

NEW FUND MANAGERS ANNOUNCED UNDER IIF TO SUPPORT INNOVATION

17 SEPTEMBER- Senator Kim Carr, Minister for Innovation, Industry, Science and Research, today announced the three successful applicants under tranche two of round three of the Australian Government's Innovation Investment Fund.

The successful venture capital fund managers are Andover Venture Partners, Yuuwa Capital, and IB Australian Bioscience Fund.

Senator Carr said the three funds will provide venture capital to invest in innovative Australian businesses commercialising Australian-grown research.

"To date, more than 80 investee companies have received support under the program which has helped bring many new products and services to market," Senator Carr said.

"Venture capital is increasingly important in funding high-risk innovations world wide. The IIF program plays an important role in developing fund managers with experience in early stage investing and in stimulating technological innovation, which contributes to productivity. This program has been central to growing a viable venture capital industry in Australia over the past 10 years."

Senator Carr said a well functioning venture capital market provided an efficient mechanism for identifying, screening and funding the most promising early-stage commercialisation ventures.

The Review of the National Innovation System recommended continuation of the IIF, this recommendation will be considered as part of the Government's Innovation White Paper.

Under the program, the three successful applicants will be offered the opportunity to become licensed fund managers and the Australian Government will commit capital of \$20 million to each fund, matched by a minimum dollar-for-dollar investment by private sector investors.

Each successful fund has a specific focus. Andover will specialise in investing in Australian media, information and clean technologies. Yuuwa will be a Perth-based fund with an emphasis on life science and information technologies, and IB Australian Bioscience Fund will focus on medical and life sciences.

Round three of the Innovation Investment Fund was implemented in 2006 and became operational in 2007. For round three, \$200 million in Australian Government capital has been committed and the aim is to license 10 new fund managers. Further details on successful investee companies and on the Innovation Investment Fund is attached and at www.ausindustry.gov.au