

MEDIA RELEASE
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Angels bank on patented milk ingredient creaming it in international markets

Waikato-based private equity fund, Central Capital Investments, announced today it has backed Hamilton-based company, Quantec Limited, with a \$250,000 cash injection. The fund's investment has been matched by the Government's New Zealand Venture Investment Fund (NZVIF) for a total outlay of \$500,000.

Quantec specialises in discovering and commercialising high-value bioactives from natural products. These bioactives are then developed into ingredients used in human and animal health products.

Quantec co-founder and Managing Director, Dr Rod Claycomb, says "our company's first product is a novel milk-derived fraction that has proven anti-inflammatory, antioxidant and antimicrobial properties.

"The first human health products incorporating our ingredient, known as IDP[®], should be on the shelves in both the US and China by mid-year. They will be products such as breath mints and gums that kill germs in the mouth and creams that sooth inflamed skin conditions."

Dr Claycomb says the \$500,000 will be used by the company to grow global sales of IDP[®] and reach Quantec's next milestone of testing its formulation as a mastitis treatment in cows.

Quantec co-founder and Senior Scientist, Dr Judy Bragger, explains that "the really big win for Quantec will come if we can crack the animal health market. For five years, Quantec has been working on a non-antibiotic, natural treatment for mastitis.

"Mastitis is the number one animal health issue in the dairy industry worldwide, and our aim is to develop an effective natural treatment that doesn't require milk withholding by farmers.

"Our milk-derived fraction comes from the same system that cow's milk has to naturally fight mastitis in her mammary gland. Our research has now proven IDP[®] can completely kill mastitis organisms on the lab bench. Now the plan is to take our research into the field and test our formulation inside the animal."

Dr Claycomb confirmed he has had preliminary discussions with animal health companies interested in the company's mastitis work.

The \$500,000 investment into Quantec was made possible by a host of Waikato-based organisations.

"Over the past two years, Quantec has pitched to investors both in New Zealand and overseas, so it's been great to secure backing from private investors who are all from the Waikato region.

"Additionally, the Waikato Innovation Park has helped us through their Greenfield Investment Group. AngelLink is an accredited Seed Co-investment Partner of NZVIF and have been hugely supportive. Plus, our broker, Deloitte, has worked hard for us for over two years to get this investment across the line. It's definitely been a regional effort to make this deal happen," says Dr Claycomb.

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