25 February 2015

AquaBounty Technologies
("AquaBounty" or "the Company")

Preliminary Results for the year ended 31 December 2014
and Notification of AGM

AquaBounty Technologies, Inc. (AIM: ABTX, ABTU; OTC: AQBT), a biotechnology company focused on enhancing productivity in the aquaculture market and a majority-owned subsidiary of Intrexon Corporation (NYSE: XON), announces the Company's preliminary financial results for the year ended 31 December 2014 and gives notice of its 2015 Annual General Meeting ("AGM").

Financial and operational summary:

- Completed an equity subscription of US$10.0 million
- Expanded operations in preparation for regulatory approval
- Progressed towards registering the Company's common shares with the U.S. Securities and Exchange Commission for a listing on NASDAQ
- Operating spend was higher at US$7.1 million (2013: US$4.9 million) as the Company invested in operations and new research projects
- Net loss increased to US$7.1 million (2013: US$4.7 million net loss)
- Cash used during the year, net of new equity provided, increased to US$6.5 million (2013: US$4.0 million)
- Cash at 31 December 2014 was US$5.2 million (30 June 2014: US$8.6 million; 31 December 2013: US$1.9 million)

Ron Stotish, Chief Executive Officer of AquaBounty, said: "In allowing the Arctic Apple and Innate Potato to be deregulated and planted for commercial use, the U.S. Department of Agriculture sent a clear signal that they are interested in science-based regulation and addressing future food needs. We are encouraged by this because the key reason given by the USDA in deregulating these two food products – 'not likely to have a significant impact on the human environment' – mirrors the conclusion arrived at by the FDA about our AquAdvantage® Salmon. Consequently, we remain confident that the FDA will also approve our application. Meanwhile, the Company continues to make plans for the commercialization phase that will commence immediately following receipt of the approval."

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AGM Notification

AquaBounty will be holding its Annual General Meeting on 28 April 2015 at 08:30 a.m. (Eastern Daylight Time) at the Millennium Bostonian Hotel, 26 North Street, Boston, Massachusetts. Stockholders of record on 20 March 2015 shall be entitled to vote at the AGM.

Chairman's Statement

I reported last year that the Board would be working on the assumption that the approval of the New Animal Drug Application ("NADA") for AquAdvantage® Salmon ("AAS") from the U.S. Food and Drug Administration ("FDA") would be forthcoming during 2014 and, at which point, the Company would begin to move forward with its commercialization plans. This assumption was based on the release of the draft Environmental Assessment ("EA") and preliminary Finding of No Significant Impact ("FONSI") by the FDA in December 2012, with no further demands being made of the Company and no new scientific or legal argument being presented against our application. We were also greatly encouraged by the publication of the Significant New Activity Notice in November 2013 by Environment Canada that recognized that our hatchery, which produces sterile, all-female eggs, was no longer solely a research facility but could produce eggs on a commercial scale without harm to the environment or human health. Based on these two significant regulatory events, the Company began preparations for the commercial production of AAS. To date, however, the regulatory approval of our NADA has not been granted.

Commercial Activities

The management team has been significantly strengthened by the addition of Alejandro Rojas, who has been appointed to the position of Chief Operating Officer of the AquaBounty Farms division. Mr. Rojas, a salmon farming industry veteran, has responsibility for the development, and implementation once the appropriate approvals are received, of plans for the Company's commercial production activities.

During the year, the Company expanded its international commercial efforts with the commencement of the process to gain approval for the importation of AAS eggs for local field trials in Argentina, Brazil, South Africa and China. This would complement our farm site in Panama, which continues to demonstrate the remarkable performance of AAS on a commercial scale.

Fundraising

In January 2014, Intrexon Corporation ("Intrexon") agreed to undertake a subscription for new common shares to the value of US$10.0 million (approximately £6.0 million) before expenses. The subscription price was 31.5 pence per share (US$0.5252) and the aggregate number of common shares subscribed was 19,040,366. The transaction closed on 20 March 2014 with net proceeds to the Company of approximately US$9.7 million. This further increased Intrexon's shareholding to 59.85%.

U.S. Listing of Shares

In preparation for an application to list on the NASDAQ exchange, AquaBounty sought to register its shares with the U.S. Securities and Exchange Commission ("SEC" or the "Commission"). In conjunction with this, the Company transferred its stock ledger from the U.K. to the U.S., and established a process to allow eligible shareholders to remove the restrictive legends on their shares and to dematerialize outstanding share certificates. This allowed the Company to obtain deposit eligibility for its shares in the Depository Trust Company in the U.S. and in the CREST system in the U.K. The Company has filed a registration statement with the SEC 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 is considering its options for resolving this issue and hopes to be able to fulfil the criteria for listing on NASDAQ in the coming months.

Financial Outcome

Operating expenses for the year amounted to US$7.1 million (2013: US$4.9 million). The increase was in line with the Board's directive to push forward with commercial activities, expand research projects under the Exclusive Channel Collaboration agreement with Intrexon and seek the U.S. listing for its shares. Consequently, sales and marketing expenses were US$1.4 million (2013: US$0.7 million); research and development expenses were US$2.5 million (2013: US$1.9 million); and general and administrative expenses were US$3.2 million (2013: US$2.3 million). As a result, the net loss for the year was higher at US$7.1 million (2013: US$4.7 million) and cash used for the year, net of new equity received, was US$6.5 million (2013: US$4.0 million). Funds available at the year-end amounted to US$5.2 million.

Outlook

I reported last year that the FDA had been considering its responsibilities under the U.S. National Environmental Policy Act and had been working to finalize the EA and FONSI in conjunction with the approval of the application for AAS. We cannot report any progress on this activity, however it remains our view that the conclusion of this process is to be expected at any time. The strong support provided by Intrexon allows your Board to continue to work on the assumption that approval will be forthcoming in the U.S. and to respond to the positive indications that the Company is receiving in other countries.

The Company entered 2015 with US$5.2 million of cash on hand. With the continuation of the efforts begun last year to prepare the Company to commercialize AAS upon regulatory approval, it is likely that a fundraise will be required during the first half of the year. More information on this will be communicated in the coming months.

R J Clothier

Consolidated balance sheet

As of 31 December	**2014**	2013
ASSETS		
Current assets:		
Cash and cash equivalents	**$5,163,262**	$1,875,749
Certificate of deposit	**12,353**	13,431
Other receivables	**26,717**	78,455
Prepaid expenses and other assets	**101,679**	220,888
Total current assets	**5,304,011**	2,188,523
Property, plant and equipment, net	**913,703**	1,016,843
Definite lived intangible assets, net	**177,119**	141,779
Indefinite lived intangible assets	**191,800**	191,800
Other assets	**21,628**	21,628
Total assets	**$6,608,261**	$3,560,573
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	**$677,162**	$704,028
Total current liabilities	**677,162**	704,028
Long-term debt	**2,421,720**	2,359,653
Total liabilities	**3,098,882**	3,063,681
Commitments and contingencies		
Stockholders' equity:		
Common stock, $0.001 par value, 200,000,000 shares authorized; 144,537,265 (2013: 125,305,471) shares outstanding	**144,537**	125,305
Additional paid-in capital	**87,591,702**	77,582,210
Accumulated other comprehensive loss	**(455,172)**	(566,310)
Accumulated deficit	**(83,771,688)**	(76,644,313)
Total stockholders' equity	**3,509,379**	496,892
Total liabilities and stockholders' equity	**$6,608,261**	$3,560,573

Consolidated statements of operations and comprehensive loss

Years ended 31 December	**2014**	2013	2012
COSTS AND EXPENSES			
Sales and marketing	**$1,444,628**	$678,153	$581,954
Research and development	**2,497,935**	1,895,056	1,628,593
General and administrative	**3,192,716**	2,302,279	2,101,260
Restructuring charge	**—**	—	93,780
Total costs and expenses	**7,135,279**	4,875,488	4,405,587
OPERATING LOSS	**(7,135,279)**	(4,875,488)	(4,405,587)
OTHER INCOME (EXPENSE):			
Gain on royalty based financing instrument	**—**	186,980	—
Interest and other income (expense), net	**7,904**	(530)	(9,026)
Total other income (expense)	**7,904**	186,450	(9,026)
NET LOSS	**$(7,127,375)**	$(4,689,038)	$(4,414,613)
OTHER COMPREHENSIVE INCOME (LOSS):			
Foreign currency translation gain (loss)	**111,138**	93,891	(9,397)
Total other comprehensive income (loss)	**111,138**	93,891	(9,397)
COMPREHENSIVE LOSS	**$(7,016,237)**	$(4,595,147)	$(4,424,010)
Basic and diluted net loss per share	**$(0.05)**	$(0.04)	$(0.05)
Weighted average number of common shares – basic and diluted	**140,389,712**	120,613,246	94,701,028

Consolidated statements of changes in stockholders' equity (deficit)

	Common stock issued and outstanding	Par value	Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total
Balance at 31 December 2011	68,780,968	$68,781	$69,700,198	$(650,804)	$(67,540,662)	$1,577,513
Net loss					(4,414,613)	(4,414,613)
Other comprehensive loss				(9,397)		(9,397)
Issuance of common stock, net of expenses	33,277,870	33,278	1,709,200			1,742,478
Share based compensation – common stock	196,850	197	23,353			23,550
Share based compensation – options			300,758			300,758
Balance at 31 December 2012	102,255,688	$102,256	$71,733,509	$(660,201)	$(71,955,275)	$(779,711)
Net loss					(4,689,038)	(4,689,038)
Other comprehensive income				93,891		93,891
Issuance of common stock, net of expenses	22,883,295	22,883	5,702,724			5,725,607
Exercise of options for common stock	29,500	29	3,971			4,000
Exercise of options for common stock - cashless	71,771	72	(72)			—
Share based compensation – common stock	65,217	65	22,747			22,812
Share based compensation – options			119,331			119,331
Balance at 31 December 2013	125,305,471	$125,305	$77,582,210	$(566,310)	$(76,644,313)	$496,892
Net loss					**(7,127,375)**	**(7,127,375)**
Other comprehensive income				**111,138**		**111,138**
Issuance of common stock, net of expenses	**19,040,366**	**19,041**	**9,724,445**			**9,743,486**
Exercise of options for common stock	**120,000**	**120**	**12,180**			**12,300**
Share based compensation – common stock	**71,428**	**71**	**25,506**			**25,577**
Share based compensation – options			**247,361**			**247,361**
Balance at 31 December 2014	**144,537,265**	**$144,537**	**$87,591,702**	**$(455,172)**	**$(83,771,688)**	**$3,509,379**

Consolidated statements of cash flows

Years ended 31 December	**2014**	2013	2012
OPERATING ACTIVITIES			
Net loss	**$(7,127,375)**	$(4,689,038)	$(4,414,613)
Adjustment to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	**140,742**	147,101	225,416
Share-based compensation	**272,938**	142,143	324,308
Amortization (accretion) of discount (premium) on corporate bonds	**—**	—	(326)
Loss on disposed assets	**—**	—	5,776
Gain on royalty based financing instrument	**—**	(186,980)	—
Changes in operating assets and liabilities:			
Other receivables	**48,054**	(57,264)	90,907
Prepaid expenses and other assets	**117,876**	(94,935)	121,481
Accounts payable and accrued liabilities	**(13,135)**	281,345	(68,404)
Net cash used in operating activities	**(6,560,900)**	(4,457,628)	(3,715,455)
INVESTING ACTIVITIES			
Purchases of equipment	**(116,911)**	(99,500)	(52,841)
Paid out (reinvested) interest on certificate of deposit	**—**	(6)	6
Payment of patent costs	**(35,340)**	(42,249)	(69,210)
Net cash used in investing activities	**(152,251)**	(141,755)	(122,045)
FINANCING ACTIVITIES			
Proceeds from issuance of bridge loan	**—**	300,000	200,000
Repayment of bridge loan	**—**	(500,000)	—
Proceeds from issuance of long-term debt	**268,491**	665,199	678,657
Repayment of other term debt	**—**	(68,327)	(68,575)
Proceeds from issuance of common stock, net	**9,743,486**	5,725,607	1,742,478
Proceeds from exercise of stock options	**12,300**	4,000	—
Net cash provided by financing activities	**10,024,277**	6,126,479	2,552,560
Effect of exchange rate changes on cash and cash equivalents	**(23,613)**	132	2,481
Net increase (decrease) in cash and cash equivalents	**3,287,513**	1,527,228	(1,282,459)
Cash and cash equivalents at beginning of year	**1,875,749**	348,521	1,630,980
Cash and cash equivalents at end of year	**$5,163,262**	$1,875,749	$348,521
SUPPLEMENTAL CASH FLOW INFORMATION			
Interest paid in cash	**$62**	$4,223	$4,414