

15 September 2010

**AquaBounty Technologies, Inc.**  
**(“AquaBounty” or “the Company”)**

**Interim results for the six months ended 30 June 2010**

AquaBounty Technologies, Inc. (ABTX), a biotechnology company focused on enhancing productivity in the aquaculture market, announces its interim results for the six months ended 30 June 2010.

- The U.S. Food and Drug Administration (FDA) completed its review of all required studies for the Company’s AquAdvantage<sup>®</sup> Salmon (AAS) application;
- A meeting of the FDA’s Veterinary Medicine Advisory Committee (VMAC) has been scheduled for AAS on September 19/20;
- Commercialization activities are under way;
- Spending and cash use on plan;
- Net loss of US\$2.5 million (same period 2009: US\$2.3 million); and
- Cash and equivalents balance at end of period: US\$3.6 million (end of same period 2009: US\$8.0 million).

Ronald Stotish, Chief Executive Officer, commented: “We are pleased that AAS is nearing the end of the FDA approval process and we anticipate receiving formal approval before the year end. As a result, our attention now is on meeting the production and commercialization challenges for this exciting new product.”

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## **Chairman's Statement**

During the first half of 2010, AquaBounty received three additional section complete letters from the U.S. Food and Drug Administration (FDA) on its application for AquaAdvantage® Salmon (AAS), bringing the total number of sections completed to five out of seven. The final two letters were received during August, at which point the FDA scheduled a public meeting of its Veterinary Medicine Advisory Committee (VMAC) for 19/20 September to review their findings. The Company is now awaiting the recommendation of the VMAC and the formal approval from the FDA's Center for Veterinary Medicine, which management expects to receive by the year end. The FDA has also announced a public hearing on the labeling of food, including the AquaAdvantage® Salmon, on 21 September 2010 and a period of 60 days following this meeting in which interested parties may submit comments. In parallel with this, the project to produce AAS for a commercial market test is proceeding on plan and the fish are now nearing an average weight of 2 kilos, which is twice the size of the control animals.

Operating expenses for the first half were slightly higher at US\$2.5 million (2009: US\$2.3 million), though within expectations. Increases were in the areas of research and regulatory affairs, as the Company invests in product improvements and securing additional regulatory approvals in other countries. Cash used in operations for the first half totaled US\$2.1 million (first half 2009: US\$2.4 million). Current balances are sufficient to take the Company into Q2 2011.

The Company is currently considering options, subject to shareholders' approval, for raising further working capital.

Once AquaAdvantage® Salmon is approved for sale, the Company will turn its efforts to assisting the first prospective customers to secure the necessary regulatory approval for imports to their countries of AAS eggs for the purpose of commercial scale trials. The first eggs will be available during the first quarter of 2011 and this will be followed by a larger production of eggs from the 2011 spawning season for sale in early 2012.

R J Clothier  
Chairman

**AquaBounty Technologies, Inc.**  
**CONSOLIDATED BALANCE SHEETS**

<b>As at June 30</b>	<b>2010</b>	<b>2009</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,518,957	\$ 1,106,158
Marketable securities	2,074,497	6,910,387
Accounts receivable	52,410	126,850
Investment tax credit receivable	9,500	53,322
Prepaid expenses and other assets	243,867	231,231
Total current assets	3,899,231	8,427,948
Property and equipment	1,336,873	1,373,347
Patents	90,944	86,430
Licenses	4,688	6,563
Other assets	364,131	424,290
Total assets	\$ 5,695,867	\$ 10,318,578
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 421,549	\$ 434,325
Current portion of long-term debt	61,493	62,549
Total current liabilities	483,042	496,874
Deferred rent	18,849	19,427
Long-term debt	3,238,373	2,770,695
Stockholders' equity:		
Common stock, \$0.001 par value, 100,000,000 shares authorized; 50,445,443 (2009 - 50,216,597) shares outstanding	50,445	50,217
Additional paid-in capital	64,537,904	64,341,821
Accumulated other comprehensive loss	(601,090)	(413,096)
Accumulated deficit	(62,031,656)	(56,947,360)
Total stockholders' equity	1,955,603	7,031,582
Total liabilities and stockholders' equity	\$ 5,695,867	\$ 10,318,578

**AquaBounty Technologies, Inc.****CONSOLIDATED STATEMENTS OF OPERATIONS**

<b>Six months ended June 30</b>	<b>2010</b>	<b>2009</b>
<b>Costs and expenses:</b>		
Sales and marketing	\$ 331,463	\$ 385,229
Research and development	923,109	793,301
General and administrative	1,183,055	1,056,479
Stock based compensation	84,024	101,383
	<b>2,521,651</b>	<b>2,336,392</b>
<b>Operating loss</b>	<b>(2,521,651)</b>	<b>(2,336,392)</b>
<b>Interest income, net</b>	<b>353</b>	<b>63,357</b>
<b>Net loss</b>	<b>\$ (2,521,298)</b>	<b>\$ (2,273,035)</b>
<b>Basic and diluted net loss per share</b>	<b>\$ (0.05)</b>	<b>\$ (0.05)</b>
<b>Weighted average number of common shares - basic and diluted</b>	<b>50,331,020</b>	<b>50,186,294</b>

**AquaBounty Technologies, Inc.****CONSOLIDATED STATEMENTS OF CASH FLOWS**

<b>Six months ended June 30</b>	<b>2010</b>	<b>2009</b>
<b>Operating activities</b>		
Net loss	\$ (2,521,298)	\$ (2,273,035)
Adjustment to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	126,273	178,399
Stock-based compensation	84,024	101,383
Amortization of discount (premium) on marketable securities	35,565	(1,801)
Changes in operating assets and liabilities:		
Accounts receivable	107,617	(10,070)
Investment tax credit receivable	11,751	34,636
Prepaid expenses and other assets	(9,391)	(3,760)
Accounts payable and accrued liabilities	(73,067)	(382,856)
Due to/from related parties	-	(49,062)
Net cash used in operating activities	(2,238,526)	(2,406,166)
<b>Investing activities</b>		
Purchases of equipment	(28,245)	(62,701)
Purchases of marketable securities	(2,066,257)	(5,061,155)
Maturities of marketable securities	4,449,968	6,154,771
Payment of patent costs	(1,169)	(9,254)
Other	(5,325)	(20,176)
Net cash provided by investing activities	2,348,972	1,001,485
<b>Financing activities</b>		
Payment of long-term debt	(30,332)	(35,540)
Proceeds from issuance of debt	255,587	-
Proceeds from exercise of stock options and warrants	750	-
Net cash provided by (used in) financing activities	226,005	(35,540)
Effect of exchange rate changes on cash and cash equivalents	(14,754)	45,057
Net increase (decrease) in cash and cash equivalents	321,697	(1,395,164)
Cash and cash equivalents at beginning of year	1,197,260	2,501,322
Cash and cash equivalents at end of period	\$ 1,518,957	\$ 1,106,158