



Market Release

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Hexima Announces Successful Field Trials for Disease Resistance in Cotton

Hexima Limited today announced that the Company's 2007/08 field trials of its fungal resistance technology in cotton have been successfully completed.

Managing Director, Mr Dan O'Brien said, "Fungal disease is the cause of significant yield loss in many major crops. Hexima aims to deliver farmers a tool to control fungal diseases and boost yields without the increased use of chemicals. The results of these trials are another positive step in demonstrating the effectiveness of our technology and its application to farmers."

Two fungal disease trials were conducted by Hexima's contracted research and development teams based at The University of Melbourne and La Trobe University. The trial in the Namoi Valley, Northern New South Wales tested the Company's proprietary disease resistance technology against the disease verticillium wilt for the first time, while the trial in the Darling Downs in Queensland tested the technology against fusarium wilt, with the aim of consolidating the successful results achieved last year.

Verticillium wilt is caused by the fungus *Verticillium dahliae* and results in defoliation and yield losses in cotton and other crops. The results of the trial for verticillium wilt show that the plants containing the Hexima technology gave significantly higher lint yield compared to the parent (or unmodified) plants. In addition, the lint quality of the modified plants was equivalent to that of the parent plants.

A third trial conducted for agronomic assessment in the Darling Downs demonstrated that the technology had no adverse impact on plant growth, appearance and yield.

Mr O'Brien said, "Last year we conducted successful trials against fusarium wilt and this year we have shown effectiveness against verticillium wilt. Establishing a range of effectiveness against disease is a significant step in demonstrating the commercial potential of the technology. Hexima will conduct further trials in the coming season."

The results from the current season's trial for resistance to fusarium wilt will be released next month.

Hexima Limited is an ASX-listed agribusiness company (ASX Code: HXL) actively engaged in the research and development of technology for the protection and enhancement of commercial crops, primarily to enhance their resistance to insects and fungal pests. Visit www.hexima.com.au for more information.

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