Bacillus-based Biofungicides as Seed Treatments

October 20, 2009







FORSCHUNGSINSTITUT für biologischen Landbau Institut de recherche de l'agriculture biologique Research Institute of Organic Agriculture

EXCELLENCE FOR SUSTAINABILITY

Performance is Proven and Accepted

Efficacy of SERENADE on Grape (Chardonnay) Powdery Mildew, Bunch Rot, Sour Rot. (Yolo County, CA - 1999)



Untreated

SERENADE

Today, AQ products are used as stand alone biofungicides and in combinations (tank mixtures) or in rotation spray programs:

- 1. Complement to conventional chemistry
- 2. Low chem hybrid spray programs
- 3. Low or no residue
- 4. Rapid Re-entry & limited post harvest interval = improved worker safety
- 5. Trigger SAR & ISR = plant health & increase yield
- 6. Resistance management

Environmentally positive profile



AgraQuest's Commercial BioPesticide Products

Active Ingredient	Bacillus subtilis	Bacillus pumilus	Bacillus thuringiensis	Chenopodium ambroisiodes
Strain	QST713	QST2808	BMP123	QRD400
Brands	SERENADE® RHAPSODY® CEASE®	SONATA® ASTONA® BALLAD®	BARITONE®	REQUIEM® METRONOME®
Applications	Fungicide, bacteriacide Specialty, row crops	Fungicide Specialty, row crops	Insecticide: caterpillars	Insecticide-soft bodied insects Specialty crops, Trees, nuts, vines
Commercial status	Annex 1 & EPA. Currently sold in 23 countries	Currently sold in USA, Europe, Asia, LatAm	Currently sold in USA.	Launched 2008 (EPA registered for ornamentals) Currently sold in USA



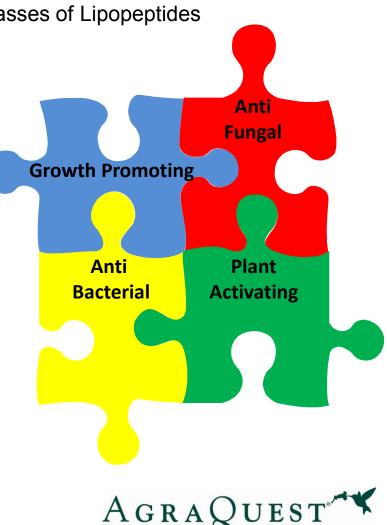
SERENADE: 4 Modes of Action (MOA)

Disease Control

- 1. Broad anti-fungal activity
 - Patented synergistic activity of 3 different classes of Lipopeptides
- 2. Anti-bacterial activity
 - Competitive niche colonizer with activity on gram positive/negative pathogens

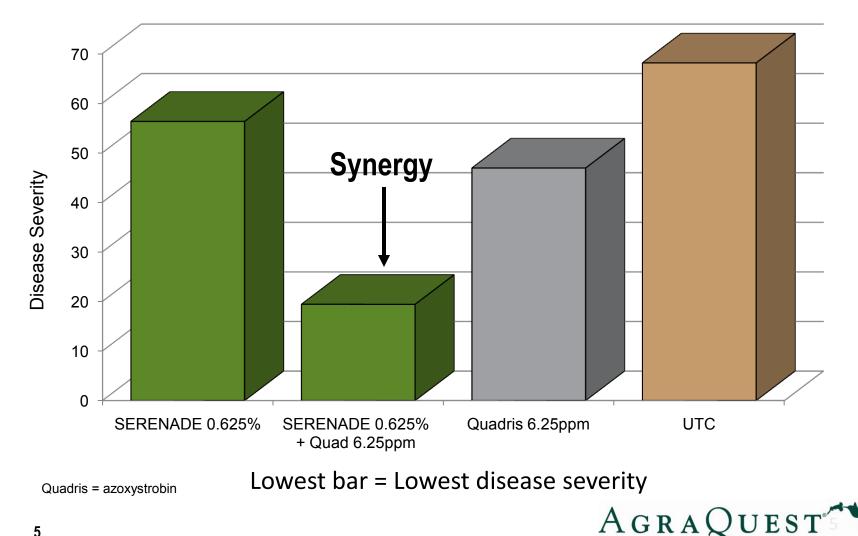
<u> Plant Health</u>

- 3. Plant Activating
 - Elicits plant responses –
 SAR (Systemic Acquired Resistance)
 ISR (Induced Systemic Resistance)
- 4. Growth Promoting
 - Enhances yield
 - Improves quality



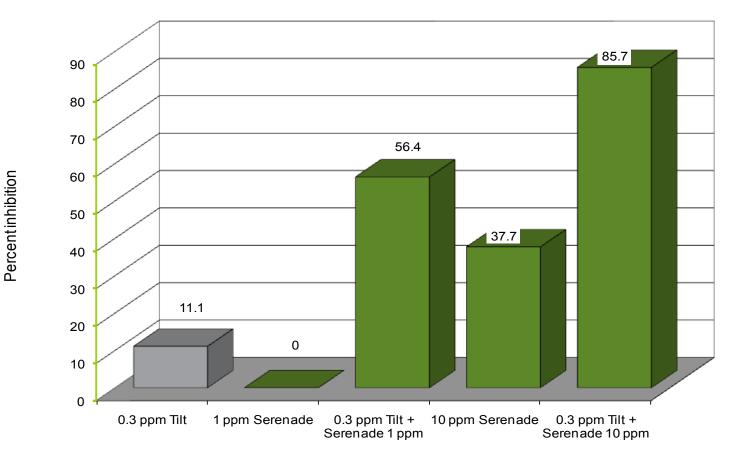
SERENADE Synergizes Strobilurins

Inhibition of Powdery Mildew on Squash with strobilurin chemistry and SERENADE



Managing Resistance to Sikatoga

Synergistic Inhibition of *Mycosphaerella fijiensis* ascospores (collected from farms resistant to Propiconazole)

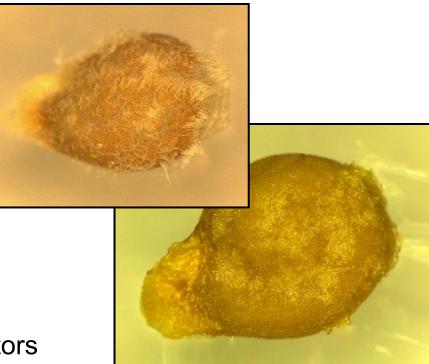


Monreri Project, Teresa Arroyo, Costa Rica



AQ BioFungicide Seed Treatments

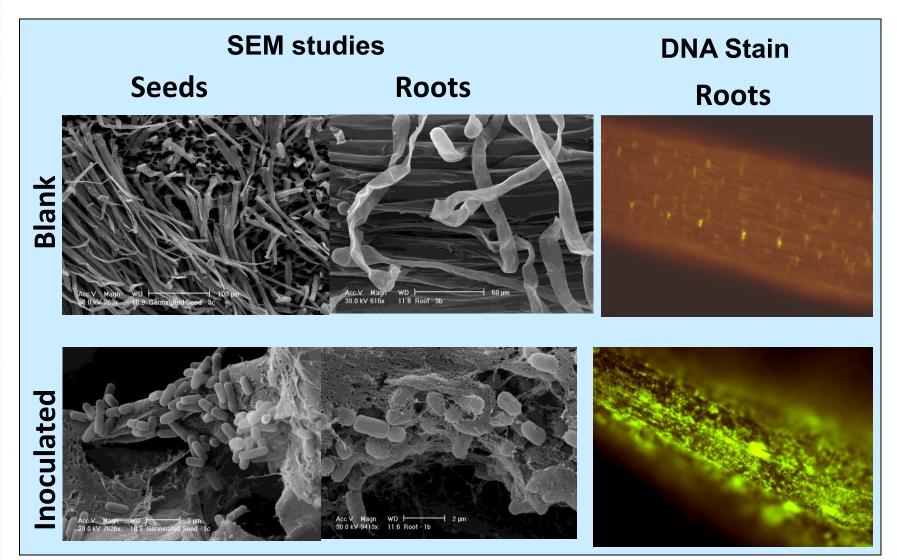
- Collaborative studies with academic and contract research labs
- B. subtilis, B. pumilus and other biocontrol strains are good root colonizers
- Antimicrobial compounds in formulated products are present in the rhizopsphere
- Bacillus lipopeptides are ISR elicitors
- Combined activity result in plant health and growth promotion



Spore Slurry-Treated Tomato Seeds

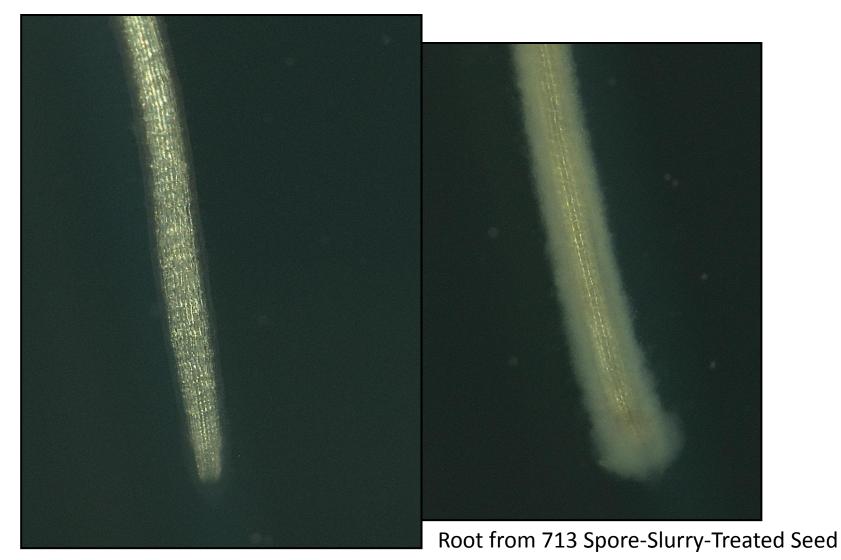


SERENADE Seed Treatment: Active Colonization of Tomato Roots





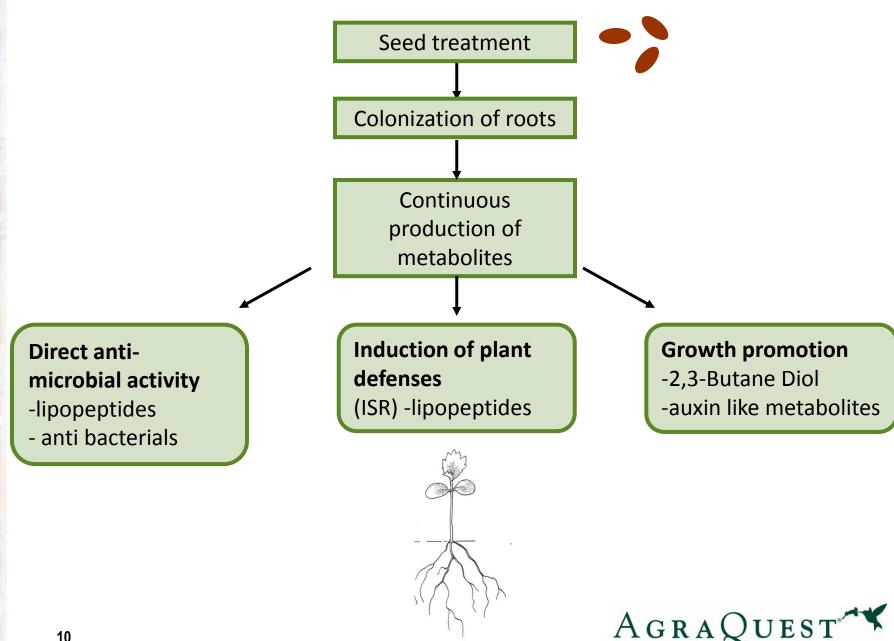
Visualization of Tomato Root Biofilm



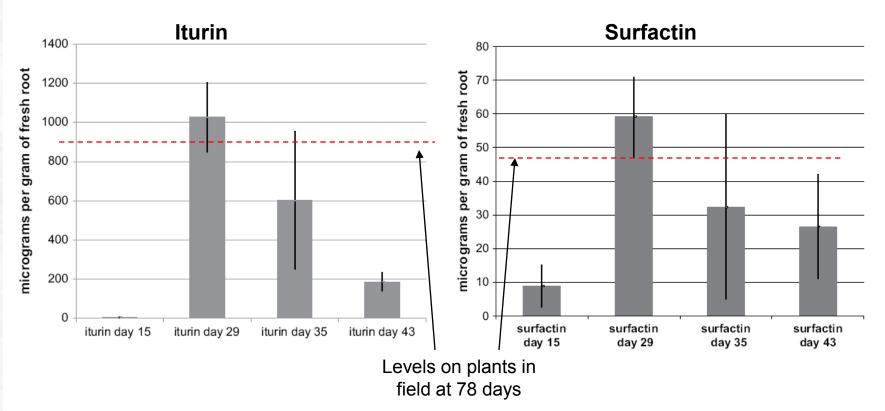
Blank Tomato Roots



SERENADE-PLANT Interactions



713 Produces Lipopeptides in Soil



- Experimental design:
 - SERENADE inoculated at 5x 10⁷ cfu/g in greenhouse potting mix
 - Lipopeptides measured on cucumber root
 - Decline due to root crowding and elevated GH temperature
- Lipopeptides levels stay high in field grown plants

Kinsella et al., Soil Biol. and Biochem. (2009) 41:374.



Cucumber Pythium ultimum

Treatments ¹	% Germination	% Pre- emergence damping-off	% Post- emergence damping-off	Root Fresh weight (g)	Shoot Fresh weight (g)
Healthy control	81.3*	4.7*	2.1*	0.239*	2.14*
Pathogen	43.7	23.9	21.6	0.139	1.19
Metalaxyl	79.5*	11.7*	12.9*	0.256*	1.89*
Serenade ASO	78.8*	7.9*	3.9*	0.354*	2.56*
LSD <i>P</i> = 0.05	19.3	8.9	8.9	0.064	0.69

6 weeks after seeding under greenhouse conditions

Reddy, Auburn – 2007. SERENADE ASO @ 12oz/100lb seed. *Statistically significantly different from pathogen control at P=0.05.



Tomato *Rhizoctonia solani*

Treatments ¹	% Germination	% Pre- emergence damping-off	% Post- emergence damping-off	Root Fresh weight (g)	Shoot Fresh weight (g)
Untreated control	92.5*	3.9*	2.8*	0.467*	3.13*
Pathogen Control	55.5	34.5	15.3	0.213	1.12
Benomyl	67.9*	17.5*	6.5*	0.356*	1.96*
Serenade ASO	82.3*	13.6*	5.4*	0.567*	5.34*
LSD <i>P</i> = 0.05	9.4	12.7	6.1	0.139	0.78

6 weeks after seeding under greenhouse conditions

Reddy, Auburn – 2007. SERENADE ASO @ 12oz/100lb seed. *Statistically significantly different from pathogen control at P=0.05.





National Institute of Agricultural Botany

- NIAB
- David Jackson– Seed Tech
 Consulting
- Objective: Evaluate Bacillus subtilis (Serenade ASO) and Bacillus pumilus (Ballad/ Sonata ASO) as seed treatments in EU arable crop
- Conduct challenge treatments with common seed/soil borne pathogens
- Comparison to competitive biological agents (Kodiak + Yield Shield)
- Comparison and compatibility with chemical standards (Trilex system, Maxim XL)



agroscience services

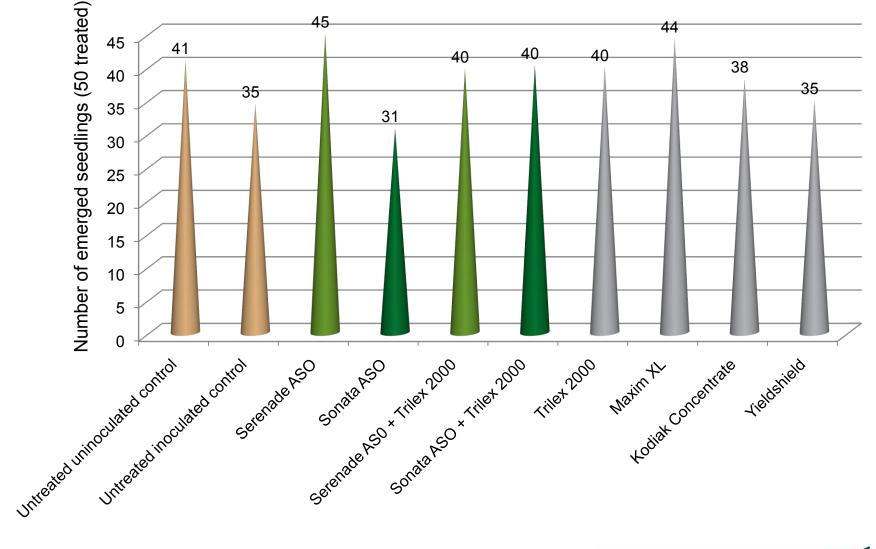


- Maize: Pythium ultimum , Fusarium moniliforme
- Soybeans: Rhizoctonia solani, Pythium spp



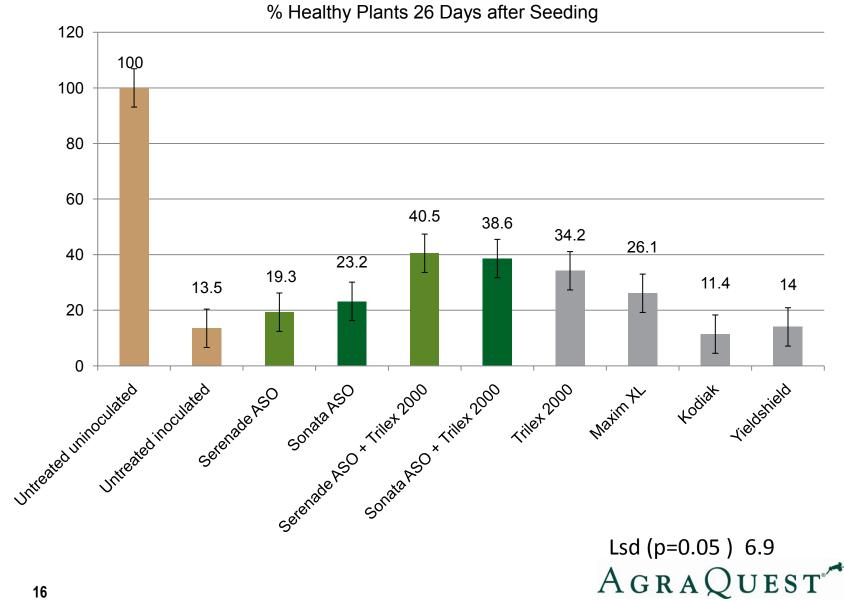
Initial Seed Emergence

SOYA/RHIZOCTONIA 13 DAS

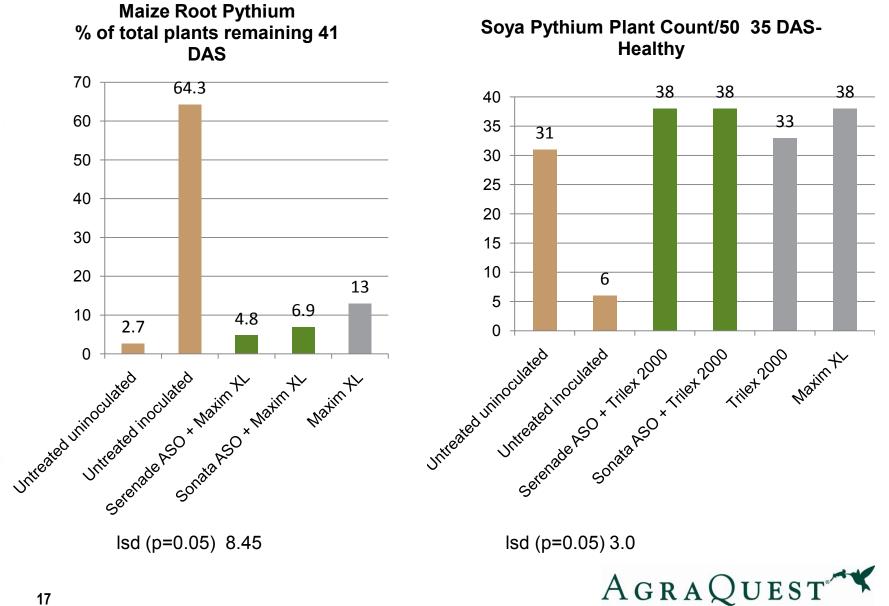


AgraQuest

Soya Rhizoctonia Final Assessment



Compatibility with and Contribution from Biofungicide Seed Treatments



AQ Seed Treatment Strategy 2010 > +

Conclusion: We think that our biological fungicides show promise as seed treatments. We think that our lab data and about 4 years worth of "anectdotal field data" demonstrates that we can add value to the conventional seed treatment market.

<u>Commercial Objective:</u> Establish testing agreements with leading seed treatment solution providers and seed genetics companies to drive development & commercialization agreements

Research Objective: Expand our portfolio of leads to include identified bacterial and fungal strains which:

- 1) confer resistance to abiotic stressors such as drought.
- 2) demonstrate nematicidal properties compatible with seed treatment, in-furrow and drip application.

Personal Objective:

Come back to ABIM Lucerne in 2010



SERENADE SERENADE SONATA S BALLAD **RARITONF RHAPSODY REQUIEM**

2009 AgraQuest, Inc.

SERENADE, SONATA, RHAPSODY, & BALLAD are registered trademarks of AgraQuest, Inc. These trademarks are registered in the U.S. Patent and Trademark Office as well as in the intellectual property offices of numerous other countries worldwide.

The SERENADE and RHAPSODY products are protected by U.S. Patent Nos. 6060051, 6103228, 6291426, 6417163, and 6638910. In addition, these products are protected by patents in numerous other countries.

The SONATA and BALLAD products are covered by U.S. Patent Nos. 6245551, 6586231, and 6635245 and by patents in numerous other countries. BARITONE™ is a trademark of AgraQuest, Inc.

The BARITONE product is manufactured and distributed subject to EPA Reg. No. 62637-5-69592.

BARITONE Bio-Insecticide is currently registered for use in the following states: Arizona, California, Colorado, Florida, Georgia, Idaho, Maryland, Michigan, Nevada, North Carolina, Oregon, South Carolina, Virginia and Washington

Products comprising the Muscodor fungus are protected by U.S. Patent No. 6,911,338 and are the subject of numerous pending patent applications worldwide.

AgraQuest owns the following product registrations: SERENADE MAX - EPA Reg. No. 69592-11; SERENADE ASO - EPA Reg. No. 69592-12; SONATA - EPA Reg. No. 69592-13. These products are also registered in numerous other countries worldwide.



19 October 19, 2009

CONFIDENTIAL