



MEDIA RELEASE

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U.S. research company to test BioProspect's natural termite solution

BioProspect Limited (ASX:BPO) announced on Monday an evaluation agreement with U.S. research company Ensystem Corporation, for field testing of its natural termite solution *TERMILONE*[®] in major international markets.

Ensystem will carry out an extensive testing program at its own cost over the next two years in countries including Australia, the United States, and Japan, supporting product registration and future commercialisation of BioProspect's environmentally safe termite control and timber treatment.

BioProspect Chief Executive Officer, Peter May said, "We are extremely pleased with the involvement of Ensystem in evaluating *TERMILONE*[®] as a soil applied termiticide. Their investment in this extensive field trail program is a vote of confidence in the product and commercially underpins the significant potential for *TERMILONE*[®] in the global termite control market."

The program will commence this year in Australia with the aim of testing *TERMILONE*[®] under commercial conditions in a range of situations and locations. It is envisaged that buildings will be treated with *TERMILONE*[®] in a number of ways, including under slab, perimeter trenching and application through reticulation systems.

Mr May said testing will aim to confirm the field efficacy of *TERMILONE*[®] through commercial application equipment and systems and under the range of environmental conditions experienced around Australia.

"The program will complement testing by research collaborators such as the CSIRO and University of Western Sydney and provide additional data to support registration of *TERMILONE*[®] in Australia, as well as in the termite control markets of the United States and Japan," Mr May said.

"Following the conclusion of a successful program, BioProspect and Ensystem will have the option of entering into a commercial agreement for the supply and distribution of *TERMILONE*[®] to the pest control market in selected countries, giving us a direct pathway to market."

Based in North Carolina, Ensystem is a privately owned company that specialises in the development, manufacture, and supply of quality, environmentally responsible, urban pest management solutions for use by professional pest managers. Ensystem distributes products in all the major pest management markets around the world, including the US, Europe, South-East Asia, Australia and the Pacific region, China, Japan and the United Arab Emirates.

As a research-based international company, Ensystem utilises active ingredient synthesis and product formulation facilities in 14 different facilities; two in the US, two in Australia, one in Thailand, seven in China, one in Germany, and one in Russia. Research facilities are located in North Carolina and in Victoria and New South Wales in Australia.

David R. Nimocks, III, President of Ensystem, Inc., said Ensystem's interest in *TERMILONE*[®] was consistent with the company's vision to be the first choice for environmentally responsible, effective, long-term pest management solutions.

"Where products require compliance to GreenSmart, Codemark, environmental or other product standards, Ensystem is committed to maintaining and improving upon those requirements. *TERMILONE*[®] fits well with this objective by providing home owners with a termite control treatment based on a totally naturally derived product," Mr Nimocks said.

TERMILONE[®] is based on Eremophilone Oil, extracted from the native Australian tree species *Eremophila mitchellii* (false sandalwood). The product is being developed by BioProspect as a natural and environmentally safe termite control and timber treatment product.

BioProspect has recently submitted an application to the Australian Pesticides & Veterinary Medicines Authority for registration of Eremophilone Oil in Australia. Toxicity studies undertaken in support of this submission have demonstrated the benign nature of *TERMILONE*[®], with no adverse effects shown from exposure to the natural oil compound.

BioProspect is continuing to identify strategic partners for *TERMILONE*[®] including companies involved in timber treatment, the other major target market for the product.

COLIN JOHNSTON
Company Secretary

About BioProspect

Listed in 2001, BioProspect Limited (ASX:BPO) is a Brisbane-based biotechnology company focused on the discovery, research and development of commercial products from botanical sources. The company is currently developing two main products: natural termite compound *TERMILONE*[®] and the *Bioeffectives*[®] range of natural plant extracts for application in the animal health and nutrition markets.

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