



Media Contact:
(W)right On Communications
Julie Wright
760.591.0700
jwright@wrightoncomm.com

YULEX CORPORATION PARTNERS WITH USDA AND MENDEL BIOTECHNOLOGY TO DOUBLE RUBBER YIELDS FROM DESERT PLANT, GUAYULE

Multi-year agreement supports field tests of transgenic guayule to improve rubber and biomass yields.

MARICOPA, Ariz.; September 5, 2007 –Yulex® Corporation, the United States Department of Agriculture’s Agricultural Research Service (USDA-ARS), and Mendel Biotechnology have signed an agreement to develop and field test proprietary guayule (why-YOU-lee) plants with enhanced natural rubber latex yields and increased biomass.

Yulex Corporation is at the forefront of a clean technology industry in the U.S. southwest based on guayule, a versatile desert plant that has become a commercial source of bio-based rubber latex, and a cellulosic feedstock for bioethanol and other alternative energy production.

“Launching this program with Mendel and the Agricultural Research Service will greatly accelerate the achievement of our long term goals which include the ability to provide an economical rubber product on a global basis while providing a regional solution for ethanol production in the Southwest United States,” says Jeffrey Martin, CEO and President of Yulex Corporation. “We expect to see a vast improvement in guayule rubber yields which will allow guayule production fields to produce significantly more rubber per acre than rubber plantations in Southeast Asia.”

“Using our expertise in plant regulatory genes and proprietary technology in transferring these genes, we are optimistic that we can create improved varieties of guayule that will make twice as much rubber,” says Robert A. Creelman, Ph.D., senior scientist at Mendel Biotechnology that is principle investigator on the project. “Since guayule grows in the United States, these improved varieties will create opportunities for American farmers, reduce our dependence on imported natural latex and rubber, and decrease our use of synthetic latex and rubber.”

The goal of collaboration is to increase the amount of latex, rubber, and biomass the plant produces. Over the next three years, Yulex Corporation, Mendel Biotechnology, and USDA scientists will test the new guayule transgenic lines and enhanced rubber biosynthesis genes for yield improvements as well as stress tolerance. Yulex will conduct latex extraction and chemical tests, the USDA-ARS will perform agronomic, chemical and biochemical tests, and Mendel will carry out molecular tests on the new transgenic guayule plants.

Yulex obtained an exclusive license on a technology developed by Agricultural Research Service scientists in 1997 to extract natural rubber latex from the guayule plant. Since then, Yulex has emerged as the market innovator producing medical grade latex for medical and consumer products. Yulex is currently marketing its high-performing natural rubber latex material to medical device manufacturers internationally in order to provide needed alternative products for the 73 percent of



spina bifida children that suffer from Type I latex allergy and the 10 percent of healthcare workers and six percent of the general population that have symptoms of latex allergy.

About Yulex Corporation

Yulex® Corporation (www.yulex.com) develops clean technologies to derive bio-based materials and products including natural latex, rubber and renewable energy sources from the desert plant known as guayule (why-YOU-lee). Yulex® Latex is the only U.S. source of natural latex on the market and the world's only natural latex that is safe for people with Type I latex allergy. The company, along with industrial strategic partners, is currently developing technology to extract other specialty chemicals and biofuels from the desert plant. Yulex, a privately-held company, was founded in 1997 and is based in Maricopa, Ariz. with operations throughout the Southwest U.S.

About Mendel Biotechnology

Mendel Biotechnology, Inc., a closely-held private company, has been a pioneer in the application of functional genomics to the study of plant genes. Mendel has identified and patented the use of genes that control many aspects of plant growth and development, and is using such inventions to develop or co- develop new plant varieties with improved productivity and quality. For more information, visit: www.mendelbio.com.

About the USDA Agricultural Research Service

The Agricultural Research Service (www.ars.usda.gov) is the U.S. Department of Agriculture's chief scientific research agency conducting research to develop and transfer solutions to agricultural problems of high national priority.