

## **FuturaGene to develop enhanced poplar for the Chinese biofuel and biopower markets**

9 September 2009. Rehovoth, Israel.

FuturaGene PLC, ("FuturaGene" or "the Group", AIM: FGN), a leader in plant genetic research and development for global forestry, biofuel and agricultural markets, has entered into an Agreement with the Chinese Academy of Forestry ("CAF") to develop new enhanced poplar with increased yield, processability and abiotic stress characteristics for the Chinese domestic market.

Futuragene will provide proprietary genes and technical assistance to Professor Liwang Qi, Chief Expert on Silva Genetics at CAF in Beijing. The programme aims at improving yield, drought and salt tolerance of short-rotation poplar for the biofuel and biomass markets.

Woodchip from poplar produced in sustainable, renewable plantations provides a carbon-neutral fuel source for co-firing coal-burning power stations, significantly reducing environmental damage. Poplar is also being developed for the production of second generation cellulose-to-ethanol biofuel. The rapid growth rate of poplar makes this species an ideal candidate for renewable biomass for energy production reducing the need to use food crops as a raw material for liquid fuel production.

In addition to development work, field trials and regulatory authorisation will be carried out by CAF. Both parties will have joint rights for commercialisation of varieties produced under the Agreement in the Chinese domestic market.

This Agreement is the second collaboration between FuturaGene and CAF. The first agreement was signed in 2007 and aimed at improving yield, processability and disease resistance of eucalyptus trees.

**Dr. Stanley Hirsch**, Group Chief Executive of FuturaGene commented:

**"We are delighted to be extending our relationship with CAF, following the productive start to our initial eucalyptus-focused collaboration agreement. This agreement on poplar is strategically important to our global initiatives in the development of this crop for biopower and second generation biofuel production.**

**"Poplar is widely used in China as a structural wood, for fibre and to reverse desertification. There is increasing interest in utilizing poplar as a carbon neutral biomass for renewable energy. As China is currently one of the largest users of coal, the introduction of poplar as an energy source for combustion, potentially has a substantial global environmental benefit.**

**"Professor Qi has been a significant contributor to poplar research in China and we are sure that this new partnership will bring mutual benefit to both parties."**

**Professor Liwang Qi** added

**"We are confident that Futuragene's technologies can make a significant contribution to the improvement of poplar varieties in China and are pleased to have this opportunity to work closely with them."**

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**Note to Editors:**

**Information on Poplar**

Poplars are one of the most commonly planted species of tree in China. Poplar wood is used for plywood, veneer and structural timber. As this species is fast growing, it is finding increasing use in reforestation of deserts. Poplar plantations extended over 4.3 million hectares in 2007 (FAO). According to GMO-Safety (a biosafety research portal run on behalf of the German Federal Ministry of Education and Research), China intends to reforest an area of approximately 17 million hectares by the year 2012. In addition, adoption of woodchip co-firing programs for coal fired power stations in China could significantly add to the demand for poplar wood.

**About FuturaGene PLC [www.futuragene.com](http://www.futuragene.com).**

FGN is a leading agricultural biotechnology company focused on research, development and commercialization of technologies that provide solutions for agriculture in a changing planet. FGN's technologies play key roles in substantially improving and protecting yields, enhancing processability and environmental sustainability in the forestry, biofuels, biopower and agricultural sectors.

In addition to its in-house discovery programme, FuturaGene licenses intellectual property from leading universities in its strategic fields of interest and develops these technologies in its strategic crops. FGN has established numerous commercial and academic partnerships and out licenses to bring its technologies to market. FGN's most advanced technologies for yield improvement in sustainable industrial forestry have successfully completed field trials and are in regulatory phases prior to commercial deployment.

**About the Chinese Academy of Forestry**

The Chinese Academy of Forestry (CAF) was founded in 1958 based on the former Central Research Institute of Forestry established in 1953. Its present president is Chen Tong'ai. The academy now has over 4,400 staff, including researchers, engineers, and technicians, involved in more than 150 disciplines and is authorized advanced academic degrees in a number of fields. Having research offices and satellite institutions in a number of sites around China as well as more than 60,000 hectares of experimental lands, CAF is the mainstream of tree development in China