



IdentiGEN Company Backgrounder

For Editorial Use

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Summary

IdentiGEN Ltd., with its North American subsidiary IdentiGEN, Inc., is a leading provider of innovative DNA-based solutions to the agriculture and food industries.

IdentiGEN's DNA TraceBack® system uses DNA identification technology to trace the source of meat products through the entire supply chain from rancher to retailer.

DNA TraceBack Technology

IdentiGEN's DNA TraceBack system is based on the analysis of individual DNA samples from each animal, similar to the use of DNA for forensic identification of humans. The DNA TraceBack process relies on the sampling of meat initially on the farm or at the processing plant and then at retail outlets. Large numbers of unique DNA profiles can be created at a cost of pennies per pound.

A specific animal, or products from that animal, can be traced and identified with near 100 percent accuracy at every stage of the supply chain. The technology can even be used to trace the origins of meat products such as ground beef that contain meat from multiple animals.

Owing to its proprietary, simplified DNA sample-harvesting and sample-analysis protocols, IdentiGEN's DNA TraceBack system can be easily introduced end-to-end into an existing beef and pork production and supply infrastructure with few modifications to current handling and processing procedures.

In terms of technical detail, IdentiGEN's approach combines massively parallel, low-cost DNA analysis with a carefully selected and validated panel of genetic markers -- single nucleotide polymorphisms (or "SNPs") -- as identifiers.

IdentiGEN: The Company

IdentiGEN was founded in 1996 as a spinoff from the highly esteemed Institute of Genetics, Trinity College in Dublin, Ireland, where its genetic identification methodology was developed. The company is privately held, financed by a mix of investment by venture capital firms and retained earnings from operations.

IdentiGEN's system is already in widespread use by two major grocery store chains in Ireland, Tesco and Superquinn, as well as by several European grocers. IdentiGEN is also a major provider of BSE ("mad cow disease") and GMO (genetically-modified organism) testing technology in Ireland, the UK and Continental Europe.

Building on the successful commercialization of its technology in Ireland and several European countries, IdentiGEN created a presence in North America by opening a laboratory and office facility in Lawrence, Kansas, in June 2007. IdentiGEN currently employs 50 people in Europe and North America. It expects to employ approximately 200 people within the next three to five years and intends to open additional North American and European offices near its key customers.

IdentiGEN achieved a major milestone towards its US market acceptance in October 2007 when its DNA TraceBack system achieved stringent quality testing by the United States Department of Agriculture to gain designation as one of only 36 USDA Process Verified Programs. The designation provides valuable third-party verification of the reliability and consistency of IdentiGEN's DNA TraceBack system.

Simultaneously with its North American initiatives, IdentiGEN is also expanding its operations on the European continent.

IdentiGEN views its DNA TraceBack product as a strategic base for the development of additional value-added products.

The Value of DNA TraceBack®

DNA is a uniquely accurate, permanent and tamper-proof identification tool. The ability to identify and trace the exact source of meat products through the entire supply chain provides important potential benefits to public health and consumer confidence and to food-industry business models.

Most significantly, meat traceability enables processors and retailers to ensure the validity of the products they deliver, including specialty meat products that are designated as premium, natural, organic, kosher or halal. Meat traceability becomes particularly valuable in the event of any challenges to the safety of the meat supply. In the case of a product recall, DNA

TraceBack supports seamless and fast traceability and can help narrow the scope of a recall by assuring rapid traceability back to the product source.

IdentiGEN's reporting system also provides meat producers and retailers with up-to-date data on supply chain performance, helping them to identify problem areas.

DNA TraceBack in the Marketplace

Recent consumer polls conducted by Corona Research for IdentiGEN, Zogby International and Consumer Reports revealed that an overwhelming majority of American consumers want reliable information about the origins of their food. DNA TraceBack enables retailers, meat producers, meat processors and food-service outlets to respond to this demand. Irish and European consumers have already shown a preference for DNA TraceBack-guaranteed and-branded meat.

Forward-looking grocery retailers, meat producers, meat processors and food service operators are employing IdentiGEN's DNA TraceBack technology as a competitive positioning tool and a method for building consumer confidence in their fresh meat products.

In August 2008, Nature's Premium Pork became the first fresh pork producer in the North America to employ the DNA TraceBack system to provide reliable and accurate traceability back to the farm where the animals were raised. Nature's Premium Pork with the DNA TraceBack seal was originally introduced through retail outlets in Milwaukee, Minneapolis, Boston, greater New York and Santa Cruz.

To fully realize the benefits of IdentiGEN's DNA TraceBack system, many retailers have chosen to communicate to consumers about the system through advertising, websites and point-of-purchase materials. IdentiGEN's DNA TraceBack trademark conveys a 'seal of approval and trust' to the consumer and has been incorporated into a number of design elements created for use on meat packaging at the retail level and within the trade.

Additional information about IdentiGEN can be found at www.identigen.com and at www.dnatraceback.com.