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STATEMENT

## KUTERRA PROGRESS ON INVESTMENT DISCUSSIONS

Kuterra LP is moving forward in discussions with potential investors for its land-based Atlantic salmon farm on northern Vancouver Island. This is a continuation of a process that began in June of this year, and is expected to culminate by the end of the year.

Kuterra is pleased to have reached steady state operations after three and a half years of intense optimization activity, and is now operating at a modest profit. The discussions around new investment are to strengthen the business and maximize value to its owner, the 'Namgis First Nation.

The 'Namgis First Nation is currently the sole owner of Kuterra. In supporting the company's development, the Nation invested equity and debt to further the mission of catalyzing change in salmon aquaculture. At the same time, the Nation is a government providing a wide range of services to its members, and it needs to free up equity to invest in improving those services. The Nation has directed the company to seek other investors to share in the development of Kuterra, and with it, a new industry.

"The land-based Atlantic salmon industry is accelerating globally," says Eric Hobson, Chair of Kuterra. "Until recently, the progress was in Canada and Europe. Now we're seeing the US catch up, and this has the potential to erode BC's first mover advantage in the land-based industry, as well as the market for BC salmon generally."

The largest of these US land-based projects is under construction in Florida. When completed, it will grow as much Atlantic salmon as all of BC produces currently - on land or in the water. "We seek to ensure that BC remains in the game with land-based aquaculture, and to achieve the scale that we have determined is essential for success," says Hobson.

Kuterra is grateful to the 'Namgis First Nation for its ongoing support and its stated desire to continue working with the company and its board to make Kuterra a success. Kuterra, in turn, commits to achieving a path forward for the company that will maximize value to 'Namgis both economically and environmentally.

The Kuterra farm produces Atlantic salmon for sale to consumers, and is available in select retail stores and fine dining restaurants in Canada and the United States.



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