

31st December 2007

The Manager, Listings
Australian Securities Exchange
Company Announcements Office
Level 4,
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Via e-lodgement

Dear Sir

Tassal Group Limited - makes a strategic acquisition.

The Directors of Tassal Group Limited ("Tassal") are pleased to announce that Tassal has today entered into a Business Sale and Purchase Deed to acquire the brand name, assets and intellectual property of *Superior Gold* from King Island Company Limited, a wholly owned subsidiary of National Foods Limited, for \$26.5 million in cash.

Superior Gold is a market leading brand of pre-packaged Smoked Salmon and Trout which is sold through supermarkets, retail outlets and foodservice markets throughout Australia. The acquisition will grant Tassal the exclusive right to import and distribute the *Superior Gold* product range throughout Australia.

The acquisition of *Superior Gold* strengthens Tassal's position as Australia's leading vertically integrated Salmon producer, seller and marketer and affirms its commitment to broadening its product range.

Tassal's Managing Director and Chief Executive Officer, Mark Ryan, stated that "*the purchase of Superior Gold is an excellent and complementary addition to our brand and product portfolio and is consistent with our stated strategic goals of seeking profitable new markets and products. The acquisition allows us not only to access existing market leading products, but also product and packaging innovation from a global Salmon and Trout processor. We are now extremely well positioned to grow the overall packaged fish category through promotion and innovation – we have consolidated our position as the 'fish experts'.*"

Conditions precedent to the acquisition include final ACCC approval and execution of a supply contract with Norlax A/S and a warehousing agreement with Montague Cold Storage Pty Limited. The acquisition is expected to complete on or before 15 February 2008.

The purchase of *Superior Gold* is expected to be earnings per share accretive immediately, with the actual accretion dependent upon the ultimate funding structure employed on completion.

Trading Update

Tassal remains on track to deliver its previous "normalised" market guidance of a net profit after tax of \$20 million to \$21 million for the 2008 financial year, excluding any impact from the *Superior Gold* acquisition.

Media / Analyst enquiries to:
Mark A. Ryan
Managing Director & CEO
Tassal Group Limited
0414 729 101
Email: mark.ryan@tassal.com.au
www.tassal.com.au

Tassal Group Limited. Tassal Operations Pty Ltd. ACN 106 324 127 ABN 38 106 324 127

All correspondence to: GPO Box 1645 Hobart Tasmania Australia 7001 E: tassal@tassal.com.au www.tassal.com.au

Hobart: 2 Salamanca Square, Hobart, Tasmania 7000 P: 1300 66 0491 F: 1300 88 0179
Melbourne: 344 High Street, Kew, Victoria 3101 P: 1300 66 4731 F: 1300 88 1429
Huonville: 20 Glen Road, Huonville, Tasmania 7109 P: 1300 66 4251 F: 1300 88 0239

