

1 **Paclitaxel production by endophytic fungus, *Neopestalotiopsis clavispora***
2 **KY624416 and subsequent extraction of chitosan from fungal biomass**
3 **wastes**

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13 **Running Title:** Paclitaxel from endophytic fungus as an anticancer compound.

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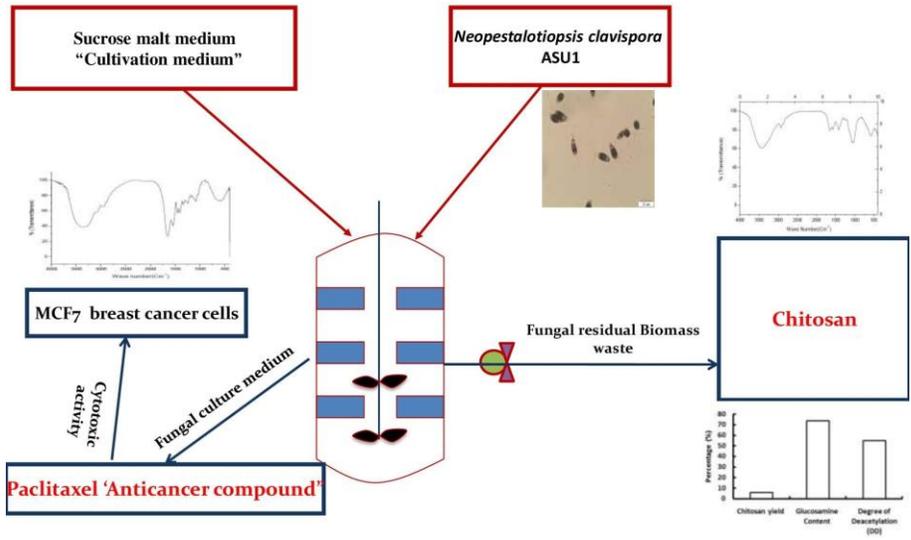
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21

22 **GRAPHICAL ABSTRACT**

Paclitaxel and chitosan production from the endophytic strain, *Neopestalotiopsis clavispora* ASU1



23

24

25 **Abstract**

26 Nowadays, breast cancer is considered to be one of the most prevalent disease
27 worldwide, this initiated interest and growing demand for taxol production in large
28 quantities. The limited availability of traditional taxol production from the Pacific yew
29 trees has encouraged research into the development of taxol production from alternative
30 sources. Thus, the current study aimed to investigate the chemopreventive effect of
31 paclitaxel derived from endophytic fungus *Neopestalotiopsis clavispora* ASU1. The
32 endophytic fungus *Neopestalotiopsis clavispora* ASU1(KY624416) showed potent
33 productivity of paclitaxel recording 100.6 µg/l which was confirmed by HPLC, LC/Ms-
34 Ms and FTIR analyses. *In vitro*, the extracted fungal taxol exerted a significant cytotoxic
35 effect (P< 0.05) at 300 nM, revealed that the increase in paclitaxel concentration induced

36 increasing in cell death. Furthermore, the present study provided a promising approach
37 for coupling paclitaxel production technology by endophytic fungus *N. clavispora* with
38 chitosan production from residual fungal biomass resulting from taxol extraction and
39 therefore improve the feasibility and commercialization of taxol production. The chitosan
40 yield represented 5.94% of residual fungal dry biomass. Also, fungal chitosan was
41 characterized for the degree of deacetylation (DD) (54.60%), FTIR spectroscopy,
42 reducing power activity (0.263 ± 0.051 mg/ml) may be attributed to hydroxyl groups
43 (OH), and amine groups. These results confirmed that fungi are promising alternative
44 sources for chitosan with superior physiochemical characteristics for food and medical
45 prospective applications.

46 **Key words:** Anticancer; Chitosan; MCF7 cell line; *Neopestalotiopsis clavispora*;
47 Paclitaxel

48 **Introduction**

49 Paclitaxel is a natural diterpenic alkaloid compound and one of the most successful
50 anticancer drugs (Brown, 2003; Suffness, 1995; Vasundhara et al., 2016). It is used for
51 the treatment of some cancer diseases, such as ovarian, breast, leukemias, head and neck
52 carcinoma, lymphomas and lung cancers as well as Kaposi's sarcoma (Croom Jr, 1995;
53 Brown, 2003; Chakravarthi et al., 2008; Vennila et al., 2010; Kharwar et al., 2011). The
54 mode of action of paclitaxel is to promote the assembly of microtubule-polymers and
55 reduce the critical concentration of purified tubulin subunits necessary for polymerization
56 into microtubules, leading to the failure of mitosis. Furthermore, it may alter other
57 cellular functions, such as intracellular signaling, organelle transport and locomotion
58 (Alexandre et al., 2007; Weaver, 2014). Paclitaxel was isolated from the bark of *Taxus*

59 *brevifolia*, the Pacific yew tree (Perdue, 1969; Wani et al., 1971; Heinig et al., 2013) .
60 But, unfortunately, very low quantities of produced taxol and the destruction of trees are
61 considered the major obstacles associated with paclitaxel production from the Pacific
62 yew tree (Gallego et al., 2019). So, the produced amount of paclitaxel cannot meet the
63 increasing demand for anticancer taxol compound on the market (Chakravarthi et al.,
64 2008), leads to increase the efforts to develop alternative sources of taxol production,
65 such as chemical synthesis, but this is very expensive and gives low yields (Guenard et
66 al., 1993; Frense, 2007). This has encouraged researchers to explore other taxol
67 candidates and develop technologies that generate a high yield of taxol from sustainable
68 resources. Microorganisms are considered to be one of the most environmentally
69 acceptable, relatively simple and cost-competitive paclitaxel feedstocks as they are
70 characterized by a fast growth with high cell densities, easy scale-up, shear stress
71 resistance, simple genetic manipulation, and dependable and unrestrained paclitaxel
72 production. The last two aspects make microorganisms important requisites for industrial
73 production and increase paclitaxel fermentation technology. Interestingly, over 30 taxol-
74 producing fungi have been reported from previously published papers, the majority is the
75 endophytes of *Taxus* spp. (Yuan et al., 2006). Thus, endophytic fungal fermentation
76 processes may be an alternative way to produce taxol (Wang et al., 2000). With respect to
77 *Pestalotiopsis*, several taxol-producing isolates were recovered from bald cypress in
78 South Carolina (Strobel et al., 1997). Also, it was produced from *Pestalotiopsis*
79 *microspora*, *P. pausiceta*, *P. terminaliae* and *Chaetomella raphigera* isolated from *Taxus*
80 *wallichiana*, *Taxodium distichum*, *Cardiospermum helicacabum*, *Terminalia arjuna* and
81 *Aspergillus fumigatus* (Strobel et al., 1996a; Strobel et al., 1996b; Gangadevi and

82 Muthumary, 2008; Gangadevi and Muthumary, 2009; Vennila et al., 2010; Kumar et al.,
83 2019). Furthermore, there are several anticancer compounds isolated from endophytic
84 fungi following paclitaxel, but no of them has had such effect on cancer chemotherapy as
85 paclitaxel (Kharwar et al., 2011).

86 Chitosan is a natural amino polysaccharide of D-glucosamine (GlcN) and N-acetyl-D-
87 glucosamine (GlcNAc) (No et al., 1989) and is a deacetylated distinctive form of chitin.
88 Chitosan is characterized by polycationic, non-toxic, biodegradable and antimicrobial
89 properties with numerous economic applications, especially in food, pharmaceuticals and
90 cosmetics (Morin-Crini et al., 2019). Chitosan was produced commercially from the
91 exoskeleton of crustaceans through insensitive chemical treatments. However, this is the
92 main drawback in the chitosan extraction process and has limitations in industrial
93 applications due to limited crustacean shells supply, expensive production process and
94 inconsistent physicochemical characteristics (Wu et al., 2005). These drawbacks
95 nominate fungi to be a potentially promising source for chitosan production, as
96 production and purification of chitosan from the fungal walls grown under controlled
97 conditions offer a great advantage of being environmentally friendly and provides
98 potential aspects for a reliable product (Dhillon et al., 2013b Abdel-Gawad et al., 2017).
99 As mentioned above, fungi are characterized by a fast growth with high cell biomasses,
100 obtained by simple fermentation and cost-competitive processes, regardless of
101 geographical location or season (Teng et al., 2001).

102 The current study aimed to 1) isolate the endophytic fungus *Neopestalotiopsis clavispora*
103 and investigate its capability for paclitaxel production from fungal culture. 2) Maximize
104 the economic importance of paclitaxel through the concomitant production of fungal

105 chitosan from the fungal biomass residue. 3) Outlined paclitaxel anticancer activity and
106 cytotoxicity against cancer cell lines.

107 **Materials and Methods**

108 **Endophytic fungus isolation and identification**

109 Avocado fruits (*Persea americana* L.) (10 samples) were collected from a market in
110 Makkah city, Saudi Arabia in sterile polyethylene bags and transferred to the laboratory.
111 One centimeter square from avocado fruits was washed by distilled water and surface
112 sterilized using ethanol (70%) for 1 min and sodium hypochlorite (5%) for 3 min. the
113 pieces were rinsed subsequently and transferred to agar plates containing potato dextrose
114 agar medium (potato, 200 g/l; dextrose, 20 g/l; agar, 20 g/l, distilled water, 1000 ml)
115 supplemented with chloramphenicol (250 mg/l) (Smith and Dawson, 1944). The plates
116 were incubated at 28°C for 7 days. The growing fungal isolate was subcultured in pure
117 culture and kept on a PDA slant at 4°C for further studies. Microscopic slides were
118 prepared and examined under a light microscope (Olympus CX 41 microscope) equipped
119 with a digital camera (SC30 Olympus digital camera, Japan) for morphological
120 identification.

121 The molecular identification of isolated fungus was performed in SolGent Company,
122 Daejeon, South Korea by amplification of nuclear ribosomal RNA using primers ITS1 (5'
123 - TCC GTA GGT GAA CCT GCG G - 3') and ITS4 (5' - TCC TCC GCT TAT TGA TAT
124 GC -3'). The sequence of 18S rRNA of a fungal strain containing 501 bases was first
125 analyzed using the advanced BLAST search program on the NCBI website:
126 <http://www.ncbi.nlm.nih.gov/BLAST/> in order to assess the degree of DNA similarity.

127 The nucleotide sequence of fungal strain ASU1 was deposited in the Genbank nucleotide

128 sequence database under accession numbers KY624416. Phylogenetic tree derived from
129 18S rRNA gene sequence was generated using phylogeny.fr software
130 (<http://www.phylogeny.fr/>) in comparison to 18SrRNA gene sequences from eight
131 different standard fungal strains obtained from Genbank: *Phoma* sp. QC-2014b
132 (KP330455), *Phoma herbarum* (EU754186), *Fusarium oxysporum* f. sp. *cepae*
133 (GU166124), *Penicillium janthinellum* (GU981625), *Pestalotiopsis paeoniicola*
134 (EU400221), *Neopestalotiopsis clavispora* (KR052094), *Pestalotiopsis* sp. LK2
135 (EU047942), *Neopestalotiopsis foedans* (KU593530) (Abdel-Sater et al. 2016).

136

137 **Paclitaxel production by endophytic fungus**

138 **Fungal inoculums preparation**

139 *Neopestalotiopsis clavispora* ASU1, isolated from Avocado fruits and maintained in
140 PDA (potato dextrose agar) at 4 °C, was used in this study. Spore suspension was used
141 for inoculation of the flask cultures. Potato dextrose agar plates were inoculated with
142 fungal spores and incubated for 7 days at 28 ± 1 °C. After growth, fungal hyphae were
143 collected and blended with sterilized distilled water. One ml of the homogenous solution
144 of fungal propagules was used for inoculation.

145

146 **Culture medium and cultivation method for paclitaxel production**

147 The flask culture sucrose malt medium contained (g l⁻¹): Sucrose, 50; malt extract, 17 and
148 peptone, 3; and chloramphenicol, 0.25. After sterilization, the medium was inoculated
149 with 1 ml of spore suspension. 250 ml Erlenmeyer flasks containing 100 ml of sterilized

150 medium were incubated on a rotary shaker (Environ 3597-1, Labline Instruments, USA)
151 at 120 rpm at 28°C for 10 days in the dark.

152

153 **Extraction of paclitaxel from fungal culture**

154 *Neopestalotiopsis clavispora* ASU1 was grown in submerged culture as described above,
155 after 10 days the culture (medium-plus mycelium) was extracted twice with an equal
156 volume of 95% methanol (Strobel et al., 1996b). The filtrate with organic solvent was
157 shaken over the night and dried in an evaporator under a vacuum at 65 °C. The residue
158 was dissolved in 1 ml methanol and analyzed by HPLC. Furthermore, the fungal biomass
159 residue was collected and dried at 50 °C up to constant weight and used for chitosan
160 production.

161

162 **Characterization of fungal paclitaxel**

163 **High-performance liquid chromatography (HPLC)**

164 The extracted fungal paclitaxel was analyzed using Agilent HPLC (Agilent Technologies
165 Series 1200, G1315DDAD, at the Analytical Chemistry Unit, Chemistry Department,
166 Faculty of Science, Assiut University). With column Zorbax Extend C18, analytical (4.6
167 ×150 mm-5Micron) and mobile phase isocratic elution: A: methanol 70 %, B: milli-Q 30
168 %. The flow rate was 1.5 ml/min at 30 °C. The injection volume was 100 µL and the
169 detector was DAD at 232 nm (Markeb et al., 2016).

170

171 **Liquid Chromatography–MS-MS (LC/MS-MS)**

172 After HPLC analysis of the extracted fungal paclitaxel, chromatographic analysis by
173 LC/MS-MS was also performed using Agilent LC/Ms (Agilent Technologies 6420 Triple
174 Quad LC/Ms, at the Analytical Chemistry Unit, Chemistry Department, Faculty of
175 Science, Assiut University) for confirmation of paclitaxel concentration. 5 μ l of fungal
176 paclitaxel was injected into an Agilent LC/MS Triple Quad LC/Ms equipped with Zorbax
177 Eclipse XDB-C18, analytical column (4.6 \times 150 mm-5 Micron) and mobile phase B:
178 Milli-Q elution 10 %, C: Methanol 70 %. The flow rate was 0.8 ml/min at 40 $^{\circ}$ C. Ms
179 QQQ mass spectrometer system was operated as follows: The ion source is electrospray
180 (ESI) positive ion mode; the gas temperature was 350 $^{\circ}$ C and the gas flow rate was set at
181 11 l/min; nebulizer was 45 psi and voltage setting on the capillary with the ion spray
182 voltage was controlled at 4kV. Paclitaxel (Sigma Aldrich) was measured and used as a
183 standard (El-Maali et al., 2018).

184

185 **Fourier transforms infrared spectroscopy (FT-IR)**

186 Spectroscopic investigations on paclitaxel samples are of importance in the present and
187 studied extensively by many scientists (Schmitt et al., 2015). The infrared spectrum of a
188 compound is the superposition of the absorption bands of specific functional groups and
189 can be used as a fingerprint for unknown compounds identification in comparison with
190 recorded reference spectra. To detect the functional groups of paclitaxel in the fungal
191 extract, powders of paclitaxel were tested by the FTIR method using a spectrophotometer
192 model was analyzed using the KBr pressed disk technique (Thermo Scientific Nicolet
193 iS10 FT-IR Spectrometer) at Chemistry Department, Faculty of Science, Assiut
194 University.

195 **MTT cell viability assay:**

196 Effect of methanol and chloroform extracted paclitaxel from fungal culture on MCF7
197 breast cancer cells viability and toxicity were compared to that of pure taxol were
198 investigated using 3-(4,5-dimethylthiazol-2-yl)-2,5-diphenyltetrazolium bromide (MTT)
199 MTT cell viability assay as previously described (Ismail et al., 2013). In brief, about 1 x
200 10⁴ cells/well were cultured in 96-well plates and then incubated for 24hrs. On the
201 following day, different concentrations of extracted paclitaxel (methanol and chloroform)
202 from the culture medium were added to the cells for 24 hrs and positive controls
203 (methanol and chloroform) were involved in the experimental design to avoid their
204 cytotoxic effect on the cells. As well, pure taxol (purchases taxol) was applied to
205 compare the cytotoxic activity of extracted paclitaxel and pure taxol. Next, fifty µl of
206 MTT solution (2 mg/ml of MTT in PBS) were added to each well and left for 4 hrs., then
207 the supernatants were removed carefully and 150 µl DMSO was added to each well. The
208 96-well plates were shaken for 10 minutes and then were read at A570 with a reference
209 filter at A650 using an ELISA plate reader (Ismail et al., 2013).

210

211

212 **Chitosan extraction from fungal biomass**

213 After fungal cultivation on sucrose malt medium, the culture (fungal biomass and
214 medium) was used for paclitaxel production, then filtered by filter paper (Whatman No.1)
215 and the fungal biomass residue was used for chitosan production. Dried fungal biomass
216 was homogenized with 0.5 N sodium hydroxide solution (1:30, w/v) at 121°C for 20 min
217 for the deproteinization process. The alkali insoluble materials (AIM) were centrifuged at

218 10000 rpm for 15 min and subsequently washed with distilled water until the pH was
219 completely neutralized, dried and weighted. Then, 1 gram of dried AIM was treated with
220 40 ml, 2% acetic acid at 95°C for 6 h (Synowiecki and Al-Khateeb, 1997). The extract
221 contains fungal chitosan was isolated by centrifugation at 10000 rpm for 15 min, the
222 supernatant containing the chitosan was collected, adjusting pH to 10.0 with 2M NaOH
223 followed by centrifugation at 10,000 rpm for 15 min for separation of chitosan. The
224 precipitation was washed with distilled water until reaching pH 7, followed by 95% (v/v)
225 ethanol (1:20, w/v). Finally, dried at 60°C for 24 h. Fungal chitosan (virtually pure
226 mycelial chitosan) yield was calculated by weight (g). The alkali-insoluble precipitate
227 obtained after suitable alkali and acid extraction contained nearly pure chitosan
228 (McGahren et al., 1984). The crude chitosan yield of residual fungal biomass was
229 calculated from the following equation (Abdel-Gawad et al., 2017):

230

231 **Chitosan yield (%) = [dry wt. of obtained chitosan/dry wt. of sample] × 100**

232

233

234 **Characterization of fungal Chitosan**

235 **Determination of glucosamine content**

236 Fungal chitosan samples were hydrolyzed with 2 M hydrochloric acid at 110 °C for 2 h
237 and the liberated D-glucosamine was determined by dinitrosalicylic acid according to
238 (Huet et al., 2006).

239 **Infra-Red Spectroscopy**

240 The structure of extracting mycelial chitosan was confirmed by infrared spectroscopy
241 using a KBr pellet method in FTIR (Thermo Scientific Nicolet iS10 FT-IR Spectrometer)
242 at Chemistry Department, Faculty of Science, Assiut University. FTIR spectra were
243 recorded in the middle infrared (4000 cm^{-1} to 500 cm^{-1}).

244

245 **Degree of Deacetylation**

246 The degree of deacetylation (DD) was determined according to the baseline method
247 (Khan et al., 2002). The IR spectrum recording procedure is the same as described above.
248 According to the IR spectrum, the DD was calculated by measuring the absorbance ratio
249 of A1655 and A3450 (Baxter et al., 1992). The amide I band at 1655 cm^{-1} and the
250 hydroxyl group absorption band at 3450 cm^{-1} were used as an internal reference, DD was
251 assessed based on the following equation:

$$252 \text{ Degree of deacetylation} = 100 - [(A1655/A3450) \times 115]$$

253

254 **Determination of antioxidant activity by reducing power measurement**

255 The reducing power of chitosan extract was determined by the method of (Chang et al.,
256 2002) with some modification. An aliquot of 0.5 ml chitosan sample (5:100 w/v), in 0.2%
257 acetic acid solution was added to 0.1 ml of 1% (w/v) potassium ferricyanide. The mixture
258 was incubated at $50\text{ }^{\circ}\text{C}$ for 30 min, 0.1 ml of trichloroacetic acid (1% w/v) and 0.1 FeCl_3
259 (0.1% w/v) were added left for 20 min. The result was recorded by measuring the amount
260 of ferric ferrocyanide (Prussian blue) formed using spectrophotometer at 700 nm and
261 ascorbic acid was used as a positive control.

262 **Results**

263 **Morphological and molecular characterization of the fungus**

264 The endophytic fungus isolated from Avocado fruits was identified morphologically and
265 genetically as *Neopestalotiopsis clavispora*. The isolate is characterized morphologically
266 by dark brown, subglobose conidioma; conidia with 4 transverse septa, fusiform to
267 clavate, smooth-walled, hyaline, 20-27 µm length (Judith-Hertz, 2016) as shown in figure
268 (1). Morphological features of the fungus were confirmed by 18S rRNA sequence
269 analysis (Maharachchikumbura et al., 2014). A partial 18S rRNA gene sequence of
270 approximately 501 base pairs of fungal strain ASU1 has a sequence with 99 % similarity
271 with *Neopestalotiopsis clavispora* (KR052094), *N. foedans* (KU593530) and
272 *Pestalotiopsis paeoniicola* (EU400221) that is available in the Genbank database. A
273 phylogenetic tree was constructed from multiple sequence alignment of 18S rRNA gene
274 sequences (Fig. 2). The nucleotide sequence of fungal strain ASU1 was deposited in
275 Genbank with accession number KY624416.

276 **Production of paclitaxel**

277 In the present study, *Neopestalotiopsis clavispora* KY624416 was grown on malt sucrose
278 medium with a higher growth rate recording 14.2 ± 0.095 g/l dry biomass with potentiality
279 for anticancer compounds production. HPLC analysis of paclitaxel produced by
280 endophytic fungus *Neopestalotiopsis clavispora* KY624416 elucidated that fungal strain
281 could produce anticancer compounds in liquid medium recording a single peak identical
282 with the retention time of authentic paclitaxel (Fig. 3). Although a defined identical
283 single peak was produced from HPLC analysis, it may contain other taxanes (Fig. 3). The
284 quantitative analysis of paclitaxel and related taxanes was performed with LC/MS-MS
285 that may be very important to discriminate paclitaxel from other closely related taxanes.

286 In the present study, it is confirmed that the LC/MS chromatographic analyses are highly
287 accurate showing that *Neopestalotiopsis clavispora* KY624416 paclitaxel extract, had
288 four peaks at m/z from 876.7 to 877.7, that similar to the peak obtained with authentic
289 paclitaxel (Fig. 4). LC/Ms-Ms analysis of fungal paclitaxel confirmed that fungal strain
290 could produce paclitaxel with concentration recording 100.6 µg/l.

291

292

293

294 **FT-IR analysis**

295 The resultant absorption spectrum indicates the presence of various chemical bonds and
296 functional groups present in the sample. The Fourier transform infrared spectroscopy
297 (FT-IR) analysis measures the selective absorption of light by the vibration modes of
298 specific chemical bonds in the sample determining several functional groups such as OH-
299 hydroxyl and amide (-NH) groups stretch (3392.65 cm^{-1}), aliphatic CH stretch (2900 cm^{-1}),
300 aromatic ring C=C stretch was positioned at 1652.61 cm^{-1} , NH stretching (1455.93 cm^{-1}),
301 COO stretching frequency was observed at 1245.11 cm^{-1} and aromatic C and H
302 bend (1082.52 cm^{-1}) as shown in Figure 5.

303 **Cell viability**

304 Cell viability was investigated in MCF-7 breast cancer cell line after 24 hrs of
305 treatment with different extracted (methanol, chloroform) paclitaxel concentrations (0.0,
306 0.01, 0.05, 0.1, 15, and 0.3 µM) and compared with purchases taxol using MTT assay.
307 Quantitatively, it was shown that taxol drug exerted a dose-dependent cytotoxic effect.
308 Statistically, the significant cytotoxic effect was ($P < 0.05$) at 10, 50 and 100 nM, ($P <$

309 0.01) at 150 nM and ($P < 0.001$) at 300 nM while the extracted fungal paclitaxel exerted a
310 significant cytotoxic effect ($P < 0.05$) only at 300 nM. Regarding the comparison among
311 fungal taxol, our results revealed that the methanol extract was the highly effective
312 compared to the other tested extracts which exerted more cytotoxicity at nearly all
313 concentrations. Statistically, the differences among fungal taxol showed no significant
314 cytotoxic effect on MCF-7 breast cancer cells (Table 1).

315 **Chitosan production from fungal biomass wastes**

316 The results obtained showed that the chitosan yield from fungal biomass represented
317 5.94% of fungal dry biomass glucosamine content of extracted fungal chitosan was
318 estimated by 3, 5 dinitrosalysilic acid reagent yielding 73.53 % of extracted chitosan (Fig.
319 6).

320 **Characterization of fungal chitosan**

321 **FT-IR analysis**

322 Chitosan extracted from residual fungal biomass after the fermentation process for
323 paclitaxel production was subjected to FT-IR analysis. The FT-IR spectra in figure (7)
324 showed typical absorption bands of chitosan: the OH stretching band at 3427.6 cm^{-1} the
325 stretching vibrations overlapped with N-H stretching band; the C-H band within 2924.51
326 cm^{-1} . The band identified as an amine group (N-H bending bands) absorbed infrared
327 between 1651.4 cm^{-1} - 1566.7 cm^{-1} . The skeletal vibrations involving the C-O-C stretching
328 band at 1035.57 ; the $-\text{CH}_2$ bending centered at 1416.49 cm^{-1} . Also, the spectra showed
329 the amide bonds at approximately 1651.40 and 11566.73 cm^{-1} ; amide I band at 1651.4
330 and amide II band at 1566.73 cm^{-1} . The IR spectroscopic method is used to determine the

331 degree of deacetylation (DD) value of mycelial chitosan. The DD value of mycelial
332 chitosan obtained from submerged fermentation of *Neopestalotiopsis clavispora* was
333 54.60% (Fig. 6).

334 **Antioxidant activity of chitosan**

335 The antioxidant activity of chitosan extracted from *Neopestalatiopsis clavispora* waste
336 biomass was studied using ferric reducing antioxidant activity recording 0.263 ± 0.051
337 mg/ml, this result revealed that fungal chitosan has potent reducing power and its
338 antioxidant power.

339

340 **Discussion**

341 **Production of paclitaxel**

342 Currently, most of the paclitaxel produced for medical uses is synthesized by a chemical
343 semi-synthetic approach (Holton et al., 1995). However, the extraction of taxol from
344 *Taxus* plants is relatively complex with low yields, depending on epigenetic, seasonal and
345 environmental conditions (Zhu and Chen 2019; Jiang et al., 2021) . In the eighteenth
346 century, endophytic fungi become a useful tool for the paclitaxel production process of
347 the future, great progress in this field have been obtained. However, despite its many
348 advantages as, shorter generation time, higher growth rate, easily genetic manipulation,
349 low substrate costs for endophytic fungi growth and easy recovery of paclitaxel from the
350 fermentation medium; some impediments are resulting from yields and titers remain low
351 compared with that of the taxes trees (Demain and Solomon, 1981; Stierle et al., 1993).

352 In the present study, the endophytic fungus isolated from Avocado fruits was identified
353 based on morphological and genetic analysis as *Neopestalotiopsis clavispora* and was

354 deposited in Genbank with accession number KY624416. *N. clavispora* KY624416
355 showed a high potentiality for paclitaxel production, an anticancer compound which was
356 analyzed by HPLC and LC/MS-MS analysis recording 100.6 µg/l. In this respect,
357 *Pestalotiopsis microspora* isolated from the inner bark of Himalayan yew could produce
358 taxol in mycelial culture (Strobel et al., 1996b). Paclitaxel was originally produced from
359 the *Taxus* plant, it was reported that the gene responsible for paclitaxel production may
360 transfer from the plant to corresponding endophytic fungi (Stierle et al., 1993) These
361 fungi may produce paclitaxel for competition and survive inside their hosts (Young et al.,
362 1992). On the other hand, paclitaxel biosynthetic gene candidates in endophytic fungus
363 *Penicillium aurantiogriseum* NRRL 62431 are quite different from those in hosts and
364 they provided evidence that horizontal gene transfer is unlikely to have occurred. Several
365 endophytic fungi from different host plants have been investigated for their ability for
366 paclitaxel production (Mirjalili et al., 2012; Yang et al., 2014). In our study we observed
367 paclitaxel production by endophytic fungus *Neopestalotiopsis clavispora* KY624416
368 during this batch fermentation process is quite good in comparison with various
369 endophytic fungi reported in the literature.

370 FT-IR analysis for extracted paclitaxel sample showed absorption spectrum and
371 functional groups such as OH- hydroxyl and amide (-NH) groups stretch, aliphatic CH
372 stretch, aromatic ring C=C stretch, NH stretching, COO stretching frequency and
373 aromatic C and H bends. The observation of the vibration spectrum of paclitaxel in
374 comparison with standard taxol spectrum (Raj et al., 2015; Vennila and Muthumary,
375 2011). Consequently, FT-IR spectroscopy was widely used recently by researchers to

376 verify the chemical characteristics of paclitaxel in comparison with standard available
377 spectrum (Hiremath et al., 2013; Kathiravan et al., 2014; Schmitt et al., 2015).

378

379 **Cell viability**

380 From cell viability results using MCF-7 breast cancer cell line, it was found that
381 the most effective one of paclitaxel extracts is the methanol extract which exerted more
382 cytotoxicity at nearly all concentrations. As well, the IC₅₀ values of strong cytotoxic
383 activity of commercial taxol, methanol extract and chloroform extract were found against
384 MCF-7 breast cancer cell line at 158.1 nM, 621.7 nM, 667.3 nM and 596.4 nM,
385 respectively. As well, fungal paclitaxel is a proven anti-cancer agent that has been tested
386 in various human carcinoma cell lines, such as MCF-7 (Kumaran et al., 2012; Pandi et
387 al., 2011), BT220 (Gangadevi and Muthumary, 2007; Kumaran et al., 2012), HL251
388 (Kumaran et al., 2012), Hep G2 cell lines (Rajendran et al., 2013). Supporting the earlier
389 findings that at low concentration taxol could inhibit cell proliferation by blocking
390 mitosis (Gangadevi and Muthumary, 2007; Kumaran et al., 2012). Also, *Cladosporium*
391 *oxysporum* taxol showed cytotoxic activity towards HCT 15 cancer cell line for 24 h
392 treatment with an IC₅₀ value of 3.5 µM concentration (Raj et al., 2015). In conclusion,
393 fungal endophytes are gaining importance because of their potentiality to produce
394 medically important bioactive compounds.

395 **Chitosan production from fungal biomass residue**

396 The chitosan yield extracted from fungal biomass wastes represented 5.94% of fungal dry
397 biomass and the glucosamine content of extracted fungal chitosan was 73.53 % of
398 extracted chitosan (Fig. 6). Chitosan yield by endophytic fungus *Neopestalotiopsis*

399 *clavispora* KY624416 grown on sucrose malt broth medium is quite good when
400 compared with values using various fungi using different substrates reported in the
401 literature in this instance. Chitosan was extracted from different fungal species such as,
402 *Cunninghamella elegans* (0.75 g l⁻¹), *C. blakesleeana* (9.4 % of fungal biomass),
403 *Rhizomucor miehei* (13.67 %), *Mucor rouxii* (1.2 %) *Cladosporium Cladosporioides*
404 (25.2 mg/g) with degree of deacetylation 81 %, 35 %, 80.6 % and 59 %, respectively
405 (George et al., 2011; Miyoshi et al., 1992; Tajdini et al., 2010; Tayel et al., 2016). As
406 well as the extracted chitosan of some fungi was tested for their biotechnological
407 applications in water pollutant elimination (heavy metals and waterborne
408 microorganisms) and removal of toxic pollutants biocontrol of postharvest diseases
409 (Betchem, et al., 2019; Cortés-Rivera et al., 2021)). Furthermore, these results provide a
410 promising approach for concomitant production of paclitaxel and chitosan sources and
411 increase the possibility for production and extraction of fungal chitosan with well-defined
412 properties at an industrial scale.

413 IR spectroscopy of chitosan extracted from residual fungal biomass provided a relatively
414 quick, simple method used for the qualitative and quantitative determination of chitin and
415 chitosan characteristics, mainly specific absorption groups present in the recovered
416 product, the degree of acetylation/deacetylation and chitosan impurities (Baxter et al.,
417 1992). The FT-IR spectra showed absorption bands; the OH stretching band, the C-H
418 band, an amine group (N-H bending bands) as recorded by Pavia et al., 2014. As well as,
419 the skeletal vibrations including the C-O-C stretching band; the -CH₂ bending (Kaya et al.,
420 2015; Kumirska et al., 2010; Negrea et al., 2015). Also, the spectra showed the amide
421 bonds; amide I band at 1651.4 and amide II band. The current results were in harmony

422 with the findings of (Kasaai et al., 2000; Khan et al., 2002); Also, FT-IR analysis of
423 chitosan obtained from the mycelia of Basidiomycetes exhibited several bands similar
424 with internal reference spectra of chitosan such as amide bonds at approximately 1655
425 and 1313 cm^{-1} (Di Mario et al., 2008)). In the current study, other functional groups
426 included hydroxyl stretching band at 3427 cm^{-1} , amide I band at 1655, primary amine
427 band at 1638 - 1561 cm^{-1} amide II band at 1561 cm^{-1} and amide III bands at 1320 cm^{-1} .
428 These absorption bands preliminary approved the fungal extracted product to be chitosan.
429 The IR spectroscopic method is used to determine the degree of deacetylation (DD) value
430 of mycelial chitosan. The degree of deacetylation of chitosan extracted from
431 *Neopestalotiopsis clavispora* was 54.60% which is considered as one of the most
432 important chemical characteristics influencing solubility, chemical reactivity and
433 biodegradability, which in accordance influence the performance of chitosan in many
434 applications (Abdel-Salam, 2013; Morin-Crini et al., 2019) . Interestingly, these
435 desirable physicochemical properties of fungal chitosan could increase the potential
436 application for food, cosmetic, chemical and pharmaceutical industries. Consequently,
437 fungal chitosan fermentative production is considered a good alternative to minimize
438 environmental pollution from traditional chitosan production by strong alkali,
439 furthermore increase the feasibility of a new, simple and green technology for the
440 production of value-added chitosan (Dhillon et al., 2013a).

441

442 **Antioxidant activity of chitosan**

443 The antioxidant activity of chitosan produced from *Neopestalotiopsis clavispora* was
444 evaluated using ferric reducing antioxidant activity (Zimoch-Korzycka et al., 2016).

445 Hydroxyl radicals display a small diffusion capacity and high reactivity in the generation
446 of cellular damages. These injuries speed up the aging process causing cancer and
447 numerous diseases (Kehrer and Klotz, 2015). So, removing OH radicals is important for
448 antioxidant defense in cell and food systems. Reducing power measures the ability of a
449 sample to act as an electron donor and therefore, reacts with free radicals converting them
450 to more stable products and thereby terminate radical chain reaction (Park et al., 2004).
451 Fungal chitosan reducing power activities was 0.263 ± 0.051 mg/ml, this result revealed
452 that fungal chitosan has potent reducing power and its antioxidant power may be
453 attributed to hydroxyl groups (OH), and amine groups.

454 **Conclusion**

455 Recently, the production of paclitaxel by endophytic fungi has gained much attention due
456 to the need for cost-competitive and alternative sources for taxol production from *Taxus*
457 plants. The present paper provides a promising approach through integrating a system for
458 paclitaxel production from malt sucrose medium by endophytic fungus *Neopestalotiopsis*
459 *clavispora* with chitosan production from residual fungal mycelium wastes. Paclitaxel
460 productivity by endophytic fungus *Neopestalotiopsis clavispora* (100.6 $\mu\text{g/l}$) with a
461 significant cytotoxic effect on MCF7 cell line revealed the possibility and potentiality of
462 this fungal strain for paclitaxel industrial biotechnological processes. Furthermore, the
463 available fungal mycelium wastes, resulting from the paclitaxel extraction process,
464 represent a promising candidate for chitosan production as compared to traditional
465 sources from crustacean shells. The remarkable findings of this study have been proven
466 to be practically important in the development of paclitaxel production processes and
467 enhancing low-cost chitosan production from the utilization of fungal mycelium wastes.

468 Presently, the industries sustain losses for the safe disposal of wastes, which leads to an
469 increase in the final production cost of the products so, this paper is expected to provide a
470 competitive economic outcome for industrial concomitant of paclitaxel and chitosan
471 production by endophytic fungi.

472 **Conflict of interest**

473 The authors declare that there is no conflict of interest.

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300 nM	0.2 ± 0.03^{bc}	26.7	0.44 ± 0.11^a	74.5	0.38 ± 0.020^a	75.5
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Fig. 1

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757 **Fig. 1. Image of *Neopestalatiopsis clavispora* growth on PDA medium (A),**
758 ***Neopestalatiopsis* conidia with 4 transverse septa, fusiform to clavate, and**
759 **smooth-walled (B).**

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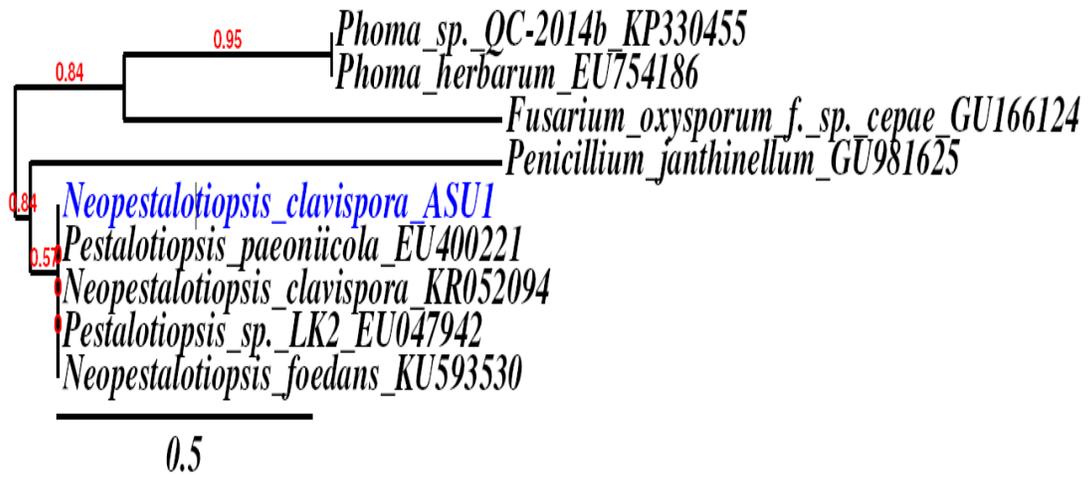
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Fig. 2

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Fig. 2. Phylogenetic tree of *Neopestalotiopsis clavispora* ASU1 (KY624416).

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Fig. 3

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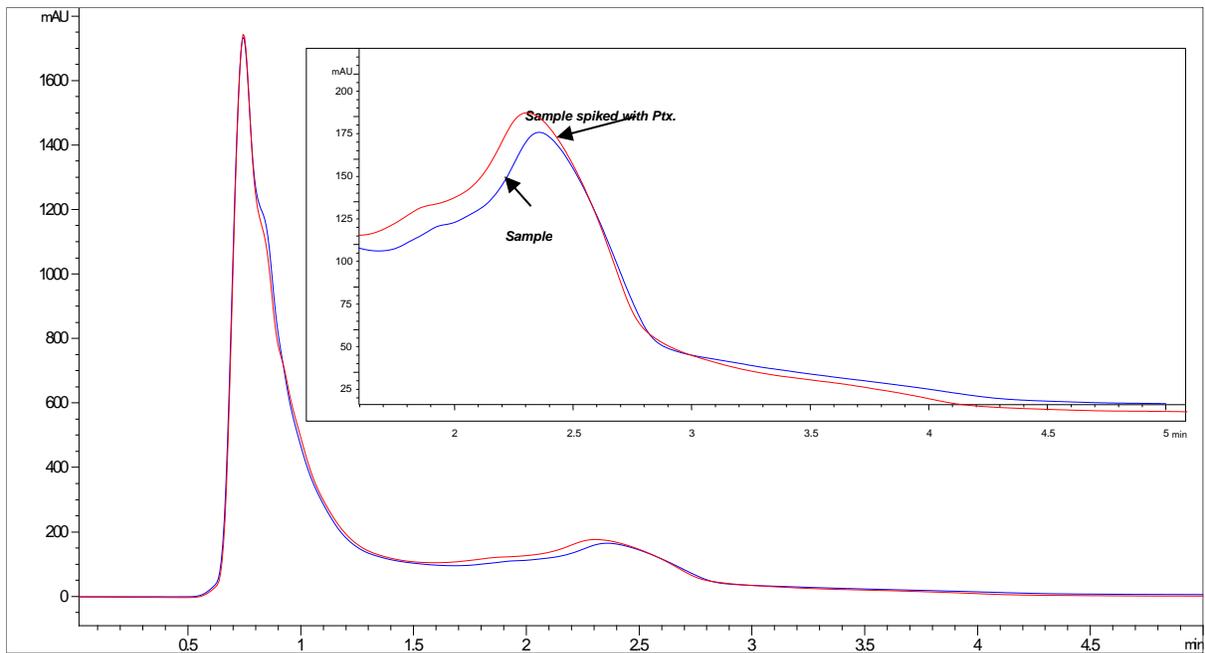
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Fig. 3. HPLC chromatogram of standard taxol and fungal paclitaxel isolated from

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Neopestalotiopsis clavispora ASU1 (KY624416).

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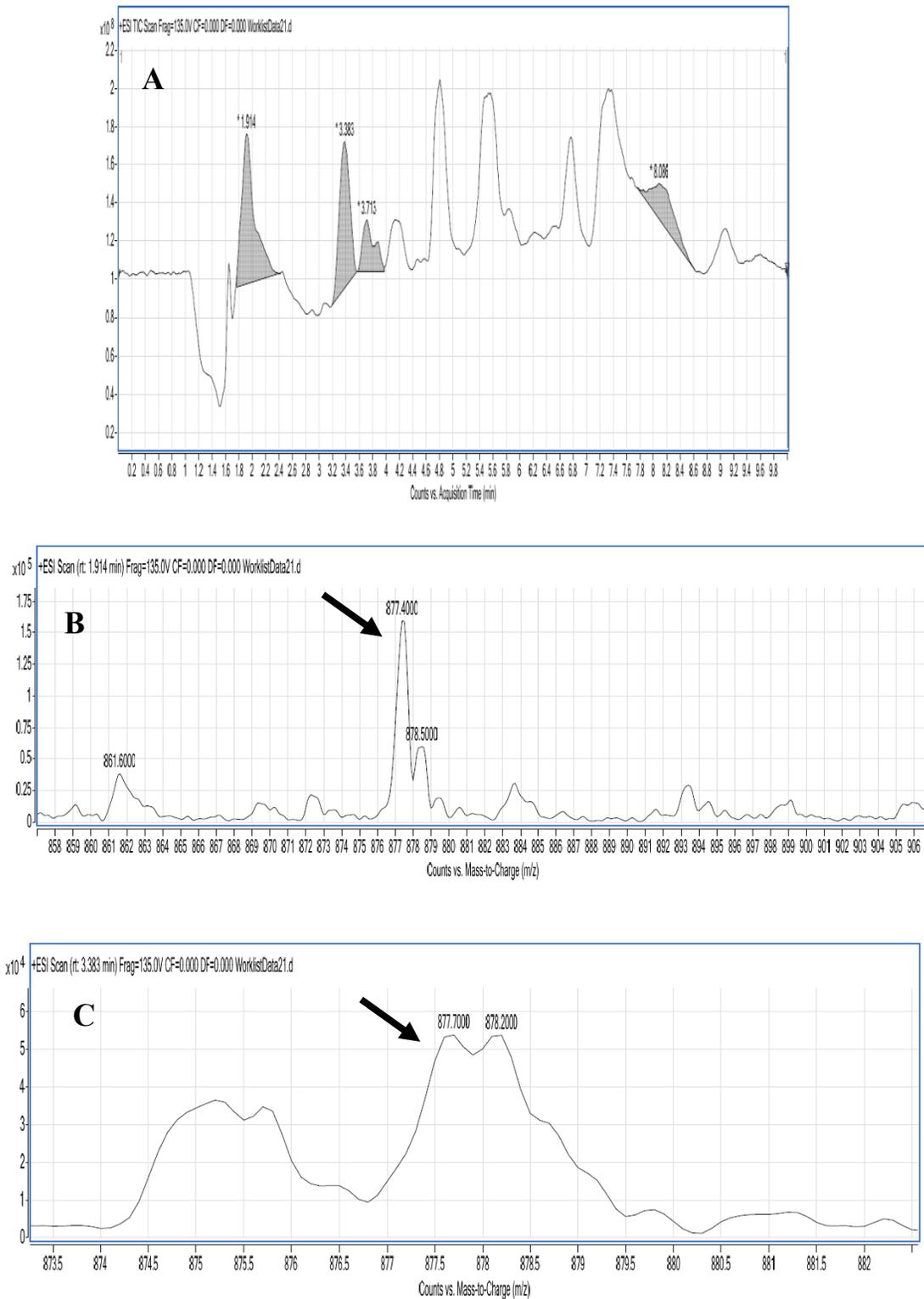
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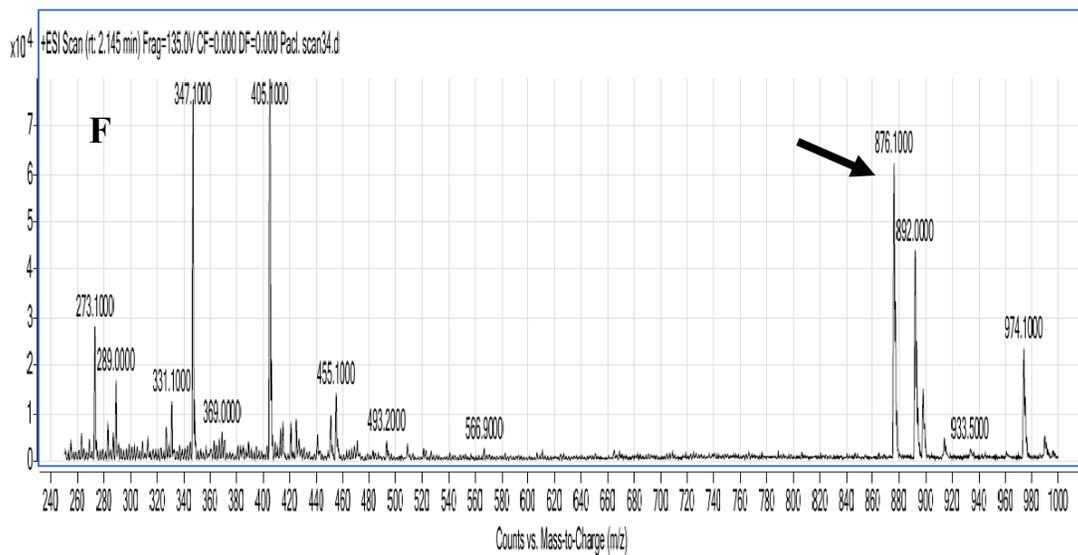
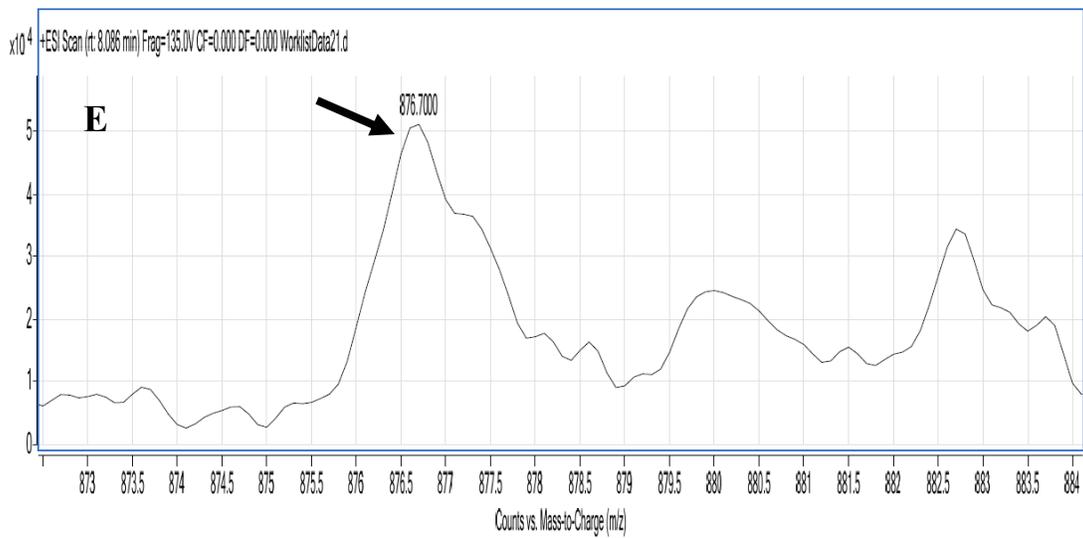
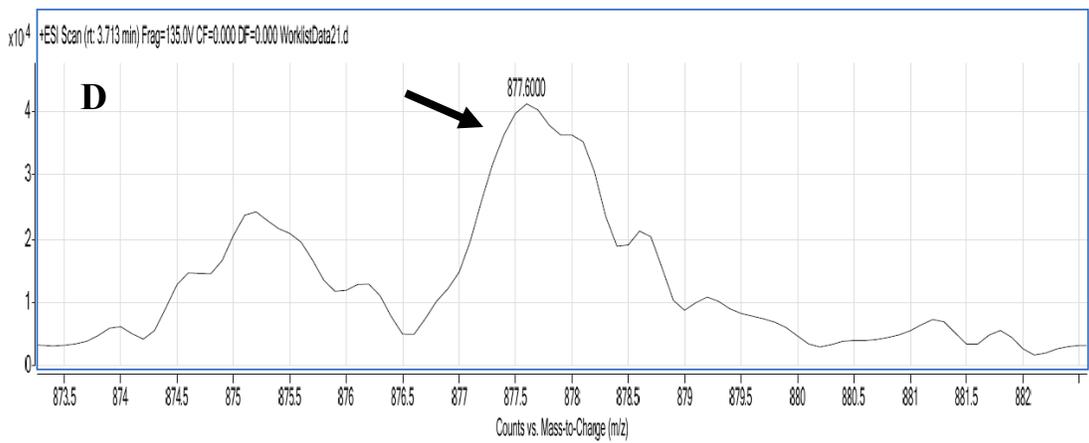
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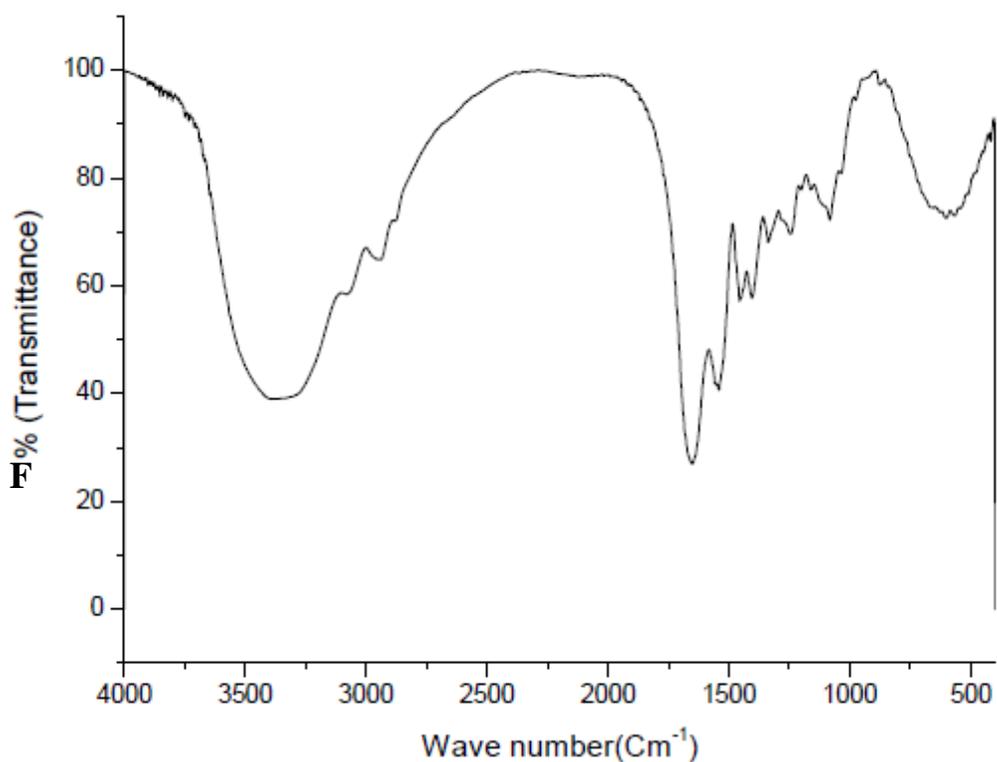
814 Fig. 4. LC/MS chromatograms showing fungal paclitaxel scan (A) with four peaks at
815 m/z from 876.7 to 877.7 (B-F), that similar to the peak obtained with authentic
816 paclitaxel (E).

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Fig. 5

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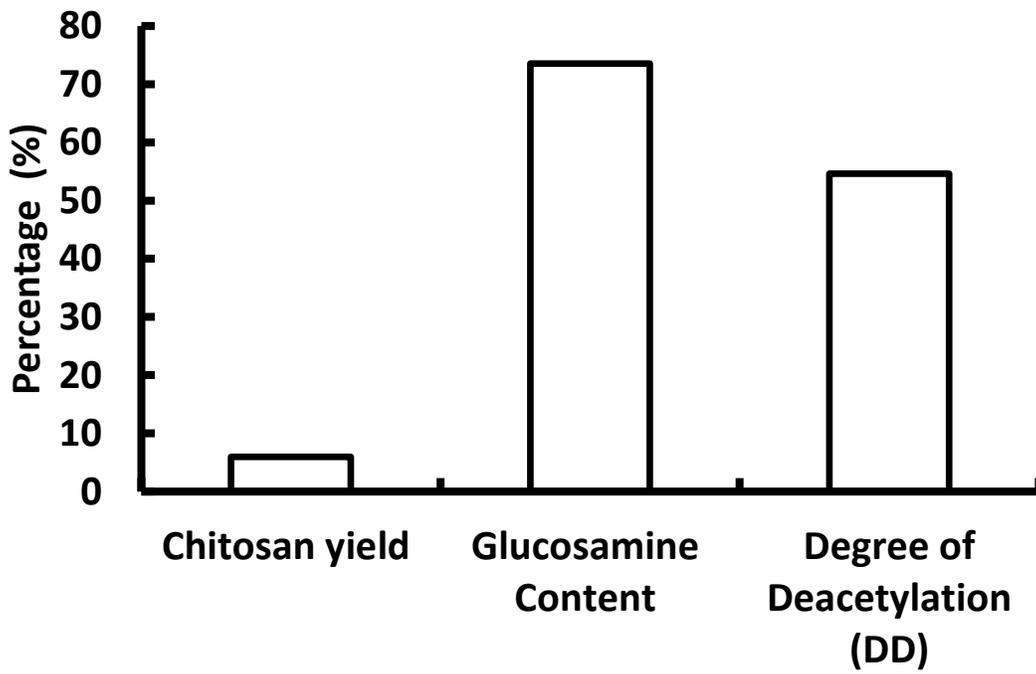
822 Fig. 5. FT-IR spectrum of paclitaxel produced by *Neopestalotiopsis clavispora* ASU1.

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Fig. 6



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837 **Fig. 6. Percent of chitosan yield from fungal biomass residue after paclitaxel**
838 **extraction, glucosamine content in extracted chitosan and the degree of**
839 **deacetylation.**

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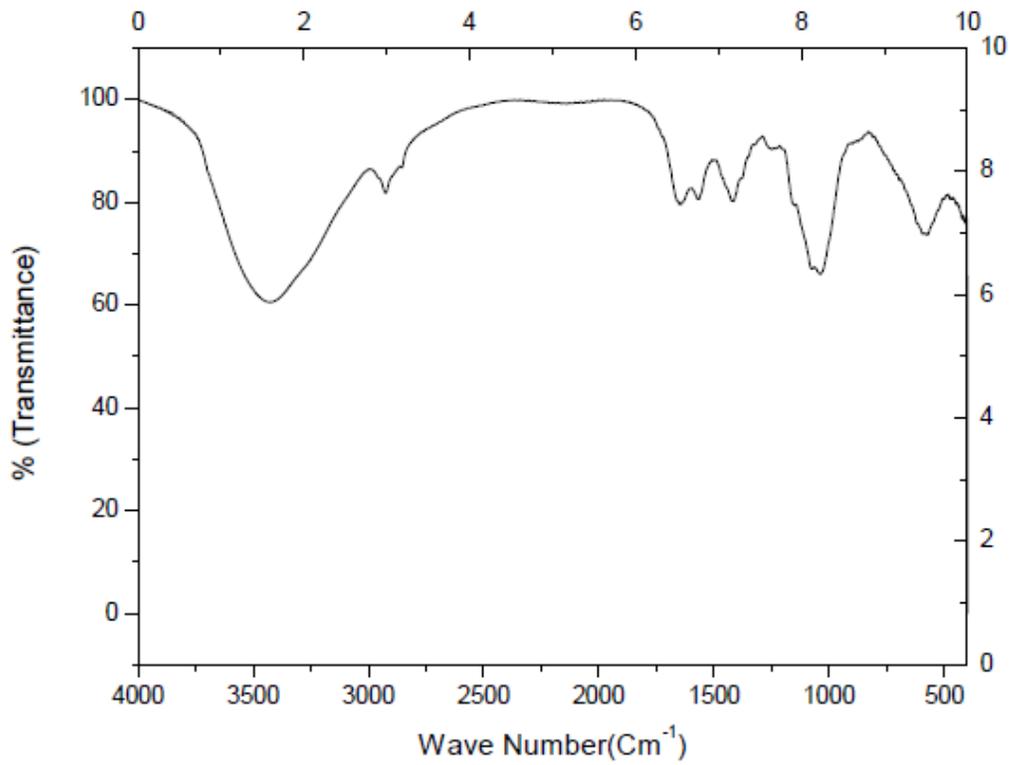
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Fig. 7

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Fig. 7. FT-IR spectrum of chitosan extracted from fungal biomass.

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