

PRESS CUTTINGS

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Small caps Profit from future stars

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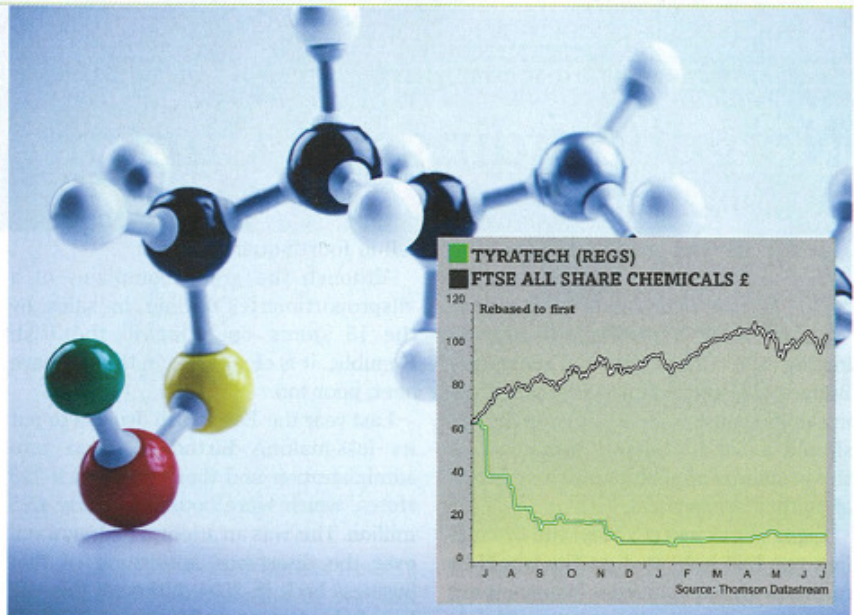
Insecticide specialist on verge of putting three difficult years behind it

TyraTech about to deliver

Ian McDiarmid

Shares in TyraTech (TYR:AIM) should be bought ahead of revenues building up steam. The £6 million cap's technology is based upon targeting three receptors found in the DNA of invertebrates, but not in mammals. Its proprietary platform identifies natural oil compounds that bind to these nerve centres, either killing or repelling the pests but with no effect on humans or pets and farm animals. The products are designed to be at least as effective as existing insecticides but with a higher safety profile. The company has two main current commercial projects. The first with **Kraft Foods (KFT:NYSE)** is to produce functional foods and drinks to combat worm infestation in humans in poor countries. The second is to provide products for premises pest control in collaboration with the private US firm Terminix, which is the largest pest control company in America.

Both projects will be the main drivers of revenue in the near future. TyraTech is also in talks with a major partner for functional food for worms in cats and dogs and a European launch for its products could also be on the cards for later. The Melbourne-based firm aims



to become cash positive in the second half of this year, ahead of moving to profitability in 2011.

TyraTech listed on Aim in May 2007 at 500p. After major pain for shareholders, it looks to be about to turn the corner. Regrettably the small market cap means the shares are not particularly liquid, especially as a lot

of holders remain trapped at much higher prices. Those seeking exposure should leave an order in the middle, be patient and keep positions small as getting out may not prove easy. Liquidity should pick up in the autumn when a lock-up period on May's equity raising ends.

Shares says: + Buy TyraTech at 13p.