

19 July 2010

**AUSTRALIAN BIGHT ABALONE LTD**

**STORM DAMAGE ON LEASE SITE**

The company reported on July 12, 2010 that as a result of the very harsh weather conditions over that weekend there has been damage to its sea cage and related infrastructure on one of its lease sites in Elliston. As a result of this major storm the company has lost a number of its sea cages on the older lease site.

The new and major lease site located some one kilometre away containing most of our stock was not damaged in any way.

The damaged site and surrounds have now been inspected and the assessment is that most of the cages on this old lease were damaged and beyond repair. The lease site affected contained cages that were the first installed in a grid format in 2005. Although the damage is disappointing to the company, the cages lost did not hold much abalone stock as several cages of the mature stock were harvested in June of this year.

The company's infrastructure is fully insured against this event and our insurers have been notified and have commenced inspections. The company will replace the cages lost using the latest grid infrastructure design.

The company has undertaken all the actions necessary to ensure that all relevant authorities were notified and we can report we have received strong and appreciated support from all those involved

The company's plans for stocking will continue unchanged as our major lease site has all the capacity required for the company's current needs and our production projections remain unchanged.

Please address any questions to the managing director.



David Mazengarb  
**Managing Director**