



Press release

22 October 2009

Plant Impact plc

(“Plant Impact” or the “Company”)

Plant Impact awarded €1m research grant from EU

Plant Impact plc (AIM: PIM), which develops and markets ecologically friendly crop nutrition and crop protection products, announces that a Plant Impact led consortium has been granted €1m European Union funding to develop its patented nematicide technology and a soil delivery system.

The grant is in respect of the project “Non-toxic and Cost-Effective Essential Oil-based Nematicide and Soil Delivery System”. The research is to be completed during 2011. The project is to provide all relevant research and commercial capabilities to deliver a marketable product. The consortium comprises of seven organisations across Europe, with Plant Impact being the nematicide technology provider and coordinator of the consortium. Approximately €300,000 is payable in respect of Plant Impact’s contribution to the consortium.

Pressure to increase yields from available land (especially in Europe) has resulted in the rise of practices such as monoculture and a reduction in crop rotation, providing ideal conditions for nematode survival and spread. Many of the current nematicides are being phased out because of their greenhouse gas emissions or their safety and handling profile.

Plant Impact’s approach aims to provide a non-toxic nematicide that can be applied in a timely and cost-effective manner without the need for soil sterilisation which results from fumigation. Following extensive networking within the EU farming communities, Plant Impact believes this solution will be welcomed over existing approaches based on four key-differentiators:

- Health and Safety – by removing the need to handle toxic chemicals and the removal of harmful residues from food;
- Increased Performance – selective to nematodes and safe for nitrogen fixing bacteria and other non target species;
- Reduced Application Cost – not having to use large-quantities of hazardous chemicals through specialised equipment;
- Reduced Environmental Impact – elimination of ozone depleting chemicals, not harming 'good' fauna and flora.

– Ends –

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About Plant Impact plc

Plant Impact develops and markets ecologically friendly crop nutrition and crop protection products. These products improve crop yields by reducing plant stresses caused by temperature, salinity, drought and light. The Company sells its products directly and through licensing agreements with international agrochemical companies. Plant Impact is differentiated from its competitors by marketing effective and environmentally friendly products.

Plant Impact has four key technologies marketed initially to the high value fruit and vegetable crop sectors; BugOil[®], CaT, PiNT[™] and Speedo[™]. The next two years will be dominated by CaT and PiNT[™] sales to existing markets, and BugOil[®] milestone payments in advance of its international roll out through Arysta, a global top ten agrochemical company by revenue.

For further information please visit www.plantimpact.com

About Nematicide Technology

Nematodes are one of the most common soil-borne parasites that feed on plant roots and other parts constituting a major contributor to agricultural crop losses. Yield losses due to the parasitic affects of nematodes vary significantly for different crops, however, it is estimated that over €1 billion/year of crop yield is lost in the EU and the figure is speculated to between €10-20 billion/year world-wide. There are a number of existing solutions to prevent the huge losses due to nematode infestations, including; chemical nematicides (soil fumigants), solar heating/steaming and robust crop rotations. However, all of these solutions have significant problems such as very negative environmental impact, high-cost, geographically specific and they all kill nitrogen fixing bacteria.

This nematicide project proposes to develop a unique blend of naturally occurring essential oils (EO) as an alternative, cost-effective, soil treatment, which will be delivered by a novel time-release capsule. A unique EO formulation has been discovered by Plant Impact, which shows a unique synergistic behaviour which provides a significant improvement in nematicide efficacy, allowing lower quantities of EO to be used.

The main work in the project will be to further investigate and utilise this effect, develop the delivery of the EOs to the soil and undertake the field-trials to allow future commercial funding to license the nematicide under the Chemicals Regulation Directive.