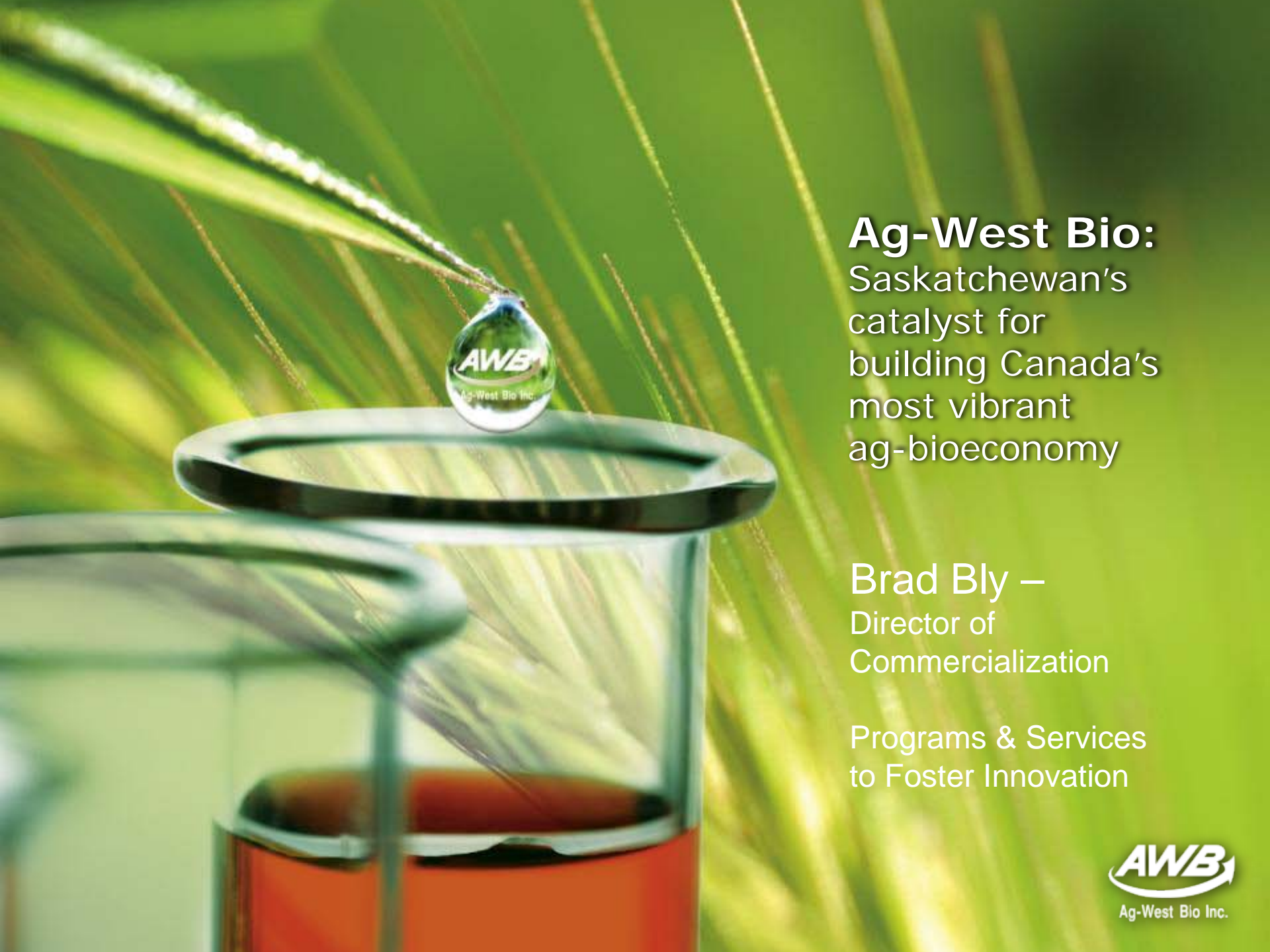




Ag-West Bio Inc.





Ag-West Bio:
Saskatchewan's
catalyst for
building Canada's
most vibrant
ag-bioeconomy

Brad Bly –
Director of
Commercialization

Programs & Services
to Foster Innovation



Ag-West Bio's Strategic Pillars for building Saskatchewan's bioeconomy:

Business
Development

Technology
Commercialization

Creating Connections

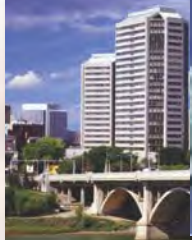
Ag-West Bio networking opportunities for the local bio-community



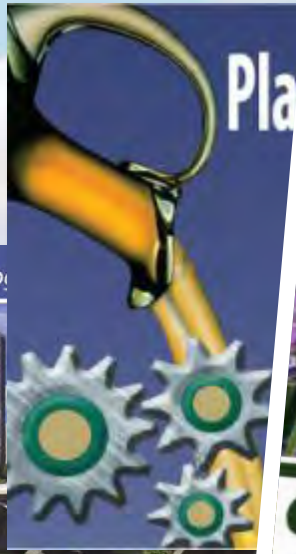
Sharing Knowledge

Hosts seminars and conferences to bring the world's experts here to share knowledge with local producers and researchers

Bridging Biolo



ABICSA
September



Showcasing Innovation

Leads delegations to key conferences to showcase Saskatchewan's strengths



Come for Breakfast!
*at the World Congress on Industrial
 Biotechnology & Bioprocessing in Montreal*

When: July 22, 2009 – 7:30 am to 10:00 am
 Where: Joliet Room, Fairmont The Queen Elizabeth Hotel
 900 René-Lévesque Blvd West, Montréal, tel. 514.954.2266

Join us for breakfast, networking and information in this exciting
 collaboration between Canada East and West, and the SouthEast USA.

<p>BioEnergy Innovations in Western Canada™</p> <p>Darren Anweiler (University of Saskatchewan) Dr. Martin Reaney (University of Saskatchewan) Dr. David Levin (University of Saskatchewan) Pat Guidara (Government of Alberta)</p>	<p>BioEnergy Innovations in Eastern Canada™</p> <p>John Argall (BioAssess) Thor Olesen (MIRA/Le Challenge/Agri-Futur)</p>	<p>BioEnergy Innovations in SouthEastern USA™</p> <p>W. Steven Burke (Florida Institute of Food Sciences) Erik Sander (Florida Energy, Bioprocess Solutions) Dr. Kenneth R. Tundall (North Carolina State University)</p>
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Canada Western Economic Diversification Canada / Diversification de l'économie de l'Ouest Canada
 National Research Council Canada / Conseil national de recherches Canada
 Foreign Affairs and International Trade Canada / Affaires étrangères et Commerce international Canada

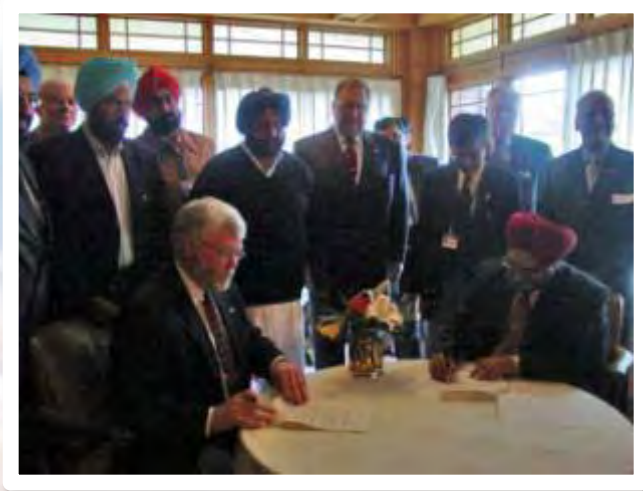
RSVP by July 17, 2009
agwest@agwest.sk.ca
 306.975.1039

Le Service des affaires commerciales du Canada
 Service des affaires commerciales
 The Canadian Trade Commissioner Service
 Service des affaires commerciales



Welcoming the World

Hosts external delegations, arranges meetings and facility tours to bring people face to face



Helps start-up and early-stage companies develop business plans and secure financing

- Pathfinding
- Workshops and Seminars
- Commercialization Fund provides early-stage capital
- Works with the Raj Manek Foundation to place entrepreneurs with mentors
- Provides an industry perspective to government regulations



Commercialization Fund

Technology commercialization is at the heart of Ag-West Bio's mandate

\$8.4 million invested to date; \$11.4 million managed; 53 companies

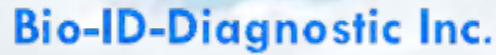
Seed capital for early stage or expanding companies

- Promising technologies
- Initiatives that demonstrate a clear pathway to commercialization
- Too great a risk for traditional capital resources
- Flexible and patient risk capital
- Ranges from \$20,000 to \$300,000

Ag-West Bio financed companies:



Agrisoma Biosciences Inc.



Bio-Id Diagnostics Inc.



BioExx Specialty Proteins Ltd.



MCN Bioproducts Inc.



Bioriginal Food & Science Corp.



MicroBio RhizoGen



Guardian Biotechnologies Inc.



MPT Mustard Products & Technologies Inc.



Phenomenome Discoveries Inc.



Prairie Plant Systems Inc.



Quantum Genetics Canada Inc.



Saskatoon Colostrum Company Ltd.



Northern Vigor Berries Inc.

Funding options for ag-bio technology research and commercialization

Discovery			Commercialization		
Fundamental Research	Proof of Concept	Piloting & Scale-up	Product & Market Development	Market Ready Products	Market Entry & Growth
Federal Programs: DFAIT-Going Global Genome Canada MITACS NRC IRAP NSERC SR&ED credit Universities	AAFC CAAP AFF NRC IRAP NSERC SR&ED credit	AAFC CAAP AFF GF DIAP NRC IRAP SDTC	AFF AgriOpportunities API BDC Community Futures ecoEnergy Biofuels GF DIAP SDTC	AgriOpportunities API BDC Community Futures	BDC Community Futures CSBF Women-Entrepreneurs
Provincial Programs: GF ADF SR&ED credit	AAFC CAAP GF ADOPT SR&ED credit UofS Forge Ahead	AAFC CAAP GF ADOPT GF SAVI	GF ADOPT GF SAVI SAINT		STEP
Private Funds: Industry	Industry	Industry	FCC; VCs: (Avrio, BDC, GrowthWorks, PFM, West Cap, etc.) Industry	FCC; Banks Credit Unions VCs: (Avrio, BDC, GrowthWorks, PFM, West Cap, etc.) Industry	FCC; Banks Credit Unions VCs: (Avrio, BDC, GrowthWorks, PFM, West Cap, etc.) Industry
	Ag-West Bio Inc.				

Key Criteria (what we consider):

- How is the technology / concept innovative? (knowledge ;\$return; special \$)
 - innovative technology-new market; innovative technology-existing mkt; innovative use of existing technology to make new products for niche mkt; not unique-existing market
- Proven science (we do not finance basic research)
- Stage of proof of concept (lab; bench, small pilot, commercial pilot ...)?
- Milestones achieved already? Uses of funds?
- Investment from company principals
- What is the demand (not need)? *Eg: high blood pressure/nutraceutical*
- What are the market signals? Market input?
- Why are you the right person to get the technology to market
- Advisors?
- Why are you doing this? What is the 5-10 year goal?

Key Criteria:

- Benefit to Saskatchewan
- Agricultural biotechnology
- Commercial viability (*we help identify*)

- Economically feasible path to commercialization (*we help establish*)
- Likelihood of raising needed capital (*we assist*)

degree “de-risked”

- Start-up capital or angel investment raised so far
- Management track record
- Strong market input / signals

Structure of financing

- Debt or Equity investment
- Usually a loan
- Repayable
- Royalty attached to upside revenue potential (amount depends on risk)
- Maximum \$300,000 advanced in tranches tied to MILESTONES
- Patient; flexible; risk capital
- Repayment tied to revenue:
 - 3-5 year repayment term starting in 3 years (quarterly payments)
 - P + 2% interest rate
 - GSA / IP security – with flexibility
 - Follow-on funding and leveraging AWB capital
 - 50-60 % success rate

- Mentorship Program – Raj Manek Mentorship Foundation
- Investment & commercialization Seminars
- OPPORTUNITIES

Collaboration

Ag-West Bio works closely with the cluster to build on strengths

➤ Organizations key to the cluster include:

- University of Saskatchewan
- Agriculture and Agri-Food Canada-
Saskatoon Research Centre
- The National Research Council-Plant
Biotechnology Institute
- Innovation Place science parks
- The Saskatchewan Food Industry
Development Centre
- POS Bio-Sciences
- The Canadian Light Source
- Innovation Place Bio-Processing Centre
- Saskatchewan Research Council
- Vaccine & Infectious Disease Organization –
International Vaccine Centre
- University of Regina
- Genome Prairie
- Ag-West Bio



Photographs provided courtesy of

Saskatchewan Research Council

University of Saskatchewan

Innovation Place

Enterprise Saskatchewan

Agriculture & Agri-Food Canada

NRC-PBI

VIDO-InterVac

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