

Brandon Capital Partners Raises AU\$200M New MRCF Fund

New fund is Australia's largest ever life science focussed venture fund

Melbourne & Sydney, Australia – 21 April 2015 – Brandon Capital, one of Australia's leading life science venture capital firms, today announced that it has closed an AU\$200Million life science venture capital fund for the Medical Research Commercialisation Fund (MRCF). The new fund (MRCF3) will be Australia's largest ever life science venture fund.

The fund is supported by existing MRCF Investors AustralianSuper and Statewide Super, which are now joined by Hesta, an existing investor in Brandon funds, and HOSTPLUS in this new fund. The MRCF Collaboration has an innovative structure, with over 50 of Australia's leading medical research institutes and research hospitals being members of the Collaboration and providing the investors with access to Australia's latest medical discoveries and the expertise and infrastructure to help develop them.

Around AU\$50M of the new fund will be reserved for 20-30 very early seed stage investments in promising biotech or medical device technologies. The remaining AU\$150M will be reserved for supporting the most successful of these and existing MRCF portfolio companies to take these opportunities through to mid-stage clinical trials in patients. Finally, under the new fund structure, each of the superannuation investors have the opportunity to invest much larger amounts of capital (tens of millions) into the most promising assets as they mature.

Dr Chris Nave, Principal Executive of the MRCF and Managing Director of Brandon Capital said:

"We believe that there is significant potential in Australian life sciences, which has always outperformed in terms of research innovation, but has fallen short when it comes to commercialising those discoveries. This failing has been largely attributed to the lack of sufficient early stage investment capital and access to hands-on investment expertise to guide the development and commercialisation of these medical technologies. The performance of the MRCF funds over the past 7 years demonstrates that its unique investment model has overcome these deficiencies."

Chairman of the MRCF, Hon. Alan Stockdale said:

"The unique MRCF model is proving to be highly successful: Last year's acquisition of Fibrotech Therapeutics, one of the MRCF's earliest investments, by Shire Plc was a landmark deal for the Australian biotechnology sector. This eye-catching acquisition was a validation of our approach to effectively support medical innovation in this country, leading to benefits for patients, for the Australian economy and returns for our investors."

The new fund is the third MRCF fund to be raised by Brandon Capital, bringing the total MRCF funds to AU\$251M. The first MRCF fund was raised in 2007, with MRCF 2 (an AU\$40M fund supported by the Innovation Investment Fund Scheme) raised in 2011. Brandon also raised the AU\$50M Brandon Biosciences Fund 1 in 2008. Over the years these funds have participated in

some of the most companies in Australian life sciences including Fibrotech Therapeutics, Global Kinetics Corporation, Osprey Medical Inc, PolyActiva, Spinifex Pharmaceuticals and Vaxxas.

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Notes for editors

About Brandon Capital Partners

Brandon Capital Partners was established in 2007 and makes seed and venture capital investments into emerging businesses in the life science industry. Brandon Capital Partners is passionate about turning good science into improved medical outcomes. The Brandon team works with entrepreneurs to build businesses, creating value for the entrepreneurs, their teams and Brandon's investors. Brandon Capital manages three funds:

- Brandon Biosciences Fund 1 (BBF1 IIF and BBF1 Trust) – AU\$50M, established 2008
- Medical Research Commercialisation Funds, MRCF Trust 1 (AU\$11.1M) and the MRCF IIF (AU\$40M) – established in 2007 and 2011, respectively
- MRCF3 Fund - AU\$200M, established 2015

www.brandoncapital.com.au

About The Medical Research Commercialisation Funds (MRCF)

Managed by Brandon Capital, the MRCF funds bring together over 50 of Australia's leading medical research institutes and research hospitals; the federal government and the governments of Queensland, New South Wales, Victoria, South Australia and Western Australia.

The MRCF's first 2 funds, the MRCF Trust and MRCF IIF, totalling AU\$51 million were established in 2007 and 2011 and were supported by AustralianSuper, StatewideSuper and the Australian Government through its Innovation Investment Fund (IIF) program.

Continuing on the same model, the new AU\$200M MRCF3 fund announced today is supported by the AustralianSuper, StatewideSuper, HESTA and HOSTPLUS Industry Super Funds.

For further information please visit: www.mrcf.com.au