

4 February 2008

Aqua Bounty Technologies
(“Aqua Bounty” or “the Company”)

Aqua Bounty In Trials With Leading Drug Manufacturer

Aqua Bounty Signs Term Sheet For Trialing ProVale™ In Chile

Aqua Bounty Technologies, Inc. (AIM: ABTX), a biotechnology company focused on enhancing productivity in the aquaculture market, announces that it has signed a Term sheet with Stirling Products North America Inc (“Stirling Products NA”) for an exclusive option to distribute ProVale™ in the Chilean salmon market. ProVale™ is an environmentally friendly and highly bioactive form of the currently marketed beta glucan product for immune stimulation and disease management in fish. Stirling Products NA is the North American subsidiary to Stirling Products Limited (ASX: STI).

Under the terms of the agreement, Aqua Bounty will manage field trials required for proof of efficacy and market approval of the product. The Company will test ProVale™ as a replacement for antibiotics in the diets of farmed salmon. Subject to regulatory approval, the trials are expected to begin shortly and last for a period of two to three months. During this time, Aqua Bounty will work with Stirling Products NA to finalise an agreement for commercial distribution which management estimates will be decided towards the end of the third quarter.

The strategic partnership will allow Aqua Bounty to target the Chilean salmon market which is the second largest in the world behind Norway. Farmed salmon is valued at over US\$4.5 billion of which one third comes from Chile, and this amount is estimated to double in the next six years in direct response to increased world-wide demand. Sales of existing pharmaceuticals and immunostimulants in Chile for the salmon industry totalled close to US\$20 million in 2007, and management conservatively estimates the initial market for ProVale™ in Chile to be over US\$3 million per year.

ProVale™ is the latest natural bioactive ingredient for immune health and productivity solutions for the agriculture, aquaculture and pet feed industries, produced by patented technology at Stirling’s Canadian facility, Progressive Bio Actives Inc (PBI).

The option granted to Aqua Bounty will be exercisable at Aqua Bounty’s discretion.

Elliot Entis, Chief Executive Officer of Aqua Bounty commented: “We are delighted to have signed this agreement with Stirling Products NA, who is an excellent strategic partner for us. ProVale™ is a natural extension of our approach to limiting disease impacts in aquaculture without compromising environmental or human health and lessening reliance on antibiotics. It fits in well with our focus on building strong relationships with salmon farmers. We look forward to a successful partnership with the company as part of our continued commitment to capitalise on our core market.”

Dr Calvin London, Chief Executive Officer and Managing Director of Stirling Products North America commented: “I am sure that Aqua Bounty will prove to be an outstanding partner for this project. The opportunity with Aqua Bounty provides us with an obvious upside in terms of additional revenue potential from sales of ProVale™, but it also provides opportunities for future developments of specialised feeds and disease protection formulations for farmed fish.”

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Notes to Editors

About Aqua Bounty

- The Company is headquartered in Waltham, Massachusetts, USA. It has research facilities in San Diego, California and Prince Edward Island, Canada.
- Aqua Bounty has launched health and diagnostic products for the prevention and control of shrimp diseases and is developing new products to increase productivity and profitability in commercial fish farming. The Company's integrated approach to aquatic health management means that Aqua Bounty is well positioned to capitalise on the rapidly growing US\$60 billion per annum aquaculture industry.
- The Company's leading product, Shrimp IMS, a stimulant for the shrimp immune system, has shown significant benefit to commercial shrimp farmers through the Company's initial marketing in Mexico and Ecuador. Results have indicated that the use of Shrimp IMS treatments has led to an increase in sales for its Mexican distributor, as well as a return of investment of up to US\$2.5 for every dollar spent on the product by the farmers.
- Aqua Bounty intends to increase its sales of Shrimp IMS in Mexico while expanding into Central and South America and then into Asia in 2008. The Company also plans to launch AquAdvantage Viral Blocker in 2009, an effective preventative control against the lethal and widespread White Spot Syndrome Virus ('WSSV'). WSSV can appear suddenly, can kill entire shrimp stocks within 72 hours and has been responsible for significant pre-harvest losses to shrimp stocks in the 1990s, including over US\$1 billion of shrimp stock damage in the Americas alone.
- Aqua Bounty is also developing fast growing strains of breeds of fin fish which grow faster than traditional broodstock, known as AquAdvantage™ fish. This AquAdvantage™ fish are capable of reducing growth to maturity time by as much as 50 per cent, resulting in substantial productivity gains for commercial fish farmers. The Company expects commercial launch in 2009.
- Commercial aquaculture, the controlled cultivation and harvest of aquatic plants and animals, is the most rapidly growing segment of the agricultural industry, accounting for more than US\$60 billion in sales in 2003. While land-based agriculture is increasing at 2 per cent to 3 per cent per year, aquaculture has been growing at an annual rate of approximately 9 per cent since 1970. (Source: FAO)
- Aqua Bounty's strategy is to focus commercialisation initially within the western hemisphere and launch in Asia after penetrating several markets in the Americas. The Company intends to maximize returns on research and development and resulting intellectual property by supplying its products to the aquaculture industry through existing

distribution channels. This strategy will enable Aqua Bounty to avoid the significant time and costs associated with developing its own manufacturing, sales and distribution infrastructure.

About Stirling Products

- Stirling Products is developing patented animal growth agents that increase meat production, therefore improving the production efficiency of livestock animals, while decreasing fat accumulation for the benefit of consumers.
- The Stirling growth agents are under development for swine, poultry, cattle and sheep for global markets and are being positioned to take a major role in reducing the global use of antibiotics and steroid hormones in livestock.
- Stirling is also developing veterinary medications for heaves in horses and an obesity treatment in companion animals.

About Stirling Products North America Inc. (trading as Progressive BioActives Inc)

- Stirling Products NA Inc is a recently registered company in Canada as a result of the acquisition of PBI by Stirling in August, 2007.
- PBI's lead product ProVale™, is the latest high purity beta glucan extract that has been designed as an alternative tool for sustainable livestock management in face of increasing viral disease challenges where antibiotics have no or limited application.
- ProVale™ is available for targeted applications in swine, poultry and farmed aquaculture including both shrimp and fish.