



c e r e s

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## Ceres Receives Positive Response from USDA Regarding Corn Traits

- **Determination opens possibility for faster and more cost effective commercialization of corn traits, including drought tolerance and insect resistance.**
- **Company is in discussions with development and commercialization collaborators.**

THOUSAND OAKS, Calif., Feb. 17, 2016 /PRNewswire/ -- [Ceres, Inc.](#) (Nasdaq: CERE), an agricultural biotechnology company focused on forage and feed crops, announced that its petition to have a number of its traits for corn deemed non-regulated has been successful.

The U.S. Department of Agriculture has notified the company that corn traits developed using Ceres' proposed methods and components would not be considered regulated items under the USDA's mandate to regulate genetically engineered crops. The determination, in effect, will allow the company and any collaborators to develop and commercialize these corn traits in the U.S. in a faster and more cost effective way than corn traits on the market today. The traits in Ceres' petition include traits for improved digestibility, drought tolerance and insect resistance.

"We appreciate the USDA's diligence in reviewing our inquiry. In this case, the USDA determined that there was no scientific reason to warrant their oversight under current regulations," said Richard Hamilton, Ceres President and CEO. He indicated that this clarity will facilitate licensing discussions with corn seed companies regarding these traits.

As a founding member of the [Excellence Through Stewardship](#) (ETS) organization, Ceres continues to follow well established stewardship practices for greenhouse and field evaluations of traits that have been granted non-regulated status by USDA. ETS stewardship practices also include guidelines for outreach and consultations with trade groups, supply chain participants and other stakeholders ahead of product introductions.

The determination of non-regulated status for corn was initiated by Ceres in August 2013. The company submitted a letter of inquiry to the USDA requesting that the department advise the company on whether or not its proposed traits, which do not contain genetic sequences from plant pests, and transformation method, which does not involve the use of a plant pathogen, were regulated under federal code, 7 CFR §340. The USDA noted that certain of the company's traits may still be subject to other applicable USDA regulations and reviewed by other regulatory authorities such as EPA and FDA. The export of products derived from corn seed with Ceres' traits would also require deregulation by applicable foreign jurisdictions. Ceres has previously received non-regulated status for traits in sorghum and switchgrass.

### About Ceres

[Ceres, Inc.](#) is an agricultural biotechnology company that develops and markets seeds and traits to produce crops for animal feed, sugar and other markets. The company's advanced plant breeding and biotechnology platforms, which can increase crop productivity, improve quality, reduce crop inputs and improve cultivation on marginal land, have broad application across multiple crops, including food, feed, fiber and fuel crops. Ceres markets its seed products under its [Blade](#) brand. The company also licenses its biotech traits and technology, including its [Persephone](#) genome visualization software, to other life science companies and organizations.

### Ceres Forward-Looking Statements

*This press release may contain forward-looking statements. All statements, other than statements of historical facts, including statements regarding Ceres' efforts to develop and commercialize its products and technologies, anticipated yields and product performance, status of crop plantings, short-term and long-term business strategies, market and industry expectations, future operating metrics, and future results of operations and financial position, including anticipated cost savings from the company's restructuring plan and projected cash expenditures, are forward-looking statements. You should not place undue reliance on these forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond Ceres' control. Factors that could materially affect actual results can be found in Ceres' filings with the U.S. Securities and Exchange Commission. Ceres undertakes no obligation to update publicly, except to the extent required by law, any forward-looking statements for any reason after the date the company issues this press release to conform these statements to actual results or to changes in the company's expectations.*

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