

MONSANTO



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MONSANTO COMPANY AND SAPPHIRE ENERGY ENTER COLLABORATION TO ADVANCE YIELD AND STRESS RESEARCH

ST. LOUIS, (MARCH 8, 2011) – Monsanto Company (NYSE: MON) and Sapphire Energy, Inc. today announced an agreement to enter a multi-year collaboration that will leverage Sapphire’s algae-based research platform to discover genes that could be applied to agriculture, particularly in the field of yield and stress.

Sapphire Energy is known for its leading work in bio-energy, which involves applying synthetic biology to produce drop-in replacement fuels such as gasoline, diesel, and jet fuel from algae. This collaboration will enable Monsanto to tap Sapphire’s algal expertise and research tools, which can be used to screen for promising traits in algae that might have applicability in modern agriculture. For Sapphire, this collaboration will push the known boundaries of algal science to search not only for traits that will impact traditional agricultural crops, but will also accelerate Sapphire’s road to commercializing algae as a renewable energy crop.

The collaboration will focus on identifying genes that positively affect growth in algae, a target for Sapphire, which might increase crop yields as well.

“Sapphire’s expertise in algal research offers a novel platform that will allow us to screen and identify promising genes faster,” said Robb Fraley, Monsanto’s chief technology officer. “We face a common goal in looking for ways to improve upon an organism’s ability to achieve greater productivity under optimal and sub-optimal environmental conditions. Together with Sapphire, we can identify genes affecting such traits in algae that might also be applied to corn, cotton, soybeans and other crops.”

Algae are an excellent discovery tool because they have a similar photosynthetic process to other plants but are simple and efficient to work with, Fraley said. Algae also can be grown, screened, tested and selected with high throughput tools, which enables a relatively fast process for researchers.

“Monsanto has always been at the forefront of agricultural technology developments and innovation,” says Jason Pyle, CEO, Sapphire Energy. “Through this collaborative partnership, we’ll focus our leading-edge research agenda on some of the biggest questions facing both agriculture and energy. By leveraging our algae platform and tools to improve crop yield and enhance crop performance, Sapphire will be able to accelerate our ability to produce a renewable crude oil replacement and reduce our country’s dependence on foreign oil.”

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Under the agreement, Monsanto and Sapphire will collaborate on algae-based research projects, and Monsanto will make an equity investment in Sapphire. Other terms of the agreement were not disclosed.

About Sapphire Energy:

San Diego-based Sapphire Energy is pioneering an entirely new industry – Green Crude Production – with the potential to profoundly change America’s energy and petrochemical landscape for the better. Sapphire’s products and processes in this category differ significantly from other forms of biofuel because they are made solely from photosynthetic microorganisms (algae), using sunlight and CO2 as their feedstock; are not dependent on food crops or valuable farmland; do not use potable water; do not result in biodiesel or ethanol; enhance and replace petroleum-based products; and are low carbon, renewable and scalable. Green Crude can be refined into the three most important liquid fuels used by our society: gasoline, diesel and jet fuel. The fuels meet ASTM standards and are compatible with the existing petroleum infrastructure, from refinement through distribution and the retail supply chain. In December 2009, Sapphire was awarded nearly \$104.5 million as part of President Obama’s American Recovery and Re-Investment Act and the USDA’s Biorefinery Assistance Program 9003 authorized through the 2008 Farm Bill. For more information, please visit www.sapphireenergy.com.

About Monsanto Company

Monsanto Company is a leading global provider of technology-based solutions and agricultural products that improve farm productivity and food quality. Monsanto remains focused on enabling both small-holder and large-scale farmers to produce more from their land while conserving more of our world’s natural resources such as water and energy. To learn more about our business and our commitments, please visit: www.monsanto.com. Follow our business on Twitter® at www.twitter.com/MonsantoCo, on Facebook® at www.facebook.com/MonsantoCo, or subscribe to our [News Release RSS Feed](#).