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Manager of Company Announcements  
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**By E-Lodgement**

## **MEDIA RELEASE**

### **BioProspect wins exclusive licence to develop natural animal health products**

BioProspect Limited announced today the launch of a new development campaign in the natural animal health, nutrition and agricultural markets after concluding an exclusive international agreement over Solagran Limited's Bioeffectives<sup>®</sup> plant extracts.

Managing Director Warwick Dowse said the signing of a formal licensing agreement yesterday with Melbourne-based Solagran opened the door to the development and commercialisation of a range of natural products on an international scale.

"Consumers and farmers are increasingly demanding 'clean and green' products and with our all-natural, non-toxic product range and proven results we are in position to roll out Bioeffectives<sup>®</sup> products in rapid time," he said.

"We will initially be concentrating on Bioeffective<sup>®</sup> A, which has immediate application potential in animal feeds to substitute commonly used antibiotics, growth promotants and medicated nutritional supplements in this US\$2.3 billion a year market."

He said the company will commence screening studies in Australia shortly to assess animal feed applications in the poultry and pork industries, with beef cattle and dairy to follow.

"Bioeffective<sup>®</sup> A has already achieved Therapeutic Goods Administration clearance in Australia, giving the company a major advantage in quick product roll out," Mr Dowse said.

"Positive trials have already been carried out that indicate reduced stress levels on animals, and we will also benefit from Russian research conducted over the past 50 years that shows Bioeffectives<sup>®</sup> are viable substitutes to commonly used performance-enhancing substances."

He said this information will allow BioProspect to jump a few hoops in trial protocols and methodology, with leading Australian research institutions already enlisted to speed the development and commercialisation process.

The Bioeffectives<sup>®</sup> range has seen success in Russia with the natural medicine Ropren (active ingredient Bioeffective<sup>®</sup> R) recently approved for use in the treatment of liver disease in humans.

## Termite control product shows strong results

BioProspect is also continuing to progress its natural termite control and deterrent compound TERMILONE<sup>®</sup>, with preliminary assays conducted by The University of Western Sydney of two trial formulations showing strong performance against termites.

Further bioassays with the assistance of Ensis/CSIRO are being held this month, while environmental toxicity testing is being run under the leadership of Southern Cross University's Dr. Amanda Reichelt-Brushett.

Mr Dowse said the company anticipated having a data package ready for submission to the Australian Pesticides and Veterinary Medicines Authority by mid-2009, with potential approval in early 2010 and full commercialisation shortly after.

TERMILONE<sup>®</sup> has been developed from oil extracted from a native Australian tree species *Eremophila mitchellii* (False Sandalwood). BioProspect is currently conducting a geographic survey with the Queensland Herbarium and Southern Cross University to identify the best regional sources of the tree prior to undertaking a harvest and oil processing program.

"Australia is the third-largest market in the world for termite management systems behind the United States and Japan, with the US market alone estimated to exceed US\$1.5 billion per annum," Mr Dowse said.

## About Bioeffectives<sup>®</sup>

Sourced from pine tree needles and other coniferous plants, Bioeffectives<sup>®</sup> are complex plant extracts with unique anti-bacterial, anti-viral and anti-oxidant characteristics. The resulting natural and non-toxic product range has applications in improving stock feed conversion efficiency, stress reduction, and disease and infection control.

The Bioeffective<sup>®</sup> range also holds significant benefits from a cost and environmental perspective. The extracts are sourced from a patented extraction process, which in turn originate from plantation timber felled during commercial forestry production.

This unique combination of low environmental impact and cost efficiency, coupled with a market demand for natural and non-toxic animal health products, will allow BioProspect to positively appeal to the animal nutrition sector.

## About BioProspect

Listed in 2001, BioProspect Limited (ASX:BPO) is a Brisbane-based biotechnology company which focuses on the discovery, research and development of commercial products from Australian biological sources.

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