

RNS Reach



("Fusion IP" or "the Company")

**MedaPhor raises £325k to commence sales of its new ScanTrainer simulator
and sign overseas distributors**

Fusion IP (AIM: FIP), the university commercialisation company which turns university research into business, is pleased to announce that MedaPhor, one of its Cardiff based portfolio companies, has today raised £325k to commence sales of its new ScanTrainer simulator in the UK and sign up overseas distributors.

The investment round comprised: Fusion (£140,000), Finance Wales (£100,000) and Cardiff Council (£50,000) and a number of individual private investors. Post funding Fusion owns a 36% stake in MedaPhor.

ScanTrainer bridges the gap between conventional training and the patient, by combining the latest 'real-feel' haptic simulation techniques with curriculum-based interactive learning modules, to provide fast, effective ultrasound training. The systems are designed to provide sophisticated ultrasound learning in a non-clinical environment, solving the current resource conflict between the provision of clinical service and the need to train. In addition the ScanTrainer's self directed learning frees up the need for expert direct supervision, making the system highly cost effective.

MedaPhor's first ScanTrainer product, the Trans-vaginal ScanTrainer, was launched at the British Society for Gynaecological Imaging meeting held at the Royal College of Obstetricians and Gynaecologists in London in April this year.

MedaPhor plans to launch a range of additional ScanTrainers for the Trans-abdominal and General Medical markets, along with a range of gynaecology and obstetrics based software programmes.

Commenting on announcement, David Baynes, Chief Executive Officer of Fusion IP, said:

"This fundraising will enable MedaPhor to commence sales in the UK and, importantly, sign up distributors in North America and Europe. The company has progressed dramatically in last 12 months and appears to be generating considerable interest in the ultrasound simulation market."

Paul Lee, Strategic Investments Manager at Finance Wales, said:

"Finance Wales is pleased to continue its support of MedaPhor and participate in the latest investment round, which follows 2 previous rounds. MedaPhor has developed a unique product and the investment will support it during this key commercialisation phase. We wish MedaPhor well with the sales and distribution of its ScanTrainer."

Cllr. Neil McEvoy, Deputy Leader, Cardiff Council, said:

"Cardiff Council is pleased to continue its proactive support for local businesses through its innovative Capital Cardiff Fund. The ScanTrainer product has considerable potential in global markets and the investment made in the product through an equity stake will assist in company growth."

Cllr. Mark Stephens, Chair of Cardiff Medicentre, said:

"It is particularly pleasing that this investment will assist one of our fast growing tenants at Cardiff Medicentre, which provides superb facilities for businesses in the life sciences sector."

For further information please contact:

Fusion IP +44 (0)114 275 5555

David Baynes, CEO
Tony Gardiner, CFO

MedaPhor +44 (0)29 2075 6534
Stuart Gall, CEO

Buchanan Communications +44 (0)20 7466 5000
Tim Anderson / Lisa Baderoon / Catherine Breen

Seymour Pierce +44 (0)20 7107 8000
Chris Howard/ Catherine Leftley Corporate Finance

Fusion IP

Fusion IP plc, previously called Biofusion plc, was established in 2002 to commercialise university-generated intellectual property. Fusion IP has signed long term agreements with two of the UK's leading research intensive universities, the University of Sheffield and Cardiff University, giving a combined R&D spend attributable to Fusion IP of approximately £185m a year.

Fusion's first agreement was a ten-year exclusive arrangement with the University of Sheffield giving it the right to commercialise (through both the creation of spin-out companies and licensing) research, owned by the University, initially in the area of medical life sciences. This agreement was expanded in July 2008 to include all non-life science research-generated IP

such as energy, engineering and electronics. Fusion has significant shareholdings in a portfolio of Sheffield University spin-out companies including Simcyp, Magnomatics, Diurnal and Phase Focus.

In January 2007, Fusion completed a ten year exclusive agreement with Cardiff University, also giving it the right to commercialise (through the creation of spin-out companies) Cardiff University's research-generated IP. Fusion has significant shareholdings in a portfolio of Cardiff University spin-out companies including Mesuro, Abcellute, Medaphor and Q-Chip.

On 2 December 2009, Fusion announced that it had raised approximately £3.2 million through a fund raising and that, as a result of its participation in such fund raising, IP Group plc ("IP Group") held approximately 19.8% of Fusion. Fusion has also entered into a Co-Investment Agreement with IP Group under which IP Group has the right to acquire, for cash, 20% of Fusion's equity in any new Fusion portfolio company. As Fusion normally owns 60% of any new portfolio company at start-up, IP Group's shareholding will normally equate to a 12% stake in the new portfolio company.

Fusion IP also has a Memorandum of Understanding with Finance Wales, the provider of commercial funding to Wales-based SMEs, which outlines a strategy of co-investment in opportunities arising from the Cardiff Agreement.