

Regulatory Announcement

Go to market news section

Company	FuturaGene PLC
TIDM	FGN
Headline	Statement re License in China
Released	07:00 31-Jan-06

FuturaGene PLC

FuturaGene Granted 10 Year Business Licence in China

The Board of FuturaGene plc ('FuturaGene' or the 'Company') is pleased to announce that the Government of the Peoples republic of China ('China') has granted a 10-year business licence to FuturaGene Investment Consulting (Beijing) Company Limited ('FuturaGene Beijing') a wholly owned subsidiary of the Company. The grant of the licence follows the establishment of FuturaGene Beijing, announced at the time of the company's interim announcement at the end of September last year. Since then the business has been operating under a temporary licence.

In addition to the current partnership with the Chinese Agricultural University, the licence would enable FuturaGene to enter into similar partnerships with other key institutions and laboratories in China. These partnerships will expand our research and applied development capability, as well as our gene discovery engine.

This strengthens FuturaGene's position in China, and is an indication to its partners in China of the long-term potential of its partnership and the commitment it has made. This long-term business licence allows FuturaGene to carry out the necessary business activity such as licensing and performing contract services for our partners, which are crucial to the Company's long-term growth and future development plans. The Company will also be in a position to exploit new technologies for both the Chinese market and markets outside of China.

Kannan Grant, acting CEO of FuturaGene commented:

'We are delighted to have been awarded this licence. The fact that it is for a longer period than we had initially sought is particularly pleasing and illustrates the commitment shown by the Company and the Chinese Government and our commitment to our partners and the opportunities in the region.'

For further information, please contact:

FuturaGene Plc

Kannan Grant. Acting CEO, Tel:

+1 765-497-7299

Cubitt Consulting

Michael Henman

+44 (0) 20 7367 5100

Notes to Editors

FuturaGene is committed to the research and development of environmentally friendly solutions to solve crop production problems.

FuturaGene Plc. Sponsors research at a consortium of universities to develop knowledge and create intellectual property that is essential to the development of crop species with enhanced agronomic characteristics including tolerance to a variety of environmental stress such as salt, drought and cold conditions. FuturaGene has established contracts with several universities for the exclusive global commercial rights on a suite of utility and provisional patents.

The Group's technology comprises of a licensed patented portfolio of genes which enhance the function of genes already present in the plant through over expression of these genes. FuturaGene has identified genes which confer enhanced tolerance and enable plants to withstand extreme environmental stresses such as cold, drought, fungal pathogens and high salt concentrations.

FuturaGene already has laboratory prototypes of rice and tomato plants with resistance to salt, drought and cold.

The total seed agricultural biotechnology market is estimated to have a value in the region of \$3bn while the total seeds market is estimated to be worth between \$12 and \$15bn.