



CoverCress Inc.

CoverCress Inc. Secures \$5 Million in New Financing for Low Carbon Intensity Crop Development

Fulcrum Global Capital and Hermann Companies co-lead the funding round

About CoverCress Inc.

ST. LOUIS (April , 2020) – CoverCress Inc. (formerly Arvegenix Inc.) has closed a \$5 million follow-on equity investment round to continue its development of a new winter oilseed crop named CoverCress®. This crop enables farmers in the southern half of the Midwest to grow three crops each two years, getting more from their existing farmland and equipment. CoverCress® is planted at corn harvest in fall and is harvested immediately prior to soybean planting in May. In addition to new revenue from the oilseed crop, it also builds soil health, and holds soil and nutrients in place over winter as a cover crop. Its grain contains oil and protein similar to that of canola, with a very unique feature: a very low carbon intensity.

“We have had significant interest from companies investigating our potential to produce and scale this low carbon intensive oil for bio and renewable diesel markets, as well as companies seeking more non-GM protein meal sources”, said Jerry Steiner, CoverCress Inc.’s CEO.

The company was founded in 2013, and based its work on developing CoverCress from the native plant pennycress through plant breeding and the new genome editing tools. It has built its team to over 20 members plus a broad partnership with Illinois State University, the University of Minnesota, and Western Illinois University, including participation in a large USDA grant program called iprefer (www.iprefercap.org). “The broad partnership base is designed to enable this opportunity, originally from work at the USDA in Peoria IL, and advanced by these Universities to become a commercial opportunity for farmers across the Midwest. It’s something that no single partner could do alone”, said Steiner.

This new funding supports CoverCress’ planned commercialization in the fall of 2021, with the goal of ultimately growing to millions of acres across the southern Midwest.

The investment round was led by Fulcrum Global Capital and Hermann Companies. Other investors include Prelude Ventures, Leaps by Bayer, St. Louis Arch Angels, and Prolog Ventures, as well as continued investment from some founders and employees.

CoverCress also announced the expansion of its leadership Team with Mike DeCamp joining as Chief Operating Officer. Mike will initially focus on building the value chain to support the company's 2021 commercial launch. Mike has over thirty years of diversified experience in agribusiness, corporate finance, law, corporate strategy and M&A. He most recently spent 8 years with Teays River Investments, an ag focused investment firm. Prior to that, Mike spent over a decade with Monsanto in various legal, corporate strategy and operational roles, including the development of an entrepreneurial business model that directly served farmers through regional corn and soybean seed companies.

"We have been very fortunate to have a committed group of investors. Our core group of investors have reinvested each opportunity since 2015. This stability has led to great progress in the challenge of developing a new crop and value chain. We are pleased that as we have advanced our crop development, farmers have shown great interest in learning how to integrate this new cash crop into their operations. They like this new cover crop opportunity that also generates income for them" said Steiner.

"This is a critical time for innovation that helps agriculture be a bigger part of the solution to the changing climate, said John Peryam, partner at Fulcrum Global Capital
"CoverCress does this by making a low carbon intensity feedstock and a new source of carbon sequestration for Midwest farmers, without replacing the exiting corn and soybean opportunity."

"Being part of the 39N Ag innovation ecosystem in St Louis has really helped CoverCress accelerate the delivery of this new technology for Midwestern farmers, said Rick Holton from Hermann Companies.

Please visit www.covercress.com for more information.

For further questions, contact Cristine Handel at chandel@covercress.com or (314) 691-9152.

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