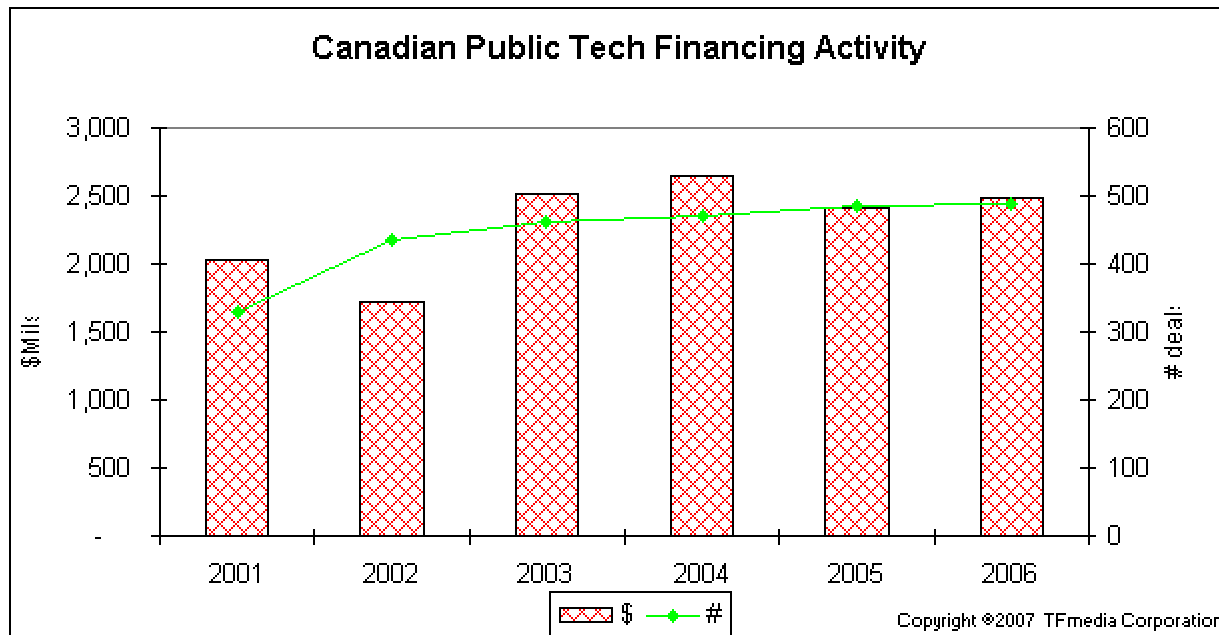


# BIOTECH LEADS PUBLIC TECH FINANCING ACTIVITY

Almost 1/3<sup>rd</sup> of all money raised went to Canadian Biotech companies

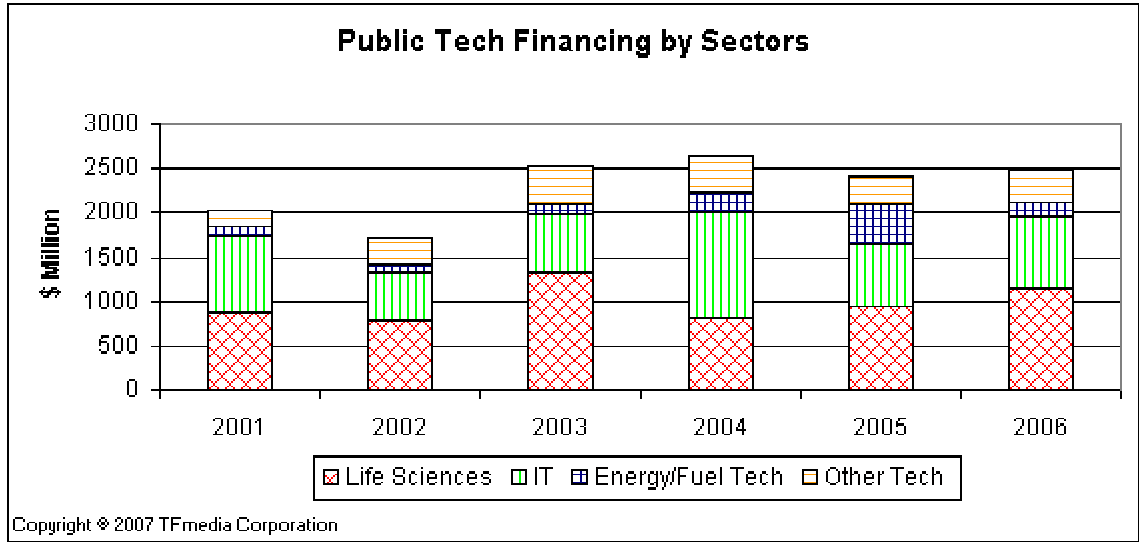
## Canadian Public Tech Financing Activity Remains Steady

The public financing market for Canadian small and medium sized tech companies has remained steady in recent years. The total number of deals and the raised amount have been averaging around 480 and \$2.4 billion per year respectively. For the last three years, the average deal size has been hovering around \$5 million per deal. In 2006, approximately \$2.48 billion was raised by tech companies in a total of 487 financings.



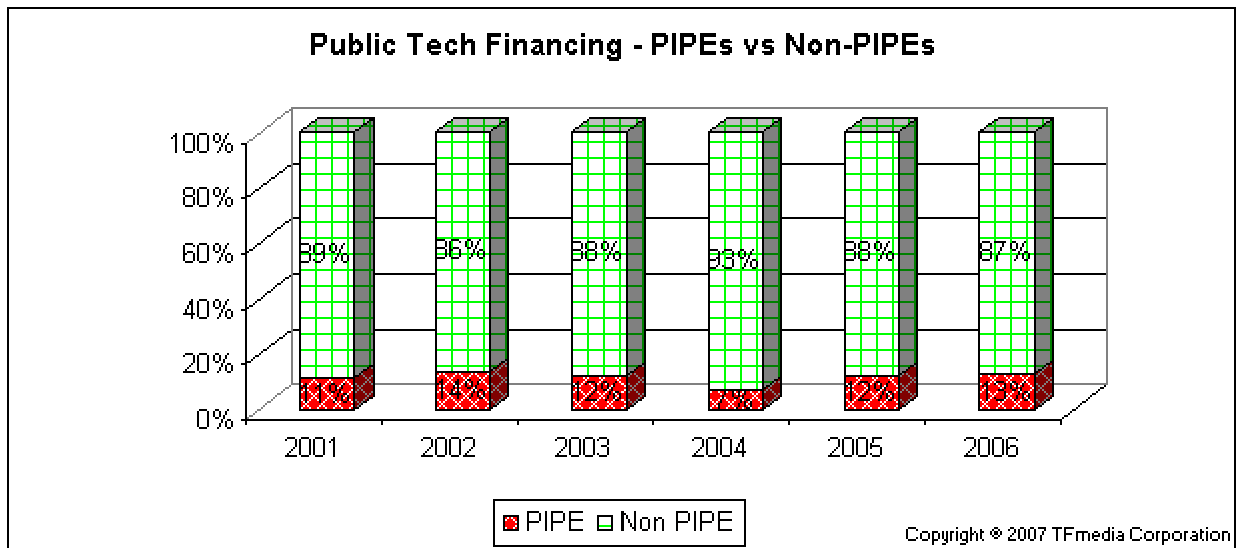
## Life Science Companies Raised Most of the Capital

Since 2001, Life Science companies have been the dominating force in the Canadian tech financing market with the exception of the year 2004 when the IT companies temporarily overtook Life Science companies as the destiny of public capital flow. In 2006, 46% of the total amount raised from the public market went to life science companies.



### PIPE Important Component of Canada Tech SME Financing

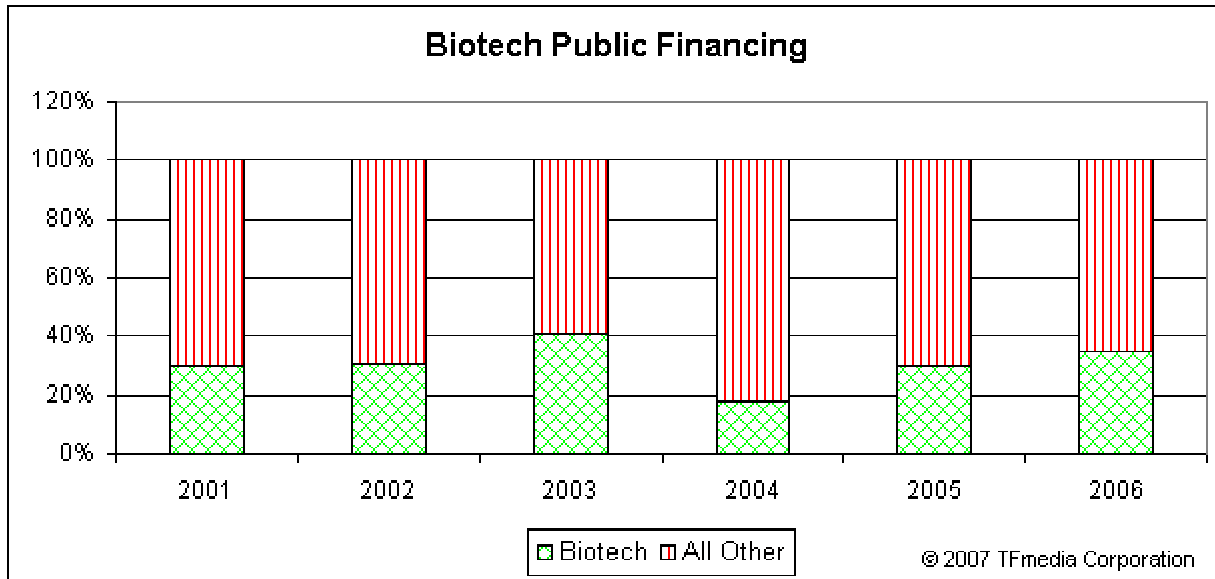
Venture capital funds, private equity funds and special PIPE funds continue to play an important role in the Canadian public tech-financing market. PIPE (Private Investment in Public Entity) investments accounted for 11% of the total money raised by tech companies for the period of 2001 to 2006. The percentage was even higher for the life science financings. Approximately 5% of the total capital was funded by PIPE style investments; the percentage has ranged from 10% to almost 20% in 2006.



## Biotech Companies Attract Almost 1/3 of All Public Financing

As one would have expected, Biotech companies were major recipients of the lion's share of public money going to life science companies. For the period of 2001 to 2006, approximately 30% of all public money has gone into Canadian biotech companies.

In 2006, approximately 35% of public tech financing money went to biotech and biopharmaceutical companies.



### Methodology

Data coverage: The data set excludes any tech deals of \$200 million or larger.

Public companies included: TSX Venture, TSX, Nasdaq, OTC BB, CNQ, public issuers, and other exchange listed CANADIAN tech companies.

PIPE – 50% or more of the capital from venture capital funds, or private equity funds, or PIPE funds

### Disclaimer

Although TFmedia believes that its data is comprehensive in covering Canadian tech financings, TFmedia expressly disclaims any warranty as to the accuracy and completeness of this analysis and of its data coverage.