



Brandon Capital to lead Biomedical Translation Fund Consortium in government initiative to make Australia a global leader in life science research commercialisation

Medical Research Commercialisation Fund (MRCF) creates fourth and largest fund as part of new initiative

Melbourne, 13 December 2016 – Venture capital firm Brandon Capital has been selected by the Australian Government to build a significant life sciences fund through the MRCF as part of the new Biomedical Translation Fund (BTF), a once-in-a-generation initiative to make Australia a global leader in the commercialisation of biomedical discoveries.

The government initiative will see more of Australia's world-class medical research remain in the country to be commercialised, creating jobs, wealth and positive healthcare outcomes for all Australians. Currently, promising Australian medical discoveries are often sold to large offshore pharmaceutical companies at early stages of development due to lack of investment capital available to the sector in Australia. The Commonwealth's BTF has been designed to address this funding gap.

The BTF was announced by the federal government in December 2015 as part of the National Innovation and Science Agenda. It is a for-profit venture capital fund which will pool public and private capital (\$250 million of Commonwealth funding to be matched with private sector capital, creating \$500 million for investment) for investments in companies with medical research projects at advanced pre-clinical, Phase I and Phase II stages of development.

Brandon Capital has been appointed to manage a \$230 million fund, comprising \$115 million from the Commonwealth matched with \$115 million from the private investors. This will be Australia's largest life sciences fund, with the private investors including CSL Limited, Australia's largest and most successful biotechnology company, and the leading superannuation funds, AustralianSuper, Hesta, Statewide and HostPlus. The new fund will be called the MRCF BTF.

"This is a bold and visionary initiative by the Australian Government to ensure the country reaps the benefits from our world-class medical research," says Dr Chris Nave, Principal Executive of the MRCF and Managing Director of Brandon Capital.

"On all measures, Australia has one of the world's leading biomedical research industries, but unfortunately, too often, we see promising discoveries leave our shores early in development, with little value returned to the country. The size of the MRCF BTF provides the opportunity for these technologies to be developed to much later stages in Australia, and in some cases through to the market and importantly patients, retaining greater value and leading to the creation of new jobs and income for the country. The BTF program will be transformative for our local industry, providing the ability for research discoveries to be developed from concept to commercialisation right here in Australia."

Brandon Capital is ranked as one of Australia's top performing venture capital firms*. They also manage the MRCF3 which was established in 2015 with \$200 million, as well as a number of other early-stage life science investment funds. MRCF BTF, the fourth MRCF fund, will focus on supporting later stage



opportunities, with the MRCF3 continuing to seed promising early-stage discoveries. The MRCF BTF and MRCF3 will be Australia's largest and second largest life science investment funds, respectively.

The MRCF is managed by Brandon Capital and is a unique collaboration between over 50 of Australia's and New Zealand's leading medical research institutes and research hospitals, with these organisations contributing biomedical investment opportunities to the MRCF funds as well as their expertise to support the development of these discoveries.

"This is the first time in Australia's history that our medical technologies will have access to the significant funding that is required to develop and commercialise new medical therapies," says The Hon. Alan Stockdale, Chairman of the MRCF. "The MRCF will now have access to over \$430 million in capital to support the development of Australia's most promising discoveries."

CSL Limited will be the only biopharmaceutical investor in the fund and will provide both investment capital and later-stage development and commercialisation expertise.

"CSL is a strong supporter of the need for a greater focus on translational research in Australia. The opportunity for the BTF to support the development of promising discoveries, onshore, is very exciting," says Dr Andrew Cuthbertson, Head of Research and Development, CSL.

"The MRCF-BTF will not only have access to the pipeline of opportunities and capabilities of its member medical research organisations, it will also have access to the global medical research development capability and expertise of CSL," says Dr Stephen Thompson, co-Managing Director at Brandon Capital.

It is anticipated the MRCF BTF will begin making its first investments in early 2017.

*In an *Australian Financial Review* ranking of Australia's top performing venture capital and private equity funds (31 August 2016), Brandon Capital's Brandon Biosciences Fund 1 was ranked second.

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Notes to Editors:

For further information or to arrange an interview, please contact:

Brandon Capital: Andrew Hamilton, Director, Mana Communications, ah@manacommunications.com, +61 420 447 669

CSL: Jemimah Pentland, Head of Communications, Asia Pacific, CSL Limited, Jemimah.Pentland@csl.com.au, +61 412 635 483

About Brandon Capital and the MRCF

Brandon Capital Partners is a venture capital firm that manages the MRCF collaboration which provides seed and venture capital investment to support the development and growth of Australian life science companies.



Established in late 2007, the MRCF is a unique collaboration between major Australian superannuation funds, over 50 leading medical research institutes and research hospitals in Australia and New Zealand. The MRCF supports the development and commercialisation of very early-stage biomedical discoveries originating from these member research organisations, providing both capital and expertise to guide the successful development of new therapies. MRCF3 was established with support from the Australian and New Zealand governments, as well as the state governments of Victoria, New South Wales, Queensland, South Australia, Western Australia and Australian Capital Territory. The MRCF is Australia's largest life science investment fund.

The first MRCF fund, MRCF1, of \$11 million was raised in 2007, then in 2008 the \$50 million Brandon Biosciences Fund 1 was established. The MRCF2, a \$40 million fund supported by the Innovation Investment Fund Scheme, was raised in 2011. In 2015, MRCF3 was established, with \$200 million raised to continue to support promising Australian and New Zealand biomedical discoveries. . In 2016, \$230 million was raised for MRCF BTF to invest in maturing technologies that have progressed to clinical studies.

About CSL

CSL (ASX:CSL) is a leading global biotherapeutics company with a dynamic portfolio of life-saving innovations, including those that treat haemophilia and immune deficiencies, as well as vaccines to prevent influenza. Since our start in 1916, we have been driven by our promise to save lives using the latest technologies. Today, CSL — including our two businesses CSL Behring and Seqirus — operates in over 30 countries with more than 15,000 employees. Our unique combination of commercial strength, R&D focus and operational excellence enables us to identify, develop and deliver innovations so our patients can live life to the fullest.