

South Australian Marine Products Industries P/L

(S.A.M.P.I.)

ABN 36 107 786 201

Old Lincoln Bacon Factory, Pine Freezer Road, Port Lincoln SOUTH AUSTRALIA 5606
Postal Address: P.O. Box 694, Fremantle, WESTERN AUSTRALIA 6160

Fremantle March 29 , 2010

Re: S.A.M.P.I. Directors Meeting 29-3 -2010

Ref: Agenda dated March 24 , 2010

Present: Charles Franchina (director), Terry Romaro (director),
Peter Lombardo (alternate director) , Daniel McRorie (mgr)

Chairman: Charles Franchina was voted chairman of proceedings

Cc to T.Romaro, P. Lombardo, P.Laughton, P.Vinci, D.McRorie, B.Boschetti

Summary of discussions

- Lombardo representing Laughton in order to make an appraisal of the company, and disseminate assessment and advice to Laughton.
- Lombardo provided with company financial statements, P+L statements
- SAMPI administration expressed concern about Laughton's behaviour in disrupting operation of SAMPI. Business is currently at peak production for the entire year and cannot afford to have disruptions. Staff are under immense stress from workload, and negativity is counter-productive. Assured by Lombardo that placing limits on purchases from suppliers, negative comments to staff, other acts not in the best interest of the company to cease. Administration Outlined all aspects of the business have been managed professionally and compliant with all governing bodies since its inception.
- Fishtrade expressed concerns that their investment/debt liability in SAMPI could be jeopardised if SAMPI is unable to operate as it has successfully for 7 years under current management. FishTrade needs assurances that its loan is secure; and its investment in company protected.
- Administration to prepare more detailed outline of projections for re-location to new Factory site as well as update on business progress from business plan; to address concerns of Laughton
- Lombardo made suggestion that once Laughton is satisfied of management + projections that he may consider resigning directorship and become shareholder only

Resolutions:

Fishtrade to be appointed as a secure creditor of SAMPI - Voted Unanimously Agreement currently being drafted by lawyer. Basic structure to consist of floating charge over business, assets + stock as necessary. Agreed interest rate as per current Westpac bank overdraft rate. A 90 day repayment period upon demand. Loan amount of up to \$850,000; though will be finalised on the deed of charge

Agreement that all previous minutes of directors meeting be adhered to (ie sale of separator, Kevin Smith in charge or factory + re-location)- agreed by Romaro and Franchina; separator sale denied by Lombardo. Resolution passed.

This is a true and correct record of today's meeting

Charles Franchina, Chairman

Terry Romaro (Director)

Peter Lombardo (acting director)

South Australian Marine Product Industries (SAMPI)