

Media Release: 1 November 2007

NZVIF and Cure Kids join investment forces

The New Zealand Venture Investment Fund (NZVIF) today announced an innovative deal with Cure Kids Ventures Ltd, the investment vehicle of leading childhood health research charity Cure Kids, to co-invest with them into the exciting commercial opportunities initiated by Cure Kids.

Chief Executive of NZVIF Francesca Banga said, "While Cure Kids Ventures Ltd do not fit our usual angel investment partner profile, this is a promising and unique partnership with the investment arm of one of New Zealand's leading childhood health research organisations, whose ground-breaking work has already led directly to several exciting commercial applications such as A2, Nexus 6, and Living Cell Technologies."

"We believe the investment capital and commercialisation expertise of NZVIF, combined with the research funded by Cure Kids, and the investment skills of Cure Kids Ventures Limited will form a very strong investment partnership that will tap into some high potential business opportunities", Banga added.

Cure Kids was established over 30 years ago to address the lack of research into life-threatening childhood illnesses in New Zealand. Since then, they have invested over \$19 million into medical research, including 3 Chairs of Child Health at Auckland, Otago and Canterbury Universities. This research has helped save hundreds of young lives and has improved the quality of life for thousands of children.

Cure Kids Ventures Limited Chairman Roy Austin said, "We want to make a greater difference to children's lives. This means maximising our opportunities via collaboration and co-investment. It was a logical step to start Cure Kids Ventures Limited and find an investment partner to leverage longer-term commercial research opportunities. We are looking forward to a productive partnership with NZVIF and to developing more commercial success stories so that we can reinvest more into our kid's health."

Ms Banga added, "We are delighted to welcome Cure Kids Ventures Limited to our portfolio of investment partners. Their addition as our seventh co-investment partner for the Programme is another signal that the Seed Co-Investment Programme is helping to build a healthy and sustainable industry. Any young and innovative companies that are interested in investment capital and the hard-won wisdom of angels who have 'been there and done that' should speak to one of our co-investment partners".

ENDS

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About NZVIF (www.nzvif.co.nz)

Background on Seed Co-Investment Fund

In 2005, the Government added the \$40 million Seed Co-Investment Fund to VIF's existing venture capital responsibilities. Combined with the matching seed funding of the new partners, this represents an enormous investment into the early stage sector.

The key objectives of the Seed Co-Investment Fund are to enhance the development of angel investor networks, stimulate investment into innovative start-up companies, and to increase capacity in the market for matching experienced angel investors with new, innovative start-up companies.

Any individuals or syndicates with investment experience and available capital, who have a record of business accomplishment in New Zealand, and who have a passion for fostering early stage business, should contact NZVIF to discuss the criteria for becoming a co-investment partner.

About Cure Kids Ventures Limited

Cure Kids Ventures Ltd is the separate investment entity of leading childhood health research charity Cure Kids.

The research funded by Cure Kids has already led directly to several exciting commercial applications such as A2, Nexus 6, and Living Cell Technologies.

The goal of Cure Kids Ventures Limited is to maximise and leverage promising research into collaborative research, venture investment and ultimately commercialisation, which can then be reinvested back into childhood health

Cure Kids (www.curekids.org.nz) is the face of the Child Health Research Foundation – an organisation established over 30 years ago to address the lack of research into life-threatening childhood illnesses in New Zealand.

Since then, we have invested over \$19 million in medical research. This research has helped save hundreds of young lives and has improved the quality of life for

thousands of children. Today, Cure Kids is more committed than ever to help find answers to the many cruel, life-threatening illnesses that devastate the lives of young children and their families.

We've helped fund world-first breakthroughs into:

Birth abnormalities

Cot death (SIDS)

Cystic Fibrosis

Childhood leukaemia

Hole in the Heart Babies

Cure Kids has also funded research into:

Asthma

Childhood Diabetes

Liver Disease

Heart Disease

Placental Cord Blood Banking

Respiratory Illnesses

Rheumatic Fever

Spina Bifida