

## Press release

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### **Butalco strengthens its R&D programmes after the successful sale of a technology package**

Butalco is to strengthen its butanol producing yeasts and xylose transporter development programme. Therefore, Butalco has sold its xylose isomerase technology (xylose isomerase from *Clostridium phytofermentans*) to a French company. The xylose isomerase technology enables an improved production of lignocellulosic biofuels, as the enzyme is highly active in yeast cells and, in contrast to other xylose technologies, is not inhibited by fermentation side products like xylitol. "The sale of the xylose isomerase technology is an important milestone for Butalco. It enables us to invest more resources in our other internal R&D programmes" says Butalco's CEO Gunter Festel. The deal included the granting of a license to Butalco, with the right to sublicense to third parties, for the use of the xylose isomerase technology for the production of biobutanol.

Butalco has recently achieved increased isobutanol production with recombinant yeast strains. By combining its proprietary isobutanol technology with the *Clostridium phytofermentans* xylose isomerase, Butalco could demonstrate the first production of isobutanol from lignocellulosic material. Besides biobutanol, Butalco's other main focus is now on the development of specific xylose transporters which are no longer inhibited by glucose. The improved xylose transporters will enable yeast strains to ferment xylose simultaneously with glucose. This will significantly reduce the time for the complete fermentation of lignocellulosic hydrolysates and will therefore reduce production costs for lignocellulosic ethanol and butanol. Further current research highlights is the construction of yeast strains producing adipic acid or malic acid from sugars.

**About Butalco:** The Swiss company Butalco, together with co-operation partners, develops yeasts for the production of second generation biofuels and biochemicals based on lignocellulose. The company is wholly privately financed and works together with the Johann Wolfgang Goethe-University Frankfurt, Germany.

For more information on Butalco please visit their website at [www.butalco.com](http://www.butalco.com).

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