OVERVIEW

• Sustainable Aquaculture Company based in Rochester, WA

• Only Commercial Scale Producer of Freshwater Coho Salmon In North America

• Only Monterey Bay Aquarium “Super Green” Farmed Salmon

• Intellectual Property
  - Proprietary coho salmon broodstock – 40 yrs. in development
  - Unique, land-based aquaculture production systems

• Existing Customer Demand Expected To Exceed Production Capacity

• Unique, Capital Efficient Contract Producer Growth Strategy

• Major Partners
  - Gordon & Betty Moore Foundation
  - Overwaitea Food Group – 132 unit grocer in British Columbia
  - Experienced private investors
PROBLEM / OPPORTUNITY

• Wild-caught salmon harvest has peaked
• Conventional “net-pen” salmon farming is not sustainable
  - Feed, waste, antibiotics & chemicals
  - Escapements, diseases & parasites
• Major production disruptions due to disease outbreaks
• Increasing regulatory pressures
• $1.5BN of farmed salmon imported into U.S. in 2012
• 90% of farmed salmon is Atlantic salmon
• Few capital efficient, scalable, sustainable solutions
• Potential industry game changer
  - In Aug. 2012, the largest salmon producers committed to adhere to the Aquaculture Stewardship Council sustainability standard by 2020.
TECHNOLOGY

 PROPRIETARY COHO BROODSTOCK

• Most advanced program in the industry
• 40 years in development
• Grows to maturity in freshwater
• Fast grow-out
• High IP barrier

RECIRCULATING AQUACULTURE SYSTEMS (“RAS”)

• 98% water reuse
• No antibiotic use
• Very low disease risk
• Effluent used as natural compost
• Modular “MicroRAS” design for contract producers
DIFFERENTIATORS AND BENEFITS OF APPROACH

- Solves Critical Environmental, Disease and Human Health Problems
- Raise Coho To Harvest (5.5 lbs.) In Under 16 Mos. (vs. 24 - 36 mo. for Atlantic salmon)
- Proprietary Broodstock Genetics – significant IP barrier
- Year-Round Production (currently at 5x per year) – vs. 2x to 3x per yr. for net-pen farms
- Premium Pricing, But Less Expensive Than Wild Salmon
- Egg-to-Plate Pedigree Traceability
- Scalable, Capital Efficient Contract Producer Growth Model - supports farmers
- Helps Preserve Wild Salmon Stocks
- $6MM of Equity Capital Funds Scalable, Capital Efficient Growth and Is Less Than The Cost of A Single Net-Pen Site In Norway
PRODUCT AND CUSTOMERS

• Only performance-measured, market-tested strain of freshwater coho salmon

• Only Monterey Bay Aquarium “Super Green” farmed salmon

• Excellent flavor and health attributes

• Differentiated from farmed Atlantic salmon

• Premium pricing vs. conventional farmed salmon, less expensive than wild salmon

• Sold salmon to 26 customers in 2012 – Overwaitea Foods is the largest customer

• Branding – Significant brand value potential / opportunity for category leadership
CONTRACT PRODUCTION MODEL

• Leverages SweetSpring IP and leaves farming to farmers

• “MicroRAS” production system design – lower cost and modular

• Farmers provide land, buildings and labor

• Benefits:
  - Much lower capital investment
  - Lower risk
  - Scalable across North America
  - Greater biosecurity
  - Supports farmers
HUB & SPOKE CONTRACT PRODUCER NETWORK

- SweetSpring will service contract producers ("Spokes") via regional "Hubs"
CONTRACT PRODUCER ECONOMICS

- MicroRAS system cost - $750K
- Contract producer installs the MicroRAS system (SweetSpring advises)
- Contract producer provides a suitable building
- SweetSpring provides the smolt for grow-out
- SweetSpring pays a contract price for the salmon and resells under its brand
- Target ROI for contract producer is 15%
- Initial contract producers will receive more assistance from SweetSpring and may receive additional incentives for being first-movers.

### Contract Producer Economics
Assumed Costs and SweetSpring Payment

<table>
<thead>
<tr>
<th>1) MicroRAS System and Financing Assumptions</th>
<th>$ / lb.</th>
<th>$, 000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual volume (not in $)</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>MicroRAS system cost</td>
<td>$7.50</td>
<td>$750</td>
</tr>
<tr>
<td>Financing:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent borrowed to finance system cost</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Amount borrowed</td>
<td>$3.75</td>
<td>$375</td>
</tr>
<tr>
<td>Contract Producer investment</td>
<td>$3.75</td>
<td>$375</td>
</tr>
<tr>
<td>Interest rate on farm borrowings, %</td>
<td>6.0%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Average annual interest on amount borrowed</td>
<td>$0.14</td>
<td>$14</td>
</tr>
</tbody>
</table>

| 2) Cost of Production                       | $3.75  | $375    |

| 3) Target ROI and SweetSpring Payment       |        |         |
| Target ROI to Contract Producer, %         | 15%    | 15%     |
| Cost of production                          | $3.75  | $375    |
| ROI added to Cost of Production             | $0.56  | $56     |
| Financing costs                             | $0.14  | $14     |
| SweetSpring payment to Contract Producer    |        |         |
| (Contract producer revenues)                | $4.45  | $445    |
TEAM + EXPERIENCE

- **CHRIS DEPALMA:** Chief Operating Officer, 20 years operational management in fishing industry
- **PHIL DAVID:** Chairman, ex-CEO Sygen/PIC, 23yrs Applied biotech & genetics to farm animals, sales $250m, 1500 people, 31 countries
- **PER HEGGELUND:** Founder/Vice Chairman 35-year career in seafood science, sustainable salmon farming and conservation.
- **MARCUS SMITH:** Director, CFO and executive roles at public and privately owned medical technology companies.
- **GREG HUDSON:** VP / Production Manager, 30yrs SweetSpring Facilities Manager
- **STEVE BRINN:** Director, 20+ years private investing, real estate and law. Former COO of Trillium Corp. and current CEO of Raptor Group.
- **KEN HERTZ:** Director, 25+ years in real estate President of Blossom Management. Former Mayor of the City of Bellingham, WA.
- **MICHELLE BARRY, Ph.D.:** Director, 17+ years sustainable product branding. Key clients: Tyson, Kraft, General Mills, Whole Food and Walmart.
OPERATIONS

- Rochester, WA (100 miles southwest of Seattle)
- 54 acre owned site
- RAS facility began production in 2012
- 400,000 lb. capacity
- 8 full-time and 3 part-time employees
PRODUCTION ADVANTAGES

• Most sustainable production method in the industry
• Faster grow-out – 16 mos.; moving to 14 mos. (goal of 12 mos.)
• Very low disease risk / No need for antibiotics
• 98% water reuse – uses less water than poultry farmers
• Year-round production – 5 harvests per year (moving to 12x)
  • More “inventory turns” on production assets
• Higher stocking densities
• Less feed waste – automated sensors optimize feeding
• No parasites – no need to “flash freeze” harvested fish to kill ocean parasites
• Facilities located near customers – reduces transportation costs / improves freshness
• Facility operated with a small number of employees
COMPETITION

Currently there are no other commercial scale freshwater coho producers.

- **Wild salmon** - Wild harvest affects pricing and sales for all producers July – Sept.

- **Premium net-pen producers** - Select premium net-pen raised Atlantic salmon, such as Verlasso in Chile, Loch Duart in Scotland and Villa Organic in Norway,

- **Developmental RAS producers** - There are very few commercial scale producers of salmon utilizing RAS methods.
# FINANCIAL SUMMARY

## Select Income Statement Data:

(Dollars in '000s)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$1,558</td>
<td>$1,437</td>
<td>$800</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>141</td>
<td>(111)</td>
<td>(460)</td>
</tr>
<tr>
<td>% of Revenues</td>
<td>9.1%</td>
<td>-7.7%</td>
<td>-57.5%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>(933)</td>
<td>(719)</td>
<td>(146)</td>
</tr>
<tr>
<td>% of Revenues</td>
<td>-59.9%</td>
<td>-50.0%</td>
<td>-18.3%</td>
</tr>
<tr>
<td><strong>After-Tax Net Income</strong></td>
<td>($1,964)</td>
<td>($1,224)</td>
<td>($632)</td>
</tr>
<tr>
<td>% of Net Revenues</td>
<td>-126.1%</td>
<td>-85.2%</td>
<td>-79.0%</td>
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</table>

## Production Volume ('000s lbs.):

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</tr>
</thead>
<tbody>
<tr>
<td>Contract Producer Units (not in '000s)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>14</td>
<td>20</td>
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<tr>
<td>Rochester Facility</td>
<td>55</td>
<td>150</td>
<td>101</td>
<td>333</td>
<td>383</td>
<td>500</td>
<td>600</td>
<td>600</td>
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<tr>
<td>Contract Producers</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>357</td>
<td>1,696</td>
<td>3,583</td>
<td></td>
</tr>
<tr>
<td><strong>Total Production Volume</strong></td>
<td>55</td>
<td>150</td>
<td>101</td>
<td>333</td>
<td>383</td>
<td>857</td>
<td>2,296</td>
<td>4,183</td>
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</tbody>
</table>
### FINANCIAL SUMMARY

#### Select Balance Sheet Data:
(Dollars in '000s)

<table>
<thead>
<tr>
<th></th>
<th>HISTORICAL</th>
<th>PROJECTED</th>
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</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$1,264</td>
<td>$81</td>
</tr>
<tr>
<td>Current assets</td>
<td>1,366</td>
<td>713</td>
</tr>
<tr>
<td>Fixed assets, net</td>
<td>2,836</td>
<td>4,035</td>
</tr>
<tr>
<td>Total assets</td>
<td>6,164</td>
<td>6,499</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>1,797</td>
<td>711</td>
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<tr>
<td>Long-term debt</td>
<td>3,211</td>
<td>2,734</td>
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<tr>
<td>Total liabilities</td>
<td>5,008</td>
<td>3,445</td>
</tr>
<tr>
<td>Stockholders' equity</td>
<td>1,156</td>
<td>3,054</td>
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</table>

#### Select Cash Flow Data:

<table>
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<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating activities</td>
<td>(1,223)</td>
<td>(2,297)</td>
<td>(1,427)</td>
<td>(1,206)</td>
<td>(1,151)</td>
<td>(904)</td>
<td>1,362</td>
<td>3,502</td>
</tr>
<tr>
<td>Investing activities</td>
<td>(485)</td>
<td>(1,160)</td>
<td>273</td>
<td>(1,350)</td>
<td>(450)</td>
<td>(650)</td>
<td>(150)</td>
<td>(150)</td>
</tr>
<tr>
<td>Financing activities</td>
<td>2,060</td>
<td>2,274</td>
<td>1,196</td>
<td>5,583</td>
<td>(121)</td>
<td>696</td>
<td>(530)</td>
<td>(529)</td>
</tr>
<tr>
<td>Net increase (decrease)</td>
<td>$352</td>
<td>($1,183)</td>
<td>$42</td>
<td>$3,027</td>
<td>($1,722)</td>
<td>($858)</td>
<td>$682</td>
<td>$2,823</td>
</tr>
</tbody>
</table>
FINANCING AND EXIT

Seeking $6 million in equity to:

• Expand existing production capacity to 600k lbs.
• Make key hires – CEO and technical personnel
• Construct and fully test MicroRAS system
• Pursue contract production growth strategy
• Continued R&D and refinement of production methods

Strategic value of SweetSpring:

• Unique biological and production assets
• Enables scalable, domestic salmon aquaculture
• Solves problems confronting salmon farming industry

Potential exit scenario:

• Sale to strategic buyer in 3 to 5 years