

WHAT IS THE PROCESS TO DEVELOP NUSEED'S DHA CANOLA?

As with all innovative new technologies, Nuseed must achieve product development milestones (prove that the concept will work) and obtain the necessary regulatory approvals (government requirements for commercialisation). Whilst there are different regulatory requirements depending on the country involved, the overall process follows similar patterns.

The development and pre-commercialisation process

A new product can take more than 10 years from concept to commercialisation. In the case of Nuseed's long-chain omega-3 canola, initial concept development started in 1999 at CSIRO. In 2010, a collaboration was formed between Nuseed, CSIRO and the Grains Research and Development Corporation aimed at commercialisation.

Gene discovery and selection of the best gene combination

Controlled testing and analysis of the crop and oil
Laboratory and glasshouse trials, small scale field trials, large scale field trials, product performance testing for end-market uses

Proof of concept

Select plants for development to commercialisation

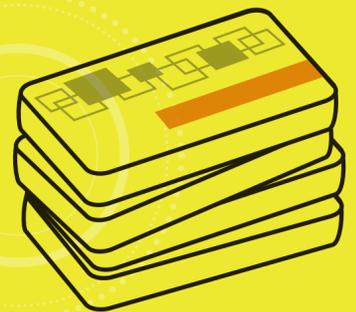
Deregulation process
Specific trials and tests to meet regulatory requirements for each production country and each country where the oil may be used as a food or feed ingredient

Seed production
Scale up enough seed for commercialisation

Commercial sales to grow the crop for oil production



For Nuseed's canola, all testing and analysis is conducted under strictly supervised and controlled conditions, as required by government regulations. The best plants are selected for full development, based on agronomic performance, oil yield and long-chain omega-3 oil content. The oil is also tested to make sure that it is safe and meets the needs of end-use markets, including analysis by independent research organisations, such as its use in fish feeding trials by Nofima in Norway.



The deregulation process requires the provision of extensive and detailed testing data and analysis which is collected over several years. Once the crop is approved by the country-specific regulators, seed production is scaled-up so that it can be grown commercially.

Initial production countries

In the countries proposed for initial production, relevant government agencies ensure the product has been tested under appropriate growing conditions and assess it for health and environmental safety. The country-specific regulatory agencies review all the agronomic, environmental and safety data provided before granting approval for commercial production and product entry into feed and food market uses.



Office of the Gene Technology Regulator
Food Standards Australia and New Zealand



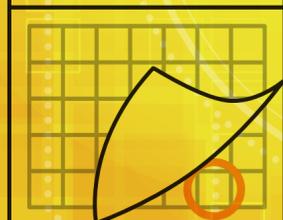
Canadian Food Inspection Agency
Health Canada



US Department of Agriculture
Food and Drug Administration

Approval has been granted by Australian regulators and the US Department of Agriculture, with applications pending for US Food and Drug Administration and Canadian regulators.

ready for commercialisation
2019



Timing for commercialisation

Provided that key development milestones and regulatory requirements continue to be met, Nuseed aims to be ready for commercialisation in 2019.

Initial product volumes will depend upon the timing of regulatory approvals relative to the growing season and the scale of plantings. Until regulatory approvals are in place for commercial production and product consumption, no materials generated through any of the trials will enter the feed or food chain.