



## **Makhteshim-Agan and Cibus Global Announce Strategic Agreement to Co-develop Proprietary Crop Protection Traits**

- **\$37 million Trait Development Alliance to develop high-value performance enhancement traits in 5 major crops**
- **MAI gains option to gradually become a 50.1% shareholder of Cibus Global**

Tel Aviv, Israel, Makhteshim-Agan (MAI) and Cibus Global (CIBUS) announced today that they signed Strategic Development Alliance and Strategic Equity Alliance agreements. Under these agreements, MAI will invest up to \$37 million over five years, based on certain milestones, in a Joint Venture with CIBUS to develop proprietary crop traits in five major crops with a European focus. Separately, in another agreement, MAI has entered into a Strategic Equity Alliance with CIBUS that allows MAI to gradually acquire up to 50.1% of CIBUS equity.

Under the terms of the Strategic Development Alliance, CIBUS committed to developing proprietary performance enhancement traits for the Joint Venture that include both performance enhancement traits as well as crop protection product tolerance to a spectrum of crop protection products that MAI markets. These traits will be commercialized in high-performance seed lines in cooperation with leading seed companies and will allow MAI to participate in capturing the value of trait based crop protection.

The MAI and CIBUS Joint Venture will develop these traits using the proprietary Rapid Trait Development System (RTDS™) technology developed by CIBUS, which enables much faster and efficient trait development than traditional plant breeding techniques. By utilizing the cell's own gene repair system to specifically modify a gene sequence, RTDS technology imitates a biological process that frequently occurs in nature. This directed mutagenesis procedure effects a precise change in the genetic sequence while the rest of the genome is left unaltered. By using RTDS technology there is no integration of foreign genetic material, nor is any foreign genetic material left in the plant. In addition to yielding significant economic advantages to farmers growing these important crops, MAI and CIBUS believe that the newly developed traits will enable more efficient and environmentally responsible usage of agricultural crop inputs over the crop production cycle.

Avraham Bigger, Chairman and CEO of Makhteshim Agan, said that, "We are very pleased to announce our well thought-through entry into the trait and seed business areas, which will allow us to participate in capturing the value of these important fields and enhance our innovative offering and market positioning. The partnership with CIBUS, a leading research and development firm with unique and innovative technologies, provides the opportunity for MAI to invest in the Company and ultimately become a greater than 50% shareholder in this exciting firm, and has the potential of forming a new business activity for MAI."

Dr. Yoav Zeif, MAI's SVP Product Development and Registration, said that, "The partnership with CIBUS provides a unique offering that links existing crop protection products with advanced trait-based products, as well as building the know how in a new and innovative complementary area. Our joint development plan targets untapped and promising areas and addresses significant market opportunities."

"We are very pleased to be partnering with MAI, a very successful and forward-looking global peer from the crop protection sector, to bring the first benefits of this unique trait-development capability to farmers worldwide," said Stephen Evans-Freke, Chairman of CIBUS.

"The capabilities of the RTDS technology have potentially a broad applicability addressing commercial needs and opportunities in virtually all areas of agriculture, as well as other important sectors such as bio-energy and specialty oils," said Keith Walker, President of CIBUS.

#### About Makhteshim Agan

Makhteshim-Agan is a world-leading manufacturer and distributor of branded off-patent crop protection products. The Company is characterized by its know how, high-level technological-chemical abilities, expertise in product registration, observance of strict standards of environmental protection, stringent quality control and an global marketing and distribution channels. For more information about Makhteshim Agan please visit [www.ma-industries.com](http://www.ma-industries.com).

#### About Cibus Global

Cibus Global is a privately held trait development company that produces crop traits for the agricultural community. Through the application of a proprietary technology called the Rapid Trait Development System (RTDS™), CIBUS creates traits in a directed way with more precision than traditional breeding techniques and without the introduction of foreign genetic material. RTDS has proven itself in the laboratory with several different crops, as well as in

initial field trials of CIBUS' first commercial crop, canola. Further information on Cibus Global can be found on the Web at [www.cibus.com](http://www.cibus.com).

#### About *RTDS*<sup>™</sup>

*RTDS*<sup>™</sup> technology produces changes within a plant species that could only occur in nature, but does so in a directed way. Thanks in part to recent developments in genome mapping, *RTDS* is significantly more precise and much faster than conventional plant breeding in the process of new trait development in plants.

*RTDS*, known as directed mutagenesis, works through the cell's natural process of gene repair. Every time a cell copies DNA, it makes "scrivener" errors or spelling mistakes. These variations happen all the time, which is how natural variation occurs. CIBUS' technology harnesses the cell's own natural DNA repair machinery to correct such spelling mistakes, thus directing DNA repair enzymes to correct and repair the targeted gene in a specific way in order to produce a desired trait. This very precise process is similar to altering a single letter in a word contained within a large book.

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