



COMPANY *Update*

Shareholder & Market Update | Autumn 2024

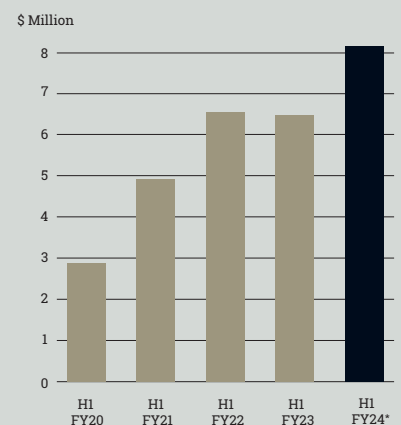


CEO report

Despite lower-than-anticipated mature harvest volumes for the first half of FY24, TOC achieved revenue of \$8.2 million for the half, representing a 27% increase compared to FY23. This was largely driven through increased juvenile sales in all states and sales of third-party produced mature oysters, in line with our strategic goals. We remain committed to nurturing these relationships to foster long-term partnership opportunities.

Operational enhancements in our Tasmanian nursery and farming operations have been underway, with a focus on refining our production model and enhancing operational transparency through improved data capture, reporting, and analytics. Our progress in this regard is evident in the substantial increase in stock-on-hand, particularly in juvenile and ongrown oysters, which serves as a key indicator for future production growth.

Total Revenue



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Challenges in optimising biomass growth have continued across operations particularly Pipeclay Lagoon, necessitating adjustments to our production model. Limited growth and conditioning have prompted us to transition these leases primarily to holding and storage functions until conditions improve. We have mitigated any potential market production shortfalls through increased utilisation of leases in Boomer Bay. We are actively collaborating with Oysters Tasmania to seek financial and infrastructure support to address these challenges.

Despite Tasmania experiencing a marine heatwave over the summer months, TOC has not encountered any discernible negative implications, including no activity of Pacific Oyster Mortality Syndrome (POMS) across our growing regions. Our stringent adherence to production protocols has contributed to this positive outcome. At an industry level, POMS has been confirmed in St Helens on the north-east coast of Tasmania. We are working with key growers in the region to supply top-up juvenile oysters where appropriate.

In South Australia, our business has continued to enhance its position in the oyster spat market, with improved stock husbandry and quality control measures leading to reputational gains. Total revenue for the half increased by 27% compared to FY23, and we anticipate a strong second half of sales. Furthermore, our collaboration with industry stakeholders has facilitated the commencement of mature oyster sales from Coffin Bay, with increased supply expected in the coming months. Notwithstanding the improved metrics of South Australia, TOC has been required to absorb working capital

requirements of the business in the build up to peak selling season. As South Australian operations normalise it is anticipated that these facilities will be released back to TOC which would assist in facilitating shareholder liquidity.

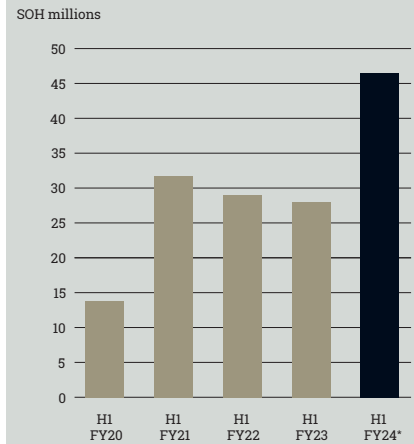
The establishment of our Clyde River nursery in southern New South Wales has proven successful, enabling additional revenue through the production of larger spat oysters. Leveraging spat-supply relationships, we have gained access to market ready mature product for sale in the market, aligning with our strategy of selling third-party produced oysters. We remain committed to exploring opportunities in NSW to further expand our market presence in partnership with local farmers.

TOC is mindful of increased shareholder frustration in relation to lack of liquidity for shareholdings. There have been several secondary sales transacted during the period between shareholders, and TOC has facilitated site visits and presentations to a number of potential new shareholders and advisors in an effort to absorb liquidity.

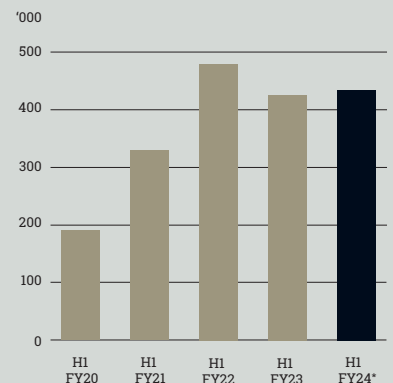
TOC will continue to promote its business and strategic plan to existing shareholders and potential new investors to facilitate secondary transactions and continue to assess its ability to distribute a dividend.

The first half of FY2024 has seen TOC making significant progress towards its long-term objectives despite challenges encountered. We remain focused on driving sustainable growth, fostering strategic partnerships, and striving for operational excellence as we continue our journey to become a globally trusted leader in aquaculture.

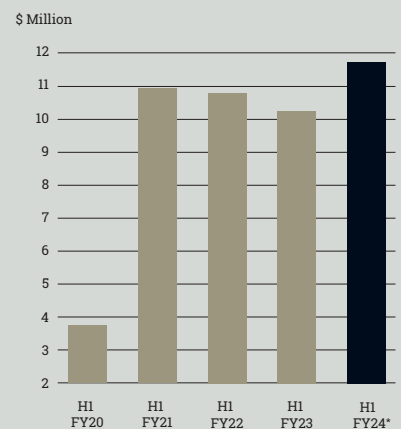
TAS Stock on Hand 8mm - 50mm



Sales Volume Dozens Sold



Bioasset Valuation



* Financial information presented is unaudited.



For regular updates on the Company's activities, please follow our LinkedIn page: [linkedin.com/company/tasmanianoysterco](https://www.linkedin.com/company/tasmanianoysterco) OR scan the QR code

Sustainable TOC

TOC remains at the forefront of industry-led initiatives aimed at clearing feral oysters, particularly in Pipeclay Lagoon. In late November, TOC coordinated a significant cleanup operation, collaborating with other industry stakeholders, industry organisations, and community members. A total of 35 tonnes of feral oysters were successfully extracted, with a specific emphasis on off-shore reefs. This cleanup effort received backing from Seafood Industry Tasmania (SIT), and we extend our gratitude to Julian Harrington for his invaluable support.



Biotech collaboration

TOC has initiated a collaboration with the University of Melbourne, launching a project involving students enrolled in the Masters in Biotechnology program. The project focusses on TOC's marine microalgæ production at our Pipeclay Lagoon hatchery, aimed at exploring potential higher-value applications for surplus and future production capacity. Additionally the project aims to refine techniques for production and assess alternate specie utilisation.



Frances Huddleston, Mary Parker, Molly Christensen, Jassy Andrewartha, Tara Kelly

Our People

TOC remains committed to advancing initiatives led by Women in Seafood Australasia (WISA). Recently, TOC's Mary Parker and Jassy Andrewartha successfully completed the WISA Turn the Tide Entrepreneurship and Leadership program, designed to empower women in Australia's seafood sector. This program involved bringing together participants with key stakeholders to explore

and present proposals aimed at addressing challenges and obstacles encountered by women in the seafood industry. Furthermore, the program underscored the significance of cultivating a nurturing environment for women in seafood, while promoting entrepreneurship and leadership prospects within the industry. Congratulations to Jassy and Mary for their achievement!