



ABN 58 008 130 336
Suite 6, Level 3
320 Adelaide Street
Brisbane QLD 4000
Ph 07 3229 5755
Fax 07 3229 4655

31 May 2010

The Manager
Company Announcements
Australian Stock Exchange
Level 4, 20 Bridge Street
Sydney, NSW 2000

AGRIPRO™ natural animal health products on commercial fast-track

Highlights

- BioProspect commercialising new equine healthcare products *GI-Guard™* Oral Paste and *AGRIPRO™* Topical Gel, targeting A\$15bn global animal health products market
- Marketing strategy to commercialise under the *AGRIPRO™* brand via distribution and licensing arrangements with major local and international commercial collaborators
- New Australian Pesticides & Veterinary Medicines Authority (APVMA) guidelines for natural veterinary health products cut registration timeframe to around 12 months
- Safety studies successfully undertaken with both products; additional efficacy studies planned to complete data package for product registration

Fast-tracking its commercialisation plans, Australian natural products provider BioProspect Limited (ASX:BPO) today announced new regulatory and commercial pathways for natural, environmentally friendly *AGRIPRO™* products targeting the \$15 billion a year international animal health market.

The products are based on Conifer Green Needle Complex (CGNC), a natural substance with low toxicity extracted from the green needles of Scotch Pine and Norwegian Spruce trees.

BioProspect's Chief Operating Officer, Peter May, said the Company was commercialising new products under the *AGRIPRO™* brand, with the aim of securing distribution and licensing agreements with major local and international commercial collaborators.

"BioProspect is initially targeting the equine healthcare market with two new products based on CGNC, comprising *GI-Guard™* Oral Paste and *AGRIPRO™* Topical Gel. The market for over the counter animal health products globally exceeds A\$15 billion a year, with more than 40 per cent spent in the companion animal segment," he said.

“Due to the size of these markets, we consider the sales potential of *AGRIPRO*[™] products is very high due to the growing demand for natural, environmentally friendly alternatives.”

He said *GI-Guard*[™] Oral Paste for Horses (90% CGNC) could be administered for general health and wellbeing of the gastro-intestinal tract and alleviating symptoms associated with conditions such as equine gastric ulcer syndrome (EGUS), which had been shown to occur in more than 50 per cent of performance horses.

AGRIPRO[™] Topical Gel contained 7.5% CGNC and had been developed for the treatment of surface wounds and abrasions, which represents a significant segment in equine healthcare. Opportunities had also been identified in feed supplementation of both companion and food production animals, Mr May added.

“Preliminary discussions with potential commercial collaborators have already taken place, with the goal of facilitating entry into both companion animal and food production animal markets. Distribution rights and licensing arrangements are envisaged aimed at rapid market entry and accelerated development of the range of *AGRIPRO*[™] products available,” he said.

Regulatory changes in Australia and other major markets have also eased the commercial pathways for *AGRIPRO*[™] products, Mr May said.

“Regulatory authorities around the world, including Australia’s APVMA, are now seeking to regulate natural veterinary health products using more realistic guidelines and data requirements. These support more general claims that better apply to products such as *AGRIPRO*[™] based on natural active constituent complexes with multiple modes of action, and particularly for those used in companion animals such as horses,” he said.

“BioProspect will now be pursuing registration of the *AGRIPRO*[™] products under the new APVMA guidelines governing natural veterinary health products for use in companion animals. Since CGNC is already listed with the Australian Therapeutic Goods Administration (TGA), registration of CGNC-based products with the APVMA does not require toxicological review.

“This reduces both the data requirement and time for approval of CGNC-based *AGRIPRO*[™] products with the APVMA, which in turn will greatly assist registrations in overseas markets.”

He said the Company would pursue a phased application involving the initial submission of product chemistry (Part 2; eight-month review period), followed by the submission of efficacy/safety data (Part 8; four-month review). This would enable a parallel review by the APVMA, with immediate initiation of review of product chemistry and subsequently the efficacy and safety data.

“Registration in Australia will not only enable products to be sold in Australia, but will also enable a “free sale certificate” to be issued by the APVMA to confirm country of origin registration that is a prerequisite for registration in other key regional markets,” Mr May said.

BioProspect is planning a new pilot study on treating EGUS with *GI-Guard*[™] Oral Paste involving thoroughbred horses in training, following a successful screening trial conducted in

2008 in the United Arab Emirates. A major safety study has already been undertaken confirming the safety of *GI-Guard*[™] Oral Paste when dosed at a standard rate.

AGRIPRO[™] Topical Gel safety has also been tested successfully, with a new study planned to confirm efficacy and enable a comprehensive registration application with the APVMA.

“BioProspect’s vision is to be the leading natural product provider in the Australian and international markets. We are confident that *AGRIPRO*[™] products are now on the fast-track to commercialisation, adding to our portfolio which encompasses the *REGEN*[™] range of natural therapeutic and skin care products and natural termite solution *TERMILONE*[®],” Managing Director Charles Pellegrino said.

“We encourage shareholders to carefully consider our current Share Purchase Plan, which closes Friday, June 11, as an excellent means of participating in our future growth.”

Yours sincerely,

A handwritten signature in black ink, appearing to read "Colin Johnston". The signature is written in a cursive style with a large, looped initial "C".

COLIN JOHNSTON
Company Secretary