



Qponics Limited,

ABN 84 149 001 678

88 Brandl St,

Brisbane Technology Park,

Eight Mile Plains

QLD 4113, AUSTRALIA

Tel: +61 (0)7 3188 9086

PO Box 4526, Eight Mile Plains, QLD 4113, Australia

Qponics preparing to select a world-class modular photo-bioreactor technology for production of its OmegR₃[®] oil

During the past two years the directors and management of Qponics Limited have identified and reviewed more than fifty different photo-bioreactor systems produced by companies and research institutions from Australia, North America, Europe and Asia. Most of these systems were rejected on the grounds of (a) excessive cost, (b) excessive use of land space, (c) poor productivity, or (d) inadequate demonstration of commercial viability.

Photo-bioreactors are used to grow algae in commercial quantities and are a key component of the proposed Qponics algal oil production process.

Qponics is pleased to report that a short list of highly productive modular photo-bioreactors has been subjected to extensive review by the Company and that a decision is anticipated by the Company in the near future.

Subject to available capital and negotiation of partnering agreements, Qponics is confident that a pilot algae production plant can begin construction during 2014.

Qponics Limited is developing a unique aquaculture-algaeculture system for the production of algae and extraction of their EPA and DHA¹ OmegR₃[®] oils.

¹ EPA: eicosapentaenoic acid; DHA: docosahexaenoic acid

Dr Graeme Barnett

Chief Executive Officer and Managing Director

25 October 2013