

NZVIF, Pacific Channel to invest \$12 m, in NZ

Singapore, June 6, 2008: Developing new biotechnology businesses in New Zealand is the focus for a new investment partnership involving the New Zealand Venture Investment Fund (NZVIF) and Pacific Channel Limited, a private investment company that has demonstrated success in starting and funding biotechnology ventures.

Under the partnership, Pacific Channel - a New Zealand affiliate of United States life sciences venture firm, The Channel Group, LLC – and NZVIF will together invest around \$8 million to \$12 million into new biotech ventures.

Pacific Channel's partnership with NZVIF is through NZVIF's Seed Co-Investment Fund which is providing \$40 million of matched seed funding to support the further development of early-stage investment markets alongside selected Seed Co-Investment Partners.

Ms Franceska Banga, chief executive, NZVIF, said, "The Seed Co-Investment Fund is an important product in NZVIF's investment portfolio. It is developing networks for early stage investment in New Zealand and developing greater depth in the specialist skills needed to assess and manage early stage investments. This is the eighth partnership we have entered into through the Seed Co-Investment Fund. Through these partnerships, we have invested over \$10 million into 17 companies."

She further said, "The partnership would deepen the capital available for new biotechnology ventures in New Zealand and would provide access to North American expertise and capital.

Mr Brent Ogilvie, a former New Zealand Trade Commissioner to New York, and Director, Pacific Channel said that the New Zealand biotechnology sector presents a very attractive investment opportunity. But there is a lack of seed funding available to life science start-ups and early-stage companies, particularly in the bio-medical field. Coupled with the considerable opportunities in international markets for life science products, we see a unique opportunity for investment.

NZVIF's Seed Co-Investment Fund aims to help build an early stage investment market worth \$100 million over the next five years.