business Update

The Board of Murray Cod Australia Ltd ('**MCA**' or the '**Company**') is pleased to provide its Quarterly Cash Flow Report ('**Appendix 4C**') and Quarterly Activities Report for the quarter ended 31 March 2025 ('**Q3 FY25**').

Highlights for Q3 FY25:

- Continued focus on the long-term biomass growth strategy now means that significant biomass becomes available for sale from May 2025 onwards, ahead of schedule.
    - Biomass increased to 2,100t, up 192% over previous corresponding period ("**pcp**"),
    - Total number of fish over 1.2kg+ has increased by 105% pcp.
- Fresh Fish sales increased by 7.6% pcp, which is pleasing and positions MCA well for further anticipated growth.
- Sales strategy commenced in March 2025 with a considered approach to expanding MCA's sales footprint (both domestically and internationally) while ensuring sustainable long-term supply.
- Japan and Singapore seafood expos completed in March and April 2025 respectively, with positive discussions now underway and aligned with the sales strategy.
- Barcelona seafood expo slot secured for 6-8 May 2025.
- Halal and BAP (Best Aquaculture Practices) sustainability certification process underway with Halal expected in Q4 FY25.
- China registration process to include 'Aquna Cod' to the approved processed product list for export into China continues and anticipated in Q4 FY25.
- Construction of Stanbridge is now complete with 51 ponds now stocked and fully utilised.
- Appointment of Steven Chaur as Non-Executive Director, strengthening the board's domestic and international sales experience.

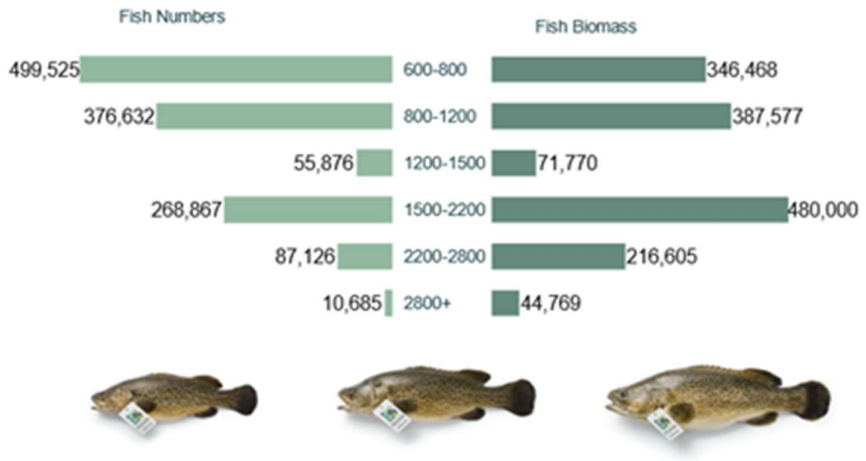
Biomass Growth Strategy

At the end of Q3, MCAs biomass increased to approximately 2,100t, up 192% pcp. This has been supported by improved diet and feeding methods, improved performance of the free-range ponds, and accelerated growth over the summer months, and leaves MCA on-track for a sustainable 4,000t of biomass in circulation by the end of FY27.

The total number of fish over 1.2kg + (the preferred saleable size) has increased to over 500k from approximately 258k at the end of FY24, up 93.8%. We expect to commence selling this inventory from May onwards as part of MCAs expanding sales footprint (both domestically and internationally) and increased supply through existing channels.

Current fish biomass per weight range

(only includes 600g and above)



The end of the FY25 spawning season (January 2025) also saw a pleasing increase in the number of fish in the lower weight categories. These will develop over FY26 and FY27 underpinning our ability to deliver consistent supply. Since May 2024, the fish numbers have grown considerably in all categories with 600-800g up approximately 280% and 800-1,200g up approximately 85%.

Management anticipates, based on the current biomass growth modelling, approximately 1,000t is required to be harvested by the end of FY26 spawning season (January 2026) to accommodate inventories and to continue fully utilising MCAs existing infrastructure in the most efficient manner.

Sales

As anticipated, total receipts for Q3 declined as sales were restricted to improve inventories, particularly during the summer higher-growth season. This now allows MCA to meet minimum quantity thresholds to re-enter larger volume markets and ensures a sustainable supply moving forward. Increased inventories will also allow an increase in domestic sales from Q4 FY25 onwards, where demand in the larger weight categories has exceeded the available supply.

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Receipts for fresh fish sales increased in Q3 up 7.6% over pcp, which is pleasing and positions MCA well for further anticipated growth. Live fish sales declined by 18.6% over pcp. With a larger volume of fish becoming available from May 2025 onwards, management anticipates Q1 FY26 will see an increase in total sales as part of a sustainable growth pattern through to the end of FY27.

Sales to government restocking programs was limited in Q3, down 27.3% pcp. This was expected as Victorian fisheries have gradually increased their larvae numbers from their new capacity at Arcadia Native Fish Hatchery. All Murray cod orders where fulfilled in Q3, with the remaining orders of golden perch and silver perch due for delivery by the end of April 2025. It is expected this revenue source will reduce in coming years as MCA holds more fingerlings for its own use.

The average weight per fish sold for Q3 was approximately 1.6kg, up 17% pcp and in-line with Q2 FY25 (~1.6kg). This will remain the target weight per fish sold in Q4 FY25.

Sales Strategy

With the surety of higher biomass volume in the future. MCA will now seek to increase supply and broaden our distribution to new / existing domestic customers and select international markets. Management is targeting to achieve an appropriate mix of larger inventory offtake arrangements (channel partners), distributors (both domestically and internationally), and corporate partnerships (enhancing brand awareness).

Domestic Sales

As preferred saleable size fish become available over 1H FY26, MCA will begin increasing supply to domestic customers and bolstering MCA's relationship with domestic foodservice distributors and Woolworths. The initial focus will be on domestic sales and allow MCA to reward long-term domestic customers and expand our domestic footprint, ahead of any longer-term strategic arrangements or partnerships into international markets. Furthermore, initial foodservice distributor discussions will assist MCA review processing efficiencies and other product innovation opportunities.

Increased sales through domestic channels will commence from Q1 FY26 and align with sustainability certification (expected in Q4 FY25).

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International Sales

Whilst domestic sales will remain as the clear focus in 1H FY26, management notes that almost 40% of total sales in FY21 were to international markets. This included sales to the United States, Japan, Europe and Southeast Asia. These distribution channels remain open to MCA and can be re-engaged if minimum sales quantities can be sustainably met and align with the long-term sales strategy.

During Q3, MCA attended major food expos in Japan and Singapore. These have been considerably valuable platforms to showcase the various Aquna products and support our sales strategy into international markets. The products have, once again, been well received, with encouraging comments regarding quality of taste, culinary versatility (including sashimi grade) and the visual flesh profile of our Aquna Cod. MCA's slot is also secured for the upcoming Barcelona Seafood Expo on 6-8 May 2025.

MCA Instagram: @aqunasustainablemurraycod - Singapore & Japan Seafood Expos

Several discussions are now underway with potential channel partners, larger regional distributors and corporates in Southeast Asia.

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European distributors and further corporate partnership meetings will take place at the Barcelona Seafood Expo in May 2025, and we look forward to updating the market further on MCA's sales strategy and partnership discussions in Q4 FY25.

Certifications & Registrations

MCA is currently in the process of obtaining Best Aquaculture practices ("**BAP**") certification to meet one of the accredited sustainability standards, and Halal certification for sale into the Middle East. The BAP certification allows MCA to expand domestic sales and commence sales into larger retail and Hotel markets throughout Southeast Asia. MCA is anticipating Halal certification in Q4 FY25 and BAP in Q1 FY26.

MCA is currently waiting response on its registration process to include 'Aquna Cod' to the approved processed product list for export into China. Initial discussions commenced in 1H FY25, and MCA's facilities have now been registered to export food into the region. An outcome on this is anticipated in Q4 FY25 although it should be noted that this is dependent upon the Chinese government's timetable.

Stanbridge Site

The development of Stanbridge site is almost complete with final electrical cabling completed in March. This now gives the Company 78 free-range grow out ponds, over 6 cells, and a total holding capacity of more than 3.5 million fish.

Cells 1, 2, 3 and 6 comprising of 51 ponds are now stocked and capacity fully utilised. Cells 4 and 5 comprising of the remaining 27 ponds are planned to be stocked in the Q2 FY26 spring spawning season to capacity, creating a sustainable infrastructure for 4,000t of biomass.

Stanbridge Construction Progress

Cell	Number of Ponds	Earthworks	Plumbing	Electrical Cabling	Stocked with Fish
1	15	Complete	Complete	Complete	Yes
2	13	Complete	Complete	Complete	Yes
3	9	Complete	Complete	Complete	Yes
4	13	Complete	Complete	Complete	Q2 FY26
5	14	Complete	Complete	Complete	Q2 FY26
6	14	Complete	Complete	Complete	Yes

Board Appointment

In Q3, MCA welcomed Steven Chaur to the board as Non-Executive Director. Steven strengthens MCA's sales, marketing and operational experience, with over 30 years' in top branded Australian consumer food products (FMCG), large scale agricultural production, B2C

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grocery and B2B markets, including foodservice, QSR and export markets. Steven has a track record of successfully developing export markets for branded food products into China, Asia, UAE, the US and Europe.

His appointment aligns with MCA's sales strategy and expansion in sales footprint (both domestically and internationally) over the coming years.

Conclusion

The management and board continue to be pleased with the direction of the Company, the progress made developing the biomass to historic levels and the initial feedback from Japanese and Singapore Seafood Expos.

Management and the board will continue to employ prudent capital management measures and remain focused on opening sustainable sales channels, securing channel partners, regional distributors and corporate partnerships – to expand brand awareness through strategic product positioning.

We look forward to providing updates in Q4 FY25 on our continued progress.

Related party payments

During Q3 FY25 the following payments were made to related parties of the entity and their associates as disclosed in Item 6 of the Appendix 4C:

- Payments of $175,715 for Salaries and Wages (inclusive of Superannuation and applicable taxes withheld) of Executive Directors and Non-Executive Directors Fees,
- Payments to Aquacomm, a related entity of Non-Executive Director Roger Commins, as a contract grower on commercial terms for fish which were on-sold by MCA, for $138,253, and
- Payments to Brigalow Enterprises, which is a related entity of Non-Executive Director Roger Commins for $8,250.

This announcement was authorised for release by the Board of Directors.

ENDS

About Murray Cod Australia Ltd (ASX:MCA)

Murray Cod Australia Ltd is a vertically integrated grower of Aquna Sustainable Murray cod, a luxury fish farmed in the Riverina, NSW. Using proprietary technology within the fish's geographical habitat MCA is able to produce an award-winning product with a creamy white flesh that is coveted by chefs around the globe.

For more information contact:
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Attachment: Q3 FY25 Quarterly Cash Flow Report Appendix 4C

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Murray Cod Australia Limited

ABN	**Quarter ended ("current quarter")**
74 143 928 625	31 March 2025

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	3,401	8,207
1.2	Payments for		
	(a) cost of sales – contract grower purchases	<472>	<1,220>
	(b) cost of sales – cattle	-	-
	(c) cost of sales – feed and chemical	<1,104>	<4,443>
	(d) cost of sales – other	<284>	<844>
	(e) operating costs	<1,894>	<6,242>
	(f) advertising and marketing	<131>	<392>
	(g) leased assets	<311>	<978>
	(h) payroll and employment costs	<1,791>	<5,888>
	(i) administration and corporate costs	<183>	<685>
	Total 1.2	**<6,170>**	**<20,692>**
1.3	Dividends received (see note 3)		
1.4	Interest received	12	106
1.5	Interest and other costs of finance paid	<416>	<1,718>
1.6	Income taxes paid		
1.7	Government grants and tax incentives	1,853	1,950
1.8	Other – Insurance proceeds	14	16
1.9	**Net cash from / (used in) operating activities**	**<1,306>**	**<12,131>**

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	<1,053>	<6,592>
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets – Trademarks	<16>	<16>
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**<1,069>**	**<6,608>**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		20,000
3.6	Repayment of borrowings	<68>	<20,210>
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**<68>**	**<210>**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,219	20,725
4.2	Net cash from / (used in) operating activities (item 1.9 above)	<1,306>	<12,131>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	<1,069>	<6,608>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	<68>	<210>
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**1,776**	**1,776**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1,788	4,235
5.2	Term Deposits	-	-
5.3	Bank overdrafts and Credit Card Facility	<13>	<17>
5.4	Other (provide details)	1	1
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,776**	**4,219**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1 and Item 2	322

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

All payments at item 6.1 are made for Directors Fees or in respect of contractual arrangements on arms-length terms.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	40,000	20,000
7.2	Credit standby arrangements	50	13
7.3	Other (Equipment Finance Facility)	3,000	377
7.4	**Total financing facilities**	43,050	20,390

7.5	**Unused financing facilities available at quarter end**	22,660

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

7.1 Westpac Term Loan Facility (3 year term to Dec 2027) $30,000,000 and Westpac Overdraft Facility (at call) $10,000,000, secured by Land and Water Assets and a General Security Agreement. Variable interest rate.

7.2 Westpac Credit Card Facility, 0% Interest Rate if balance paid within 30 days, Variable interest rate after 30 days, The card facility is unsecured and has no maturity date.

7.3 Westpac Equipment Finance Facility secured by equipment. Currently Ten Westpac individual contracts with varying completion dates, the latest being September 2027. Interest rates and repayments fixed at commencement of the Equipment Finance Contract. Interest and repayments vary on each contract depending on the commencement time and amount of the financed amount. Westpac Equipment Finance Facility Limit is $3,000,000 for all Westpac contracts.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	<1,306>
8.2	Cash and cash equivalents at quarter end (Item 4.6)	1,776
8.3	Unused finance facilities available at quarter end (Item 7.5)	22,660
8.4	Total available funding (Item 8.2 + Item 8.3)	24,436
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	19

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: NA

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: NA

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: NA

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29th April 2025

Authorised by: Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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