



March 3, 2009

It is my pleasure to share with you that Agriculture and Agri-Food Canada (AAFC) has agreed to sign an agreement allowing Saskatchewan Research Council (SRC) to develop a commercial test to identify wheat classes and varieties using DNA analysis.

With this agreement in place, SRC GenServe Laboratories™ will first validate AAFC's preliminary wheat DNA test science and protocols to determine if it can be turned into a viable commercial test.

Provided the AAFC bench science is validated, SRC GenServe Laboratories™ plans to develop a commercial rapid wheat DNA test to identify wheat classes and a commercial DNA test for wheat varieties may be developed in the future. SRC GenServe Laboratories is targeting to complete the validation phase for wheat class DNA testing by May 2009.

Upon completion of the validation phase and a thorough evaluation of the prototype rapid wheat DNA testing technology provided by AAFC, SRC GenServe Laboratories™ will make the decision whether the test can be carried out on a commercially viable scale. If SRC GenServe Laboratories is confident that rapid wheat DNA testing can be carried out on a high volume commercial scale and meet industry expectations, they will provide more information on the process and procedures to all interested parties.

Under the AAFC agreement, SRC GenServe Laboratories™ is also using DNA analysis to test up to 150,000 seeds for wheat midge resistance.

Considering changes to wheat seed identification regulations and the kernel visual distinguishability (KVD) system's elimination, we realize that there is significant interest in developing an alternate wheat identification system.

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Given this interest as a result of these changes, SRC GenServe Laboratories™ is committed to keeping Canada's grain industry informed on our progress in developing a commercial rapid wheat DNA test.

To receive more information on our research and its progress, please visit us online for updates at www.src.sk.ca/wheatDNA.

Sincerely,

D. A. (Dale) Kelly, P.Ag.
Vice-President, Agriculture, Biotechnology and Food
Saskatchewan Research Council

Enclosure