



Bee Vectoring Provides Corporate Update

Mississauga, ON – May 24, 2018 – Bee Vectoring Technologies (the “Company” or “BVT”) (TSXV: BEE) today provided a corporate update and review of current business initiatives.

Development of BVT’s vectoring delivery system, utilizing VECTORITE™ with CR-7, is largely complete so the primary objective is now full commercial launch in the US. Second to this is the selective expansion into markets outside the US, across crop varieties, and through strategic or synergistic product development.

The four pillars that are essential to a successful commercial launch and sustained company growth include a sound Commercialization / Marketing strategy, ongoing Product Development and Innovation, license to operate from a Regulatory / Approvals perspective, and a solid Corporate strategy inclusive of partnering and licensing activity. We are pleased to provide an update on the significant progress made with activities in these four pillars.

“The Company has made significant progress on all strategic fronts, including the capital markets,” said Ashish Malik, President and CEO. “We have a sharp focus on the US launch in the context of an overall business plan that includes a wider product offering and global, multi-crop reach that will position BVT as a formidable force within the agriculture industry.”

“Consumers are demanding less chemicals and pesticides in food production and farmers are looking for natural alternatives that enable them to remain competitive.” added Michael Collinson, Chairman of BVT. “BVT is ideally suited to meet that demand and is both a pioneer and potential leader in providing innovative all-natural solutions that support sustainable crop production.”

Commercialization / Marketing activities:

The Company continues to focus on the Florida strawberry market for its launch activities, but the opportunity for the company is worldwide, and so it has started international expansion efforts as well.

- **Florida strawberry test market** - The Company continues to generate a high degree of interest in the Florida strawberry market. Florida is the second largest strawberry producer in the US after California but is the major winter strawberry growing region producing 20 million flats of strawberries on 11,000 acres every year. Commercial trials from 2017 demonstrated that the BVT system gave growers up to a 29% higher yield than a chemical-only spray program. In 2018 despite abnormally difficult weather during the season, the BVT system was discussed favorably in the grower community, and the Company was able to solidify long-term partnerships with key growers.
- **Initiation of European development** – Increasing restrictions on use of chemicals (including the recently announced April 2018 plan by the European Union member states to ban all outdoor uses of neonicotinoids, a widely used class of chemicals

believed to pose dangers to bees) positions BVT favourably in this significant market. Industry partners, as well as farmers, need crop disease management alternatives that appeal to the environment conscious consumer. BVT is in active discussions with potential partners and is working on multiple testing and go-to-market agreements.

- **Development in Mexico** – In Mexico nearly \$250M of chemical fungicides are used annually. Standards demanding higher levels of food safety and quality, with fewer chemical inputs, are forcing growers to actively modify their production practice. Growth in sales of crops for export – to supply the United States and Canada in particular – and for domestic consumption (i.e. avocados, berries, vegetables) has resulted in Mexico emerging as a potentially lucrative opportunity.

Dr. Gerardo Suazo recently hired by BVT to manage this market, notes, “We have begun the process for registration in Mexico where innovative agricultural practices are readily tried and adopted. I am confident that BVT’s unique solutions have tremendous potential in this country.”

Product Development / Innovation activities:

Third-party validations to support commercial launch efforts continue to be secured. Business expansion projects to broaden the product portfolio are underway – both through internal development and together with partners.

- **Third-party validations in replicated crop trials** – In the past 18-months, BVT has conducted numerous replicated R&D studies with independent third-party centers of influence to validate the effectiveness and favourable economics of using the BVT system in several crops. Trials have been completed in strawberries, blueberries, sunflowers and tomatoes and have shown better disease control and higher yields compared to chemical grower standards.

“Extensive testing by independent centers of influence underpins both regulatory filings and the marketability of new technologies,” said Claude Flueckiger former head of research and development at Syngenta, and Director of BVT. “The successful completion of these trials, with every trial indicating efficacy and potential, strongly supports my confidence in the technology and the associated value creation.”

- **First-to-market honey bee dispensing system** – In the last year, BVT has demonstrated that its system, originally designed for bumble bee delivery, can be adapted to accommodate delivery by honey bees. In the US, the value of crops that benefit from pollination by honey bees is nearly \$20 billion, giving BVT a significant opportunity to leverage the already existing market structure for commercial honey bee pollination for these crops.

Delivery of VECTORITE with CR-7 by honey bees has been included to the regulatory filings. Engineering, prototype development and testing, as well as plans for commercial-scale manufacturing has been initiated in support of a commercial launch of a honey bee system.

- **Broadening product portfolio by in-licensing products from partners** - Crops face many pests during a growing season, and by including third-party products that can be “stacked” together with BVT’s own product, a broader scope of pests can be managed through its systems. This increases the value of the system to a grower, and the opportunity to capture greater value for BVT. BVT has entered into several agreements to evaluate third-party microbial products for delivery through its bumble bee and honey bee delivery systems.
- **Foliar formulation to reach markets not requiring bee pollination** – The largest crops worldwide such as corn and soybean, do not require pollination, thus do not use bees. In addition, there are several diseases that affect crops during periods other than bloom time and are difficult to manage through bee vectoring application. A foliar-spray formulation of BVT’s proprietary beneficial microbe – *Clonostachys rosea* strain CR-7 – would open both those opportunities, which are not accessible through bee vectoring, thereby giving access to hundreds of millions of acres and potential revenue. BVT has started evaluating options to develop a spray formulation.

Regulatory / Approvals activities:

Successful development of supportive environmental and safety data underpins our regulatory filings. BVT has significantly diminished regulatory risk, secured important new licenses and progressed international approvals.

- **Organic certification obtained** - BVT received official organic certification in the US, and its proprietary formulation of VECTORITE™ with CR-7 now listed by the Organic Materials Review Institute (OMRI). The listing means the product meets the US Department of Agriculture’s (USDA) guidelines under the National Organic Program standard and is allowed for use in certified organic crops.
- **Plant amendment licenses gained** - BVT has received plant amendment licenses from five states in the US, including Florida, which allows BVT to sell its system on a limited basis.
- **US EPA progressing** - VECTORITE with CR-7™, delivered by bumble bees, has thus far passed all completed EPA reviews without issue. The EPA is appropriately increasing the data requirements to confirm safety to pollinators and has asked for additional data to show safety in honey bee brood larva. This was not a requirement when the submission was made. Since BVT is interested in a full use with honey bees in the current application process, and being a firm advocate of a high standard for both product and environmental stewardship, BVT has elected to work cooperatively with the EPA to conduct appropriate studies. Adding a bee brood larva safety study does not delay commercial launch plans in Florida.
- **California regulatory submission** - BVT submitted application for pesticidal use in California in 2017. California which is the largest market opportunity in the US, requires its own approval over and above that of the EPA.
- **Submission in Switzerland** - BVT has submitted its Swiss pesticidal registration application which is now under review.

“Switzerland is a beachhead country for BVT in Europe. This submission is a key milestone achievement as we prepare for full EU registration application in 2019,” said Christoph Lehnen, BVT’s European business manager. “We are now in the position where agricultural companies with unique capabilities or market-reach are contacting us to partner with so that they can achieve their corporate goals. We are currently working on multiple go-to-market testing agreements which should be completed in 2020.”

- **Registration in the European Union** - The unified registration process which covers groups of crops in similar climatic zones across the EU will provide BVT with access to a greater market than North America. Europe requires reductions of chemical pesticides, and growers are quicker to adopt biological solutions. Registration submission for EU is expected for 2019.

Corporate Development and Partnering activities:

The Company has strengthened its balance sheet and has gained significant traction within the industry. Several partnering discussions are ongoing that can accelerate business expansion.

- **Strengthened balance sheet** - BVT has recently raised C\$4.5 million which the company believes is sufficient to fund operations through to EPA approval and allows the Company to accelerate projects that will add to its strategic value.
- **Go-to market partners** – The Company has entered into several testing agreements with companies for select markets. Through these partnerships the company intends to leverage the partner’s marketing strength and expertise to accelerate entry in those countries.
- **Product range extensions through partnerships** – BVT has entered into several third-party testing agreements of its proprietary beneficial microbe *Clonostachys rosea* strain CR-7 for use as a foliar spray and/or as a seed treatment. These product range extensions would open significant new markets. BVT has also entered into multiple agreements to evaluate third-party microbial products for delivery through its bumble bee and honey bee delivery systems.

“We have a disruptive agricultural crop production tool that is commercially relevant, beneficial to farmers, desired by consumers and totally organic,” said Malik. “We are developing something truly unique as an alternative for an industry dominated by chemicals, and this innovation is turning the heads of a growing number of industry leaders.”

About [Bee Vectoring Technologies International Inc.](#)

BVT has developed and owns patent-pending bee vectoring technology that is designed to harmlessly utilize bumblebees and honey bees as natural delivery mechanisms for a variety of powdered mixtures comprised of organic compounds that inhibit or control common crop diseases, while at the same time enhancing crop vigor and productivity. This unique and proprietary process enables a targeted delivery of crop controls using the simple process of bee pollination to replace traditional crop spraying, resulting in better yields, superior quality, and less impact on the environment without the use of water or disruptions to labour.

Additional information can be viewed at the Company's website www.beevt.com

On Behalf of Bee Vectoring Technologies International Inc.,

"Ashish Malik"
President & CEO

For further information, please contact:

Ashish Malik, President & CEO
marketing@beevt.com

Babak Pedram, Investor Relations
Virtus Advisory Group
Tel: 416-995-8651
bpedram@virtusadvisory.com

For media enquiries or interviews, please contact:

Josh Stanbury | josh@sjspr.co.uk | T. 416-628-7441

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