FUTURAGENE PLC ("FuturaGene" or the "Company")
FuturaGene's Wholly Owned Subsidiary, CBD Technologies, Ltd. ("CBD Tech") announces that it has entered into a collaborative agreement with Oregon State University

Rehovoth, Israel
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FuturaGene, which develops environmentally friendly solutions that enhance yields and improve the processability of plants for forestry, biofuels, biopower and agriculture, is pleased to announce that its wholly owned subsidiary, CBD Technologies Ltd., has embarked on a unique collaboration with Dr. Steven H. Strauss of Oregon State University (OSU) under which the company will provide Dr. Strauss's research group with a proprietary eucalyptus clone and a highly efficient eucalyptus transformation protocol developed by CBD Tech. The collaboration will facilitate rapid and efficient evaluation of genes for flowering control and other biosafety aspects of tree modification. Although eucalyptus is the most widely planted commercial plantation tree species for pulp and paper production in the world, this species is notoriously difficult to transform. Thus, the supply of a proprietary clone and transformation method from the company to a public research institute, under appropriate material usage and confidentiality provisions, represents a significant contribution to accelerating public research and development in this species. In addition CBD Tech intends to join the Tree Biosafety and Genomics Research Cooperative (TBGRC), an internationally recognised tree research consortium that has been working with forest industries on tree biotechnology for 15 years. It is directed by Dr. Steven H. Strauss, a Distinguished Professor of Forest Biotechnology at Oregon State University in the USA.

"We are excited to launch this collaboration with OSU and TBGRC" said Dr. Ziv Shani, Vice President Research & Development of CBD Tech. "As a pioneer of plant cell wall modulation technology, CBD Tech has accumulated a vast knowledge base and experience in enhancing plant biomass and yield. We have implemented our technology in eucalyptus and poplar, as well as other crops, and we are currently conducting several field trials around the globe.
Our collaboration with OSU is an expression of our commitment to ensure the deployment of ecologically sound and sustainable yield enhancing technologies in the forestry, biofuels, biopower and agriculture industries.
Dr. Strauss has been a leader in the development of environmentally responsible tree modification technologies for many years and we are proud to be associated with him. We look forward to providing technology to Dr. Strauss to accelerate the OSU and TBGRC programs, especially as they broaden their scope from poplar to eucalyptus."

Dr. Steven Strauss, Director of TBGRC said: "We are very interested to begin aggressive studies to improve biosafety and the productivity of eucalypts. With the eucalypt genome sequence nearly completed by the US Department of Energy, there are a lot of fundamental avenues for scientific and technological advancement that require highly efficient gene transfer methods. We

are anxious to work closely with CBD Tech to adapt their advanced methods to our laboratory environment."

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About FuturaGene PLC

FGN is a leading agricultural biotechnology company focused on research, development, and commercialisation of technologies that play key roles in substantially improving agronomic traits of value in plants. In particular the Company is focused on the development and commercialisation of genetically modified plants for improving and protecting yields, and enhancing processability and environmental sustainability in the forestry, biofuels, biopower and agricultural sectors. In addition to its in-house discovery program, FuturaGene licenses intellectual property from leading universities in its strategic fields of interest and is exploiting the synergies of these technologies with the cell wall modification platform of its wholly owned subsidiary, CBD Technologies, Inc. (CBD Tech) in forestry, biofuel, biopower, food and feed crops.

CBD Tech has pioneered a modality for modifying plant cell walls, resulting in enhanced growth and biomass, increased cellulose, improved fibre properties, improved digestibility and processability, and increased yield properties and has secured broad intellectual property covering plants with modified cell walls showing such altered properties. More information is available at www.futuragene.com.

About TBGRC

The Tree Biosafety and Genomics Research Cooperative (TBGRC) was established in 1993. Its aim is to conduct research, technology transfer, and education to facilitate responsible uses of genetically engineered trees in plantations. The TBGRC seeks to test and develop select innovations, based on progress in molecular biology and agricultural biotechnology that will ultimately have commercial value to wood-growing, bioenergy, and horticultural industries. Research is focused on poplar and eucalypts as scientific models for genetic engineering and functional genomic studies. Experiments underway are aimed at discovery of genes with major value for control of fertility, flowering onset, crown form, wood quality, and stature. A key theme of TBGRC research is the identification and testing of genes that can promote both economic and environmental benefits. The Director, Dr. Steven H. Strauss, is a Fellow of the American Association for the Advancement of Science and a Distinguished Professor at Oregon State University. He was recognized as "Forest Biotechnologist of the Year" in 2009 by the Institute of Forest Biotechnology Partners (www.forestbiotech.org). The award is "…given to the forest biotechnologist who best exemplifies responsible uses of forest biotechnology, and actively promotes science, dialogue, and stewardship through their work".