



Market Release

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Ongoing successful cotton field trials demonstrate strength of anti-fungal technology

27 August 2009: Hexima Limited (HXL) today announced its third consecutive year of positive results in cotton field trials of its anti-fungal disease technology, with the successful completion of the 2008/09 trials. This is an important progress milestone in the commercialisation of the anti-fungal technology, demonstrating its sustained efficacy in varied seasonal conditions. The Company is currently expanding its technology in a range of crops, including corn, soy and canola. Hexima is collaborating with market leader Pioneer Hi-Bred International, a DuPont subsidiary, to commercialise anti-fungal technology in corn and soy. Corn and soy are the two largest GM crops accounting for over 80% of the global GM market.

The GM-cotton trials, conducted in the Darling Downs, Queensland against the important cotton fungal disease, *Fusarium* wilt, demonstrated that the GM-cotton with the anti-fungal trait had a 20% higher plant survival rate and lint yields that were more than two fold higher than the non-GM control. Related *Fusarium* species cause disease and yield loss in a range of other crops, including corn, soy and wheat. Importantly, the GM-cotton plants showed no yield penalty in the absence of disease and no difference in lint quality.

Lint Yield* In Presence of *Fusarium* Wilt (Kg/Ha)

	Non-GM Control	HXL Anti-fungal Trait	% Improvement
2006 / 07	169	493	192%
2007 / 08	62	233	276%
2008 / 09	542	1264	133%

*Lint yield of surviving plants

Professor Marilyn Anderson, Hexima's Chief Science Officer, confirmed the trials validated results obtained in previous years where the anti-fungal technology delivered superior plant survival and harvestable yield when compared to the non-GM control. Three years of successful trials demonstrated the robustness of the technology under naturally variable conditions. Generating consistent, positive results is important to current collaborators such as Pioneer, but also in Hexima's efforts to establish commercial relationships for other crops.

Seasonal conditions were not conducive to assessing the technology against *Verticillium* wilt.

The next step for Hexima's anti-fungal disease technology in cotton is to test the performance of the technology in germplasm with a higher natural resistance to disease, through a breeding agreement with CSIRO.

For more information, please contact:

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About Hexima

Hexima Limited (ASX Code: HXL) is an agribusiness company developing innovative gene technologies to help farmers enhance the productivity of arable land by improving yields and reducing the use of chemicals. Hexima's core technologies aim to strengthen commercial crops by enhancing their resistance to insect pests and fungal disease. Hexima partners with multinational seed companies to establish commercial markets for its technologies.

Visit www.hexima.com.au for more information.