

## DEINOVE RECEIVES SIGNIFICANT FUNDING FOR A MAJOR INNOVATIVE PROJECT IN PLANT CHEMISTRY FROM THE FRENCH GOVERNMENT

**ADEME, the Environment and Energy Management Agency, and the General Investment Commission, have chosen DEINOVE and their DEINOCHEM programme to solidify one of the key sectors of government support for industrial innovation**

**Paris, 13 November 2013** - DEINOVE (Alternext Paris: ALDEI), a technological company that designs, develops and markets a new generation of industrial processes based on *Deinococci* bacteria, has announced today that their plant chemistry development programme has been chosen by ADEME and the General Investment Commission. They will receive significant funding – nearly 6 million euros – from the government that clearly wishes to support this sector.

*“We are delighted to support this internationally-ambitious French industrial project. DEINOVE was founded in France and works on developing solutions for tomorrow with breakthrough technologies ... which are included as part of French innovations that need to be heavily supported in order to join the world-wide race”,* emphasized Arnaud Montebourg, Minister of Industrial Renewal.

*“This is one of the highest levels of financial backing ever granted in plant chemistry from the French government. Our country has clearly placed biotechnologies at the heart of its industrial innovation programme and DEINOVE was identified in Anne Lauvergeon’s ‘Innovation 2030’ Report as a cutting-edge company in the field of plant chemistry, which is considered a strategic sector for the inevitable shift in energy sources; away from fossil fuels that pollute and are running out”,* commented Emmanuel Petiot, CEO of DEINOVE.

*“We are very proud to have been chosen for this project. This support is combined with an ambitious investment programme which aims to help DEINOVE emerge as a major player in French biotechnologies within the framework of their global ambition,”* said Philippe Pouletty, Chairman and co-founder of DEINOVE.

On a global scale, green chemistry already constitutes a market of 135 billion dollars (100 billion euros) and a sharp increase is expected within the next few years. Europe is the world’s 2<sup>nd</sup> largest agricultural producer<sup>1</sup> with a large biomass reserve at its disposal, and has several leading groups in the fields of chemistry and agribusiness. France, the top agricultural producer in Europe, has the means to reinforce its leading position by the quality of its research and its technological innovation.

### The DEINOCHEM programme and isoprenoids

The DEINOCHEM programme aims to produce a new generation of chemical compounds which can be substituted for those that are traditionally petro-sourced. Using *Deinococci* bacteria, these new chemical compounds are made from non-food biomass such as wheat straw, corn stover and cobs, energy crops, and industrial and urban waste. The project initially focused on identifying the most appropriate

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<sup>1</sup> Source FAO (United Nations Food and Agriculture Organization)

*Deinococcus* strains to produce compounds of interest for its industrial partners and to develop the DEINOVE technological platform. An isoprenoid project was then launched in 2010 and approved by the IAR<sup>2</sup> cluster in 2011. This project, which deals with products such as isoprene, carotenoids, linalool, geraniol and myrcene, is the one currently being supported by the government. Today, these chemical intermediates originate from the petrochemical industry, and are used in a variety of sectors such as specialty chemicals, fragrances, animal feed, cosmetics, pharmaceuticals, and so on. DEINOVE's objective for the next few years is to offer high-performance and economical bio-production processes originating from biomass. These new processes will be based on the exploitation of *Deinococcus* bacteria, which is ideal for these types of developments: their natural expression of certain isoprenoids, their resistance to isoprenoid toxicity, and eventually their demonstrated capacity to render isoprenoids "hyperproducers" of a specific product of interest.

#### An "Investissement d'Avenir" Financing

Within the framework of the "démonstrateur et plateformes technologiques en énergies renouvelables et décarbonées et chimie verte," an "Investissement d'Avenir" Programme, the French Government is supporting DEINOVE in the implementation of a research programme. The programme is intended to develop the production of at least 2 isoprenoid compounds derived from biomass within three and a half years. ADEME and the General Investment Commission which brings together the relevant ministers (Ministry of Industrial Renewal, Ministry of Higher Education and Scientific Research, Ministry of Ecology, Energy and Sustainable Development, Ministry of Agriculture, Agrifood and Forests) will offer financial support in the form of repayable advances. A formal agreement has been given by Prime Minister Jean-Marc Ayrault, and DEINOVE is currently negotiating the final details of the project's implementation with ADEME.

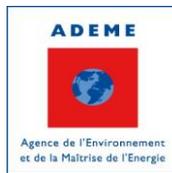
#### New premises at Montpellier

In order to boost and reinforce DEINOVE's growth, the company moved into a new facility at Cap Sigma in October 2013. Cap sigma is a part of the Biopôle Euromédecine, managed by the Agglomération de Montpellier (Montpellier Conurbation). The city offers particularly dynamic research in the biotech field. The new offices are close to the university campuses, and major research institutes such as CNRS (Centre national de la recherche scientifique – French National Centre for Scientific Research), INRA (Institut national de la recherche agronomique – French National Institute for Agricultural Research) and CIRAD (Centre de coopération internationale en recherche agronomique pour le développement – French Agricultural Research Centre for International Development), and their laboratories.

DEINOVE now occupies a 1,000m<sup>2</sup> facility fully equipped and tailor-built by the Agglomération de Montpellier in order to cater to their specific needs: a clean room, which houses cutting-edge robotic equipment, an IT platform for gene assembly automation and the development of strains, a fermentation laboratory going from a small multi-parallel fermenter to a 20-litre fermenter, cutting-edge analytical equipment enabling molecules to be produced and a large number of metabolites to be characterised and quantified, as well as the equipment necessary for the characterisation of plant biomass components.

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<sup>2</sup> Industries et Agro-Ressources (Industries and Agro-Resources) cluster



## ABOUT DEINOVE

DEINOVE (Alternext Paris: ALDEI) is ushering in a new era of green chemistry order by designing and developing new standards of production based on bacteria of untapped potential: the *Deinococci*. Taking advantage of the bacteria's unique genetic properties and unusual robustness, DEINOVE optimizes natural fermentation and metabolic capabilities of these bacterial "micro-factories" to produce high value added products from non-food biomass. The Company's primary markets are 2nd generation biofuels (DEINOL) and chemical intermediates (DEINOCHEM). Listed on Alternext since April 2010, DEINOVE was founded by Philippe Pouletty MD, General Partner of TRUFFLE CAPITAL, and Professor Miroslav Radman, of the Faculty of Medicine of the University René Descartes. The company employs over 40 people in its new offices and laboratories located at the Biopôle Euromédecine, in Montpellier.

More information at [www.deinove.com](http://www.deinove.com)

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