



EDGEWATER FOODS ANNOUNCES MAJOR EXPANSION WITH CONSTRUCTION OF NEW PROCESSING FACILITY

GAITHERSBURG, MD—February 21, 2007. Edgewater Foods International, Inc. (OTC BB: EDWT) announced today that the Company has completed its new scallop processing facility. The new facility is 11,000 square feet and includes a live holding facility, processing and packaging rooms, as well as new administrative and sales offices. The facility meets Canadian government HACCP specifications (License: BC1907SP) and includes new scallop cleaning and washing equipment recently purchased from Japan that can process 2,000 pounds per hour. The Company currently sells its scallops in a variety of sizes from medium (5-8 per lb) for \$3.31, to extra large (1-3 per pound) for \$3.57 per pound. The facility has the capacity to hold 15,000 pounds of live scallops and along with the Company's current facilities, will represent the largest private marine research hatchery and fully-integrated shellfish producer in Canada.

"The increased capacity made possible through the addition of a new facility enables us to keep pace with the tremendous demand for scallops," said Robert Saunders, Chairman and Chief Executive Officer. "Equally important, as evidenced by this latest expansion announcement, we fully intend to maintain our leadership position in the scallop market. This is a critical step in our plan for rapid revenue expansion."

The scallop produced by the Company, the "Pacific scallop," is the largest scallop in the world, reaching 15 cm in size and weighing up to approximately 1.1 pounds. As demonstrated by the increased weight of scallops harvested in February 2006, the benefits of our 5 years of selective breeding are beginning to bear fruit. The addition of DNA-based family analysis, which started in 2000, provides the tools for the selective breeding of superior scallops in terms of growth, survival and meat yield.

The Company is the predominant producer of live "in the shell" scallop products in North America. There are no known direct competitors in the scallop farming business in British Columbia and Island Scallops Limited, the Company's wholly owned subsidiary, is the only hatchery producing the Pacific scallop. The Company sells scallop seed to a number of small independent scallop growers who sell their products into the same marketplace; however, these growers are generally only able to purchase and grow less than 300,000 scallops per farm. Five British Columbia joint venture farmers are currently farming scallops and receive scallop seed, technology, and support in an arrangement with ISL.

ISL currently distributes the scallops through specialty wholesalers with particular expertise in selling to restaurants, and has developed a market for whole live scallops that exceeds 5,000 lbs. per week into Vancouver. As distribution is expanded, the Company will continue to focus on specialty wholesalers with strong ties to major restaurants.

ISL, a Vancouver Island aquaculture company, was established in 1989 and for over 15 years has



successfully operated a scallop farming and marine hatchery business. ISL's scallop farms are situated along both the east and west coasts of Vancouver Island. These facilities represent the largest private marine research hatchery and the first fully integrated shellfish producer in Canada.

ISL is dedicated to the farming, processing and marketing of high quality, high value marine species: scallops and sablefish (or blackcod). Farmed scallops are relatively new to North America and ISL is the only producer of both live-farmed Pacific scallops and live sablefish. ISL has developed proprietary hatchery technology for the hybridization of Pacific scallops and production of juvenile blackcod. These new husbandry techniques significantly increase growth yields, while strengthening the selected strain's ability to resist disease. In the case of blackcod, there were a number of technical difficulties associated with spawning that ISL has solved with its technological innovations. As such, there are no existing competitors that produce and/or harvest both scallops and blackcod. Edgewater seeks to become a leader in the highly profitable niche seafood industry.

Through ISL, Edgewater is an aquaculture and marine hatchery that provides consumers with healthy, environmentally friendly alternatives to the current market. The unique hatchery technologies held by Edgewater give it the advantage of being a "Green" environmentally friendly business. For additional information on Edgewater Foods International, Inc., please visit <http://www.edgewaterfoods.com> or call (800) 793-0087.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: The statements contained in this news release include certain predictions and projections that may be considered forward-looking statements under securities law. These statements involve a number of important risks and uncertainties that could cause actual results to differ materially including, but not limited to, the performance of joint venture partners, as well as other economic, competitive and technological factors involving the Company's operations, markets, services, products and prices. With respect to Edgewater, except for the historical information contained herein, the matters discussed in this news release are forward-looking statements involving risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. Potential risks and uncertainties include, but are not limited to, Edgewater's extremely limited operating history, uncertainties related to the Company's access to additional capital, competition and dependence on key management.

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