
To: The Shareholders of Marine Farms ASA

From: The Nomination Committee of Marine Farms ASA

Date: 16th of March 2010

Topic: The Nomination Committee's recommendation to a new Board of Directors of Marine Farms ASA in connection with the Extraordinary General Meeting 17.03.2010

Background

On the 24th of February 2010 the Board of Directors of Marine Farms summoned all shareholders to an Extraordinary General Meeting, to be held on the 17th of March 2010. The background was a letter from the shareholder Nireus Aquaculture S.A. requesting that a general meeting to be summoned with the purpose of electing a new board of directors.

At the Ordinary General Meeting held on the 28th of May 2009 it was agreed that Marine Farms ASA would establish a Nomination Committee. The following persons were elected as members of the committee:

- Per M. Bårdsgjerde (Chairman)
- Panayotis Alexakis
- Kjell Bjordal

The General Meeting unanimously approved the instructions for the Nomination Committee. In connection with the Election of a new Board of Directors at the Extraordinary General Meeting 17.3.2010, the Committee has acted according to these instructions.

The Work of the Nomination Committee

The Committee has held 2 meeting where all members have been present. Representative Panayotis Alexakis has been unable to attend one meeting. On Thursday 11th of March 2010, Mr Panayotis Alexakis informed the chairman of the Committee that he resigned with immediate effect. The remaining members of the Committee have since held 2 meetings, including the required meeting, according to the instructions, with the CEO and the current Chairman of the Board of Directors.

The intention of the Committee was to prepare a well founded recommendation to the General Meeting, well in advance of the Extraordinary General Meeting on the 17th of March 2010. However, this has not been possible since two of the largest shareholders did not provide their nominations before 12th of March 2010.

The Committee therefore submits its recommendation now.

In accordance with the instructions, the Committee has been in contact with all the largest shareholders in Marine Farms ASA, as well as several smaller shareholders. The Committee has also been in contact with the existing members of the Board of Directors of Marine Farms ASA as well as several potential new candidates.

Principles for the election of a new Board used by the Nomination Committee

The Committee has used the following principles when preparing its recommendation to a new Board of Directors of Marine Farms ASA:

1. The Board should be represented by a wide range of shareholders, including the largest shareholders as well as independent board members representing the smaller shareholders.
2. Industry owners can be represented on the Board despite being competitor to the Company.
3. The Chairman should not represent any of the majority shareholders, rather should be independent and represent all shareholders.
4. No large industry owner should be in control of the Board, neither through having majority on the Board nor in any other way.
5. Replacing too many of the existing Board members would be unfortunate, given the need for continuity in the work of the Board.

The Committee is of the opinion that the above mentioned principles will contribute to Marine Farms ASA maintaining the trust built up amongst its stakeholders and in the Norwegian capital market, including the equity market, banks and other financial institutions.

Important factors for the Nomination Committee

Shareholders Independent Oil & Resources ASA and Net AS, with 14.2 % of the shares in the Company, have notified the Committee that they wish to continue their representation on the Board of Directors, their proposal being the current board member Mr Jan Egil Moe. Mr Moe has been the Board of Marine Farms ASA since October 2004.

Shareholders Cermaq / Ewos with 16.2% of the shares in the Company have stated that they do not want to continue to be represented on the Board of Directors. However, the acting Chairman, Mr Endre Witzø is no longer connected to Cermaq and he is willing to be nominated as an independent member of the new Board of Directors. Cermaq has given their approval of this. Mr Witzø has been the Board of Marine Farms ASA since May 2009.

Shareholder North Asset Management, controlling 19.1% of the shares in the Company, has nominated two independent candidates to the Board of Directors, being Lady Katherine Innes Ker and Edoardo Bugnone.

Shareholders Nireus Aquaculture SA controlling 33.0 % of shares in the Company have nominated 5 candidates to the Board, of whom Mr. Epameinondas Lambadarios (proposed as new Chairman), Mr. Dimitrios Loumpounis (board member in Marine Farms ASA since May 2009) and Mr. Aristides Belles have direct connection with Nireus; as boardmember, top manager and CEO respectively. Mr Vasileios Theofanopoulos (alternate member to Mr. Loumpounis since May 2009) has been proposed as alternate member to Mr. Aristides Belles and Mr Dimitris Loumpounis. Nireus also propose Ms. Tone Bjørnov (board member in Marine Farms since May 2009, representing Nireus) and Ms. Kristin Krohn Devold as independent members of the Board of Directors in Marine Farms ASA.

Several of the smaller shareholders in Marine Farms ASA have contacted the Committee to express their trust in existing Board members. Some have also proposed other candidates, which the committee then has contacted.

The Committee has been in contact with a significant number of candidates for the maximum 7 positions allowed for in the Article of Associations. The Committee has put together a proposal that tries to combine the wishes from all the shareholders in Marine Farms ASA in a reasonable way. In the opinion of the Committee, the proposal put forward comprises candidates that have the necessary qualifications and experiences for the new Board of Directors of Marine Farms ASA to perform its tasks in a good manner, to the best of the company and all its stakeholders. This will include taking on the challenges for the industry in general and for the company in particular.

The Nomination Committee's recommendation

Chairman of the Board:

- Mr Endre Witzø

Board members:

- Mr Aristides Belles
- Ms Kristin Krohn Devold
- Ms Inger Hygen Flostrand
- Lady Katherine Innes Ker
- Mr Dimitrious Loumponis
- Mr Jan Egil Moe

Mr Endre Witzø will be an independent Chairman with relevant industry and strategic experience. Mr Belles, Mr Loumponis and Mr Moe will be shareholder nominated board members with important relevant experience from the aquaculture industry. Lady Innes Ker will be an independent board member board with broad board experience as well as relevant knowledge of the investment and finance sector. Ms Flostrand will be an independent board member with both legal and general board experience. Ms Krohn Devold will be an independent board member with broad board experience in addition to an interesting background from the Norwegian parliament and government.

According to its instructions, the Committee has not looked into proposals for alternate members.