DYADIC®
NETHERLANDS

Nieuwe Kanaal 7-s
6709 PA Wageningen
The Netherlands
T +31 (0)317 465451
www.dyadic.nl

PRESS RELEASE

Dyadic International Extends Collaboration With The Scripps Research Institute

JUPITER, Fla., Dec. 14 , Dyadic International, Inc. announced today that it has extended its collaboration with The Scripps Research Institute ("Scripps") by entering into an agreement with Scripps to re-annotate the genome of Dyadic's patented and proprietary C1 fungus ("C1").

This agreement is a continuation of the successful relationship between the two organizations which began in March 2006 when Dyadic engaged Scripps to annotate the C1 genome for the first time. The results of this initial project, in combination with advances made by Dyadic, have provided necessary information for Dyadic to discover and develop more efficient enzyme products and solutions. It also established C1 as a versatile technology platform (the "C1 Platform Technology") which has subsequently been licensed by Dyadic on a non-exclusive basis to Abengoa Bioenergy New Technologies, Inc. and Codexis, Inc. to produce enzymes and proteins on a commercial scale at higher yields and at lower costs.

Since the initial annotation project, the genomic and computational tools available to Scripps and Dyadic have improved. During this time, Dyadic has also re-sequenced its C1 genome which has provided greater knowledge of this novel organism. Lastly, the worldwide scientific community has been very active over the last few years in sequencing the genomes of a multitude of living organisms. Together, these advances now provide the impetus for Dyadic to further improve the productivity and efficiency of its patented and proprietary C1 Platform Technology by re-annotating the C1 genome and leveraging the most current scientific data. Dyadic intends to use this research to continue developing and manufacturing enzyme products for the bioenergy, food and feed, pulp and paper, and textile markets while also leveraging its technologies for use in the biopharmaceutical, cosmetic and nutraceutical industries.

The annotation of Dyadic's re-sequenced C1 genome will be conducted at Scripps Florida under the direction of Bruce Pascal, Principal Investigator on Collaborative Proposal and Senior Scientific Engineer. Researchers from Dyadic Nederland B.V., Dyadic's research and development arm in the Netherlands ("Dyadic Netherlands"), will continue to work closely with researchers from Scripps Florida during this project. Financial details of the agreement were not disclosed.

Mark Emalfarb, Dyadic's CEO, stated, "The re-annotated C1 genome developed with Scripps Florida will provide Dyadic and its commercial partners with a more accurate blueprint of the C1 fungal strain which serves as the primary engine for Dyadic's growth. This research will help Dyadic make greater quantities of more efficient enzymes and proteins at lower costs to help provide solutions to problems facing the world such as using cellulosic ethanol to help reduce our dependence on foreign oil. In the biopharmaceutical industry, we intend to further utilize our technologies to help develop antibodies and other therapeutic proteins in a shorter time, at larger volumes and at lower

DYADIC®
NETHERLANDS

Nieuwe Kanaal 7-s
6709 PA Wageningen
The Netherlands
T +31 (0)317 465451
www.dyadic.nl

costs. This collaboration also further underscores the strong relationship between Dyadic and Scripps as well as Dyadic's continued commitment to the development of a successful biotechnology cluster in South Florida."

Bruce Pascal of Scripps Florida added, "We are delighted to continue our collaboration with Dyadic. In the past few years, much new fungal genome data has become available, as well as new approaches for data analysis and interpretation. Our expertise in informatics, data analysis and software engineering, when combined with the C1 fungal genome should yield a powerful resource for understanding gene function, and development of important enzymes. Our goal is to facilitate the analysis and interpretation of complex data to ultimately create value from the C1 fungal genome. We also intend to leverage the platform developed on this project for genomic research at Scripps as well."

About Scripps
Headquartered in La Jolla, California, Scripps is one of the world's largest independent, non-profit biomedical research organizations at the forefront of basic biomedical science that seeks to comprehend the most fundamental processes of life. Scripps is internationally recognized for its discoveries in immunology, molecular and cellular biology, chemistry, neurosciences, autoimmune, cardiovascular, and infectious diseases, and synthetic vaccine development. Established in its current configuration in 1961, it employs approximately 3,000 scientists, postdoctoral fellows, scientific and other technicians, doctoral degree graduate students, and administrative and technical support personnel. Please visit the Scripps website at www.scripps.edu.

Scripps Florida--a division of Scripps--is a 350,000 square-foot, state-of-the-art biomedical research facility on 100 acres adjacent to the Florida Atlantic University campus located in Jupiter, Florida in Palm Beach County. Nearly 300 faculty members, scientific, technical and administrative staff currently work at this facility focusing on basic biomedical science, drug discovery, and technology development. Please visit the Scripps Florida website at www.scripps.edu/florida.

About Dyadic and Dyadic Netherlands
Dyadic is an early-stage biotechnology company headquartered in Jupiter, Florida that uses its patented and proprietary technologies to conduct research, development and commercial activities for the discovery, development, manufacture and sale of products and solutions for the bioenergy, industrial enzyme and biopharmaceutical industries.

Dyadic's R&D activities focus on its patented and proprietary fungal strains and associated technologies. In particular, Dyadic uses its Trichoderma and C1 fungal strains in the production of its industrial enzymes. Dyadic manufactures and sells liquid and dry enzyme products to global customers for use within the animal feed, food, brewing, alcohol, alternative fuels, textile, and pulp and paper industries.

DYADIC®
NETHERLANDS

Nieuwe Kanaal 7-s
6709 PA Wageningen
The Netherlands
T +31 (0)317 465451
www.dyadic.nl

Dyadic also utilizes the C1 Platform Technology, an integrated technology platform based on its patented and proprietary C1 fungus which enables the development and large scale manufacture of low cost proteins and enzymes for diverse market opportunities. The C1 Platform Technology can also be used to screen for the discovery of novel genes and proteins. Dyadic aggressively pursues licensing arrangements and other commercial opportunities to leverage the value of these technologies by providing its partners and collaborators with the benefits of manufacturing and/or utilizing the enzymes which these technologies help produce. Please visit Dyadic's website at www.dyadic.com.

Dyadic Netherlands is a wholly owned subsidiary of Dyadic based in Wageningen, the Netherlands that is dedicated to research and development activities for the benefit of Dyadic, its collaborators and customers. Please visit Dyadic Netherland's website at www.dyadic.nl.

Cautionary Statement for Forward-Looking Statements
Certain statements contained in this press release are forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause Dyadic's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as required by law, Dyadic expressly disclaims any intent or obligation to update any forward-looking statements.

SOURCE Dyadic International, Inc.