

S&W Commences Commercial-Scale Sorghum Production

HANFORD, Calif. and ADELAIDE, South Australia, Jan. 19, 2017 — S&W Seed Company (Nasdaq: SANW) today announced it has commenced commercial-scale production of its hybrid grain sorghum and hybrid forage sorghum operations. This marks S&W's initial entry into the "vertical production model" for sorghum, which S&W anticipates will allow it to capture a higher gross profit dollar and move closer to the end customer of this gluten-free, non-GMO, whole grain that is projected to gain increased traction across the United States and the world for its high protein levels, excellent fiber source and other nutritional benefits.



This move to a "vertical production model" within hybrid grain and hybrid forage sorghum builds upon S&W's currently deployed "royalty licensing model" for these crops, and aligns S&W's operations more closely with the company's existing alfalfa seed operations. S&W anticipates producing seed that will be sold directly to existing and new distributors under both branded and private label programs.

S&W acquired the operations of SV Genetics ("SVG") sorghum program in May 2016 with the goal of advancing deployment of the proprietary high-yielding, disease resistance germplasm worldwide. The company has royalty-based licensing agreements with 12 partners in 9 countries that are currently increasing production, and commencing commercial-scale production of hybrid grain sorghum and hybrid forage sorghum operations is the first step in the company embarking on its dual strategy to expand vertically as well.

Mark Grewal, chief executive officer of S&W Seed Company commented, "When we acquired the sorghum operations of SVG, we saw an opportunity to leverage our capabilities and infrastructure within alfalfa, including our production and distribution capabilities, for the benefit of a growing global crop. Today's announcement is an important step in growing our

sorghum operations as we look to become more vertically integrated, which we anticipate will help to capture a greater share of the gross profit dollar for sorghum, while providing many of our existing distributors with additional products they can sell. I look forward to continued advancement of this strategy in the coming years as we plan to increase global acreage dedicated to sorghum.”

About the Sorghum Market

The USDA estimates that the world sorghum production for 2016/2017 will be approximately 64 million metric tons. Industry experts estimate the 2016 U.S. sorghum crop to encompass between 7 and 8 million acres, with the majority of the world’s sorghum to be grown in developing countries, primarily in Africa and Asia. Similar to alfalfa, sorghum grows well in poor soil and drought conditions, thanks to its hardiness, market versatility and high-quality seed. Sorghum requires less water to grow than many other crops and is generally used as a replacement for corn and other grains in areas where water is scarce. In Africa, sorghum is a food staple for human consumption.

The United States is one of the largest sorghum markets in the world with an estimated 597 million bushels harvested from approximately 7 to 8 million acres in 2015. 2015 sorghum food consumption increased by nearly 40 percent compared to 2014. More than 350 products on grocery store shelves contain sorghum, and mainstream brands are adding sorghum to new product formulations every year. U.S. sorghum is traditionally grown throughout the Sorghum Belt, which runs from South Dakota to Southern Texas, primarily on dryland acres. Recently, acreage increases have been seen in non-traditional areas like the Mississippi Delta and Southeast regions. The top five sorghum-producing states in 2015 were Kansas, Texas, Arkansas, Oklahoma, and Colorado. The company estimates the current U.S. sorghum seed market at between 25 and 30 million pounds of planting seed, worth an estimated \$100 million annually.

In multiple publications, including recently in the Washington Post and Agriculture.com, sorghum will receive increased recognition due to its gluten-free characteristics, as well as its antioxidant, high protein, low fat, high fiber and non-GM properties.

About S&W Seed Company

Founded in 1980, S&W Seed Company is a global agricultural Company, headquartered in the San Joaquin Valley of California. The Company’s vision is to be the world’s preferred proprietary seed Company which supplies a range of forage and specialty crop products that supports the growing global demand for animal proteins and healthier consumer diets. The Company is a global leader in alfalfa seed, with significant research and development, production and distribution capabilities. S&W’s capabilities span the world’s alfalfa seed production regions, with operations in the San Joaquin and Imperial Valleys of California, five other U.S. states, Australia, and three provinces in Canada, and S&W sells its seed products

in more than 30 countries around the globe. Additionally, the Company is utilizing its research and breeding expertise to develop and produce stevia, the all-natural, zero calorie sweetener for the food and beverage industry. For more information, please visit www.swseedco.com.

Safe Harbor Statement

This release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. “Forward-looking statements” describe future expectations, plans, results, or strategies and are generally preceded by words such as “may,” “future,” “plan” or “planned,” “will” or “should,” “expected,” “anticipates,” “draft,” “eventually” or “projected.” Forward-looking statements in this release include, but are not limited to, statements concerning the anticipated benefits of a vertical production model for sorghum (including its impact on our ability to capture a greater share of the gross profit dollar for sorghum), the increased attention directed to sorghum as a result of its nutritional qualities, the continued advancement of our vertical production strategy, our plans to increase global acreage dedicated to sorghum, the estimates of sorghum production and the growth of the U.S. sorghum market. You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors and other risks identified in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended June 30, 2016, and in other filings subsequently made by the Company with the Securities and Exchange Commission. The Company does not undertake any obligation to publicly update any forward-looking statements, whether as a result of the receipt of new information, the occurrence of future events or otherwise.

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