

4 August 2015

**AquaBounty Technologies, Inc.
("AquaBounty" or "the Company")**

Interim results for the six months ended 30 June 2015

AquaBounty Technologies, Inc. (AIM: ABTX, ABTU; OTC: AQBТ), a biotechnology company focused on enhancing productivity in the aquaculture market, announces its interim results for the six months ended 30 June 2015.

Summary:

- Raised US\$3.0 million through a placing of shares with Intrexon Corporation ("Intrexon");
- Continued to pursue the approval of its New Animal Drug Application ("NADA") with the US. Food and Drug Administration ("FDA") for AquAdvantage[®] Salmon ("AAS"), and the Board remains hopeful that the decision will be received in the near term;
- Progressed commercial preparations in several foreign markets for field trials of AAS;
- Net loss for the first six months was unchanged at US\$3.5 million (H1 2014: US\$3.5 million); and
- Balance of cash and marketable securities at 30 June 2015 was US\$4.7 million (31 December 2014: US\$5.2 million).

Ron Stotish, Chief Executive Officer of AquaBounty, commented:

"We remain hopeful that the FDA will approve AAS in the near term, and, while we wait for their decision, we are making significant progress with our marketing efforts and preparations in several foreign markets for field trials. AquaBounty continues to receive interest for AAS from potential customers both within and outside the US, which supports the Board's confidence that the market potential is substantial."

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Operational Review

Update on FDA approval process

The FDA released its preliminary Environmental Assessment (“EA”) for AAS, along with a draft Finding of No Significant Impact (“FONSI”) on 26 December 2012. This was followed by a 120-day open public comment period, which ended on 26 April 2013. In the 27 months since that time, it has been the Company’s understanding that the FDA has been reviewing the comments that it received and that it is in the process of finalising the EA and FONSI. The Company believes that this could potentially lead to an approval of its NADA for AAS later this year.

Since mid-2014, the Company has been moving forward with local regulatory preparations for field trials in several foreign markets. The process has progressed and the trials are planned to commence in 2016.

NASDAQ listing

The Company submitted a registration statement to the SEC (or the “Commission”) during 2014 in preparation for a listing of its common shares on NASDAQ and received no further comments from the Commission. However, the Company’s shares are currently ineligible for admission to NASDAQ as they do not meet the initial listing requirements. The Board continues to consider its options for resolving this issue and hopes to be able to fulfill the criteria for listing on NASDAQ in the coming months.

Financial Review

On 30 June 2015, AquaBounty completed a fundraising of US\$3.0 million by means of an equity placing to its majority shareholder, Intrexon. The proceeds will provide the Company with sufficient cash resources to continue operating to early 2016 at its current rate of spending.

Operating expenses for the six-month period ended 30 June 2015 remained stable at US\$3.5 million (H1 2014: US\$3.5 million), though there was a shift in functional spending reflecting the Company’s preparations for commercialisation. Spending on sales and marketing projects increased, as the Company continued to progress its plans for field trials in several international markets. Research spending increased under the Exclusive Channel Collaboration agreement with Intrexon, while general and administration costs declined due to a reduction in legal fees associated with the potential future registration and listing of the Company’s shares on NASDAQ. Cash used, net of new equity funding, in the first half of 2015 was higher than the comparable period in 2014 at US\$3.5 million (H1 2014: US\$3.0 million). Cash and equivalents at the end of the first half of 2015 was US\$4.7 million (31 December 2014: US\$5.2 million).

Outlook

The Company continues to pursue the approval of its NADA for AAS and is hopeful that the decision will be received in the near term, however it has received no information on the status of FDA’s finalisation of approval of the application. The Board continues to be conscious of the Company’s limited cash resources and has maintained tight cost control while increasing operating activities in preparation for an approval. As stated previously, to fully implement the commercial phase, AquaBounty will require additional funding. AquaBounty continues to receive interest for its AAS from potential customers within USA as well as outside, which gives the Board confidence that the market potential for AAS is substantial.

AquaBounty Technologies, Inc.
Consolidated balance sheets
(unaudited)

	As of	
	June 30, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	\$4,677,653	\$5,163,262
Certificate of deposit	11,626	12,353
Other receivables	47,821	26,717
Prepaid expenses and other assets	248,728	101,679
Total current assets	4,985,828	5,304,011
Property, plant and equipment, net	847,201	913,703
Definite lived intangible assets, net	189,915	177,119
Indefinite lived intangible assets	191,800	191,800
Other assets	21,628	21,628
Total assets	\$6,236,372	\$6,608,261
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$717,477	\$677,162
Total current liabilities	717,477	677,162
Long-term debt	2,324,244	2,421,720
Total liabilities	3,041,721	3,098,882
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value, 200,000,000 shares authorized; 157,425,309 (2014: 144,537,265) shares outstanding	157,425	144,537
Additional paid-in capital	90,725,063	87,591,702
Accumulated other comprehensive loss	(380,911)	(455,172)
Accumulated deficit	(87,306,926)	(83,771,688)
Total stockholders' equity	3,194,651	3,509,379
Total liabilities and stockholders' equity	\$6,236,372	\$6,608,261

AquaBounty Technologies, Inc.
Consolidated statements of operations and comprehensive loss
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Operating expenses:				
Sales and marketing	\$380,293	\$356,057	\$ 948,023	\$674,740
Research and development	628,365	600,846	1,225,438	1,146,606
General and administrative	723,505	939,392	1,359,065	1,661,131
Total operating expenses	1,732,163	1,896,295	3,532,526	3,482,477
Operating loss	(1,732,163)	(1,896,295)	(3,532,526)	(3,482,477)
Other income (expense):				
Interest income (expense), net	(949)	6,024	(2,712)	5,418
Total other income (expense)	(949)	6,024	(2,712)	5,418
Net loss	\$(1,733,112)	\$(1,890,271)	\$ (3,535,238)	\$(3,477,059)
Other comprehensive income:				
Foreign currency translation gain (loss)	(33,392)	(61,664)	74,261	(18,650)
Total other comprehensive gain (loss)	(33,392)	(61,664)	74,261	(18,650)
Comprehensive loss	\$(1,766,504)	\$(1,951,935)	\$ (3,460,977)	\$(3,495,709)
Basic and diluted net loss per share	\$(0.01)	\$(0.01)	\$ (0.02)	\$(0.03)
Weighted average number of common shares basic and diluted	144,837,134	144,405,837	144,715,431	136,173,414

AquaBounty Technologies, Inc.
Consolidated statements of cash flows
(unaudited)

	Six Months Ended	
	June 30,	
	2015	2014
Operating activities		
Net loss	\$(3,535,238)	\$(3,477,059)
Adjustment to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	51,213	75,881
Share-based compensation	118,714	153,448
Changes in operating assets and liabilities:		
Other receivables	(22,701)	25,089
Prepaid expenses and other assets	(120,476)	14,091
Accounts payable and accrued liabilities	49,558	24,059
Net cash used in operating activities	(3,458,930)	(3,184,491)
Investing activities		
Purchases of equipment	(37,114)	(47,740)
Payment of patent costs	(12,796)	(21,197)
Net cash used in investing activities	(49,910)	(68,937)
Financing activities		
Proceeds from issuance of long-term debt	44,004	268,492
Proceeds from the issuance of common stock, net	3,000,000	9,743,487
Proceeds from exercise of stock options		6,000
Net cash provided by financing activities	3,044,004	10,017,979
Effect of exchange rate changes on cash and cash equivalents	(20,773)	(14,658)
Net increase (decrease) in cash and cash equivalents	(485,609)	6,749,893
Cash and cash equivalents at beginning of period	5,163,262	1,875,749
Cash and cash equivalents at end of period	\$4,677,653	\$8,625,642
Supplemental cash flow information		
Interest paid in cash	\$0	\$60