

AUSBIOTECH PANEL GOOD NEWS STORIES IN AUSTRALIAN VENTURE CAPITAL?

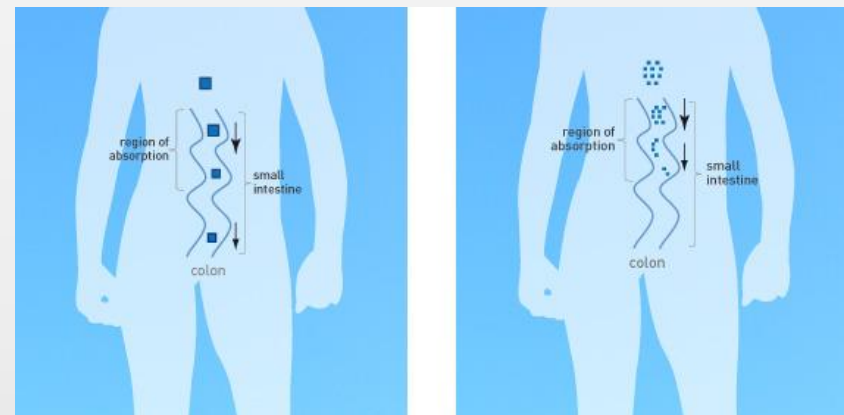
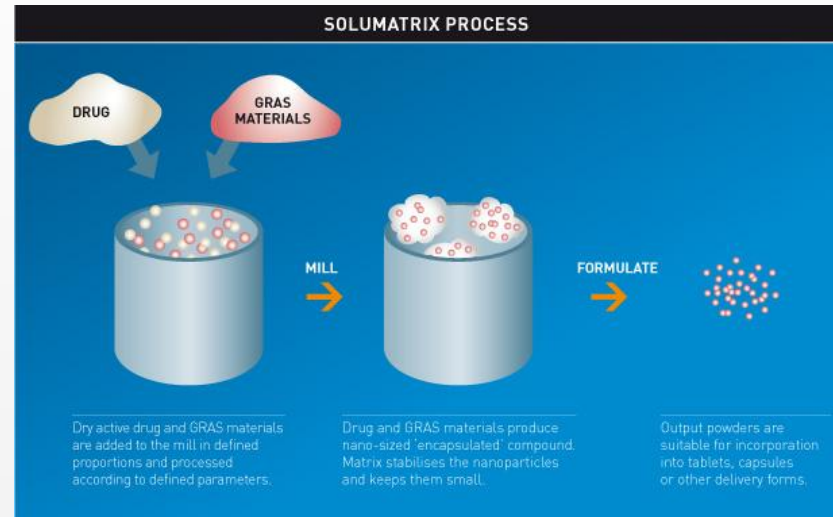
ICEUTICA – A FOUNDER’S JOURNEY

Liddy McCall, Yuuwa Capital





- Founders' Perspective – the good, the bad and the ugly
- Australian VC: the opportunity for Yuuwa Capital
- Exit: 7 year start to finish
- Happy investors: good exit



Perspective...early days (May 2003 - June 2005)

😊 Inventors – Aaron Dodd, Paul McCormick, Trevor Payne, James Williams - 5

month PoC program to adapt UWA nano tech to drug reformulation

😊 UWA Pathfinder key to enabling Tessitura to complete program

😊 Early engagement with Patent Attorneys

😞 Baltic reception from Australian VC investors – too early, don't do platforms...

😊 Expanded team to include Matt Callahan – thereafter engaged with Phoenix

IPV

- Philadelphia base, ex GSK: Lead HNW **Series A June 2005**

😊 Founders – Matt and Liddy (executive Directors), James (SAB)

😞 12 months for IP to exit UWA from of time confirmation of capital – too long

Perspective...R&D Phase (June 2005 – July 2007)

😊 Supportive and knowledgeable angel investors & key advisory Board: Trevor

Payne and Eugene Cooper (principal inventor behind major competitor)

😞 EXPENSIVE transaction costs –US structures come with US lawyers

😊 Virtual company

- Work undertaken at UWA & Melbourne University
- Built UWA team: recruited Dr Adrian Russell (ex GSK)
- Founders with additional executive roles: “contractors” but James CTO, Liddy CFO/Director and Matt CEO

😊 Iroko deal: expanded proof of concept achieved for their licensed products

😊 **Series B July 2007: HNW and European VC**

Perspective...Expansion and Exit (Jul 2007 – Apr2011)

- 😊 Partnerships progressing in the US required more presence there
 - Dr Bill Bosch was head hunted from Elan Drug Delivery as CSO – iCeutica's major competitor in nano space
 - Close working relationship with Partners – scale-up funded
- 😊 First human studies a major pivot point – partnered and internal
- 😊 Financing options for internal programs reviewed as GFC eases
 - Corporate preparation: James steps off the Board with full observer rights
 - Con. Note from existing investors/HNW raised to support these activities
- 😊 As one door opens....so does another: Iroko makes a cash offer for iCeutica
- 😊 **EXIT April 2011**

iCeutica – Expansion and Exit (July 2007 – April)



May 2003: Concept conceived
UWA Pathfinder

Grant Dec 2003: PoC Achieved Patent Filed
Bus Plan Completed

Jun 2005: iCeutica Founded - Delaware
Series A: June 2005

University of Melbourne
• IP consolidation

Nov 2005: Comm Ready Grant: (\$534k)

May-Jul 2007: Nordic Biotech/Spree
Iroko Deal & **Series B: July 2007**

University of Western Australia
• Rapid reformulation
• Method development

Sep 2007: Dr Bill Bosch (CSO) recruited

Jun 2008: GMP Scale-up /first humans

May 2009: “Big Pharma” deal

Jul 2010: **Con Note**

Philadelphia Operations
• GMP
• Formulation
• Scale-up

Jan 2011: Iroko releases first
+ve clinical results

Australian VC/market Interest...

Apr 2011
Exit



Key points – Yuuwa's VC investment focus

- **Platform technology** with a commercial focus from day 1
- **Flexible management team/founders** – meeting changing needs of the company
- **Early revenue generation:** The 1st PoC compound was the first partnered (to ultimate acquirer), and will likely be the first to market – this early deal effectively financed the company to secure lucrative exit for all
- **From idea-to-exit in 7 years** (discounting tech transfer delay which will not happen again...)
- 3 Life Sciences investments in last 12 months

And finally...the UGLY



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GOOD NEWS STORIES IN AUSTRALIAN
VENTURE CAPITAL**

**OPPORTUNITIES IN PLATFORM TECHNOLOGY
AND EARLY REVENUE MODELS**

HAPPY INVESTORS: THE ICEUTICA STORY

Liddy McCall, Yuuwa Capital

