



PRESS RELEASE

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Ithaka secures £2.25m funding boost for Psynova

University of Cambridge spin-out Psynova, which is investigating schizophrenia and bipolar disorders, has been boosted by the news of a £2.25m funding investment from Porton Capital and the Cambridge Enterprise Seed Fund. Psynova was founded by Dr Sabine Bahn and Professor Chris Lowe at the Institute of Biotechnology.

Porton Capital is expecting to commit £2m over the next year, and Cambridge Enterprise is investing an initial £50K first round funding, a further £50K when the first 'milestones' are achieved, with an option for a further £150K.

Cambridge and Durham-based consultancy Ithaka Life Sciences has been instrumental in securing this funding. Dr Paul Rodgers of Ithaka is Chairman of Psynova. He said, 'We have been striving to take the business forward since becoming incorporated last year. This funding boost is a great step towards our next phase of development – moving into commercialisation – and building towards future funding rounds.'

Bill Matthews of Cambridge Enterprise said, 'The work of Psynova will have a major impact on early identification and treatment of major mental health disorders, and has huge commercial potential. Cambridge Enterprise is very pleased to continue its support for the development of the business and looks forward to a continued successful partnership.'

Porton Capital Director, Shimi Shah, commented, 'This is Porton Capital's second investment in a spin-out emerging from the Institute of Biotechnology. We are very excited that this novel technology is already attracting excellent commercial interest from leading firms across the Life Sciences sector; a technology with such huge potential to significantly revolutionise the diagnosis and evaluation of neuropsychiatric disorders such as schizophrenia'

The work of Psynova focuses on the advancement and exploitation of biomarkers for neuropsychiatric disorders. The company aims to develop diagnostic tests and therapeutic agents for schizophrenia and bipolar disorders as well as other significant neuropsychiatric illnesses.

Affecting at least 2% of the population worldwide, schizophrenia and bipolar disorder are major burdens to society, costing hundreds of billions of pounds each year. Diagnosis and prognosis are complex and subjective; drug and treatment regimes are inadequate, largely due to a lack of understanding of pathologies at a molecular level.

Psynova intends to address this deficiency by identifying specific biomarkers that can be used in the discovery and development of more effective drugs, for example by improving the effectiveness of clinical trials and by identifying patient sub-groups that are responsive to particular drugs (i.e. personalised medicines).

With a passion for studying mental illness at a molecular level, research scientist Bahn, a psychiatrist by training, has set up the 'Centre for NeuroPsychiatric Research', (CCNR) in Cambridge, 'Our key goal is to improve the diagnosis, treatment and outcome of patients with severe mental illness. Psynova is the critical vehicle to realise this ambition. We will build a business with an expanding intellectual property portfolio and develop strategic partnerships that will enable us to bring to market novel and more efficacious products for the diagnosis and treatment of schizophrenia and other neuropsychiatry disorders.'

Through the use of a unique BioBank of post mortem brain and other tissue samples, a proprietary database has been developed over an extensive period at significant cost, comprising of comprehensive data on biomarkers specific to schizophrenia and bipolar disorder.

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NOTES TO EDITORS

Porton Capital Ltd

Porton Capital is a financial management company specialising in offshore mutual funds to provide development capital for technology commercialisation ventures. With strong ties to many of the UK's key government research and development facilities, along with research institutions such as Cambridge and Durham University, Porton is afforded unique access and has been instrumental in raising capital for revolutionary emerging technologies with world-wide market potential.

For more information please log-on to the website, www.portoncapital.com. (Username: Media Password: Access)

Cambridge Enterprise

The Cambridge Enterprise Seed Funds provides funding for early stage businesses that have been founded by researchers at the University. It was established in 2000 with start up funds from the University, the Wellcome Trust, the Gatsby Foundation and the Office of Science & Technology. It is part of Cambridge Enterprise.

Cambridge Enterprise facilitates the commercial development of intellectual property (IP) developed at the University of Cambridge. Cambridge Enterprise is one of the United Kingdom's leading knowledge transfer offices, licensing patents and other IP to existing companies, both large and small as well as to spinouts formed to exploit University technology. For the academic year ending 2005, 40 licences

were entered into and income from licensing exceeded £2.7 million. Additionally, consultancy agreements generated £1.5 million.

Working together with angels, venture capital funds, University staff and students, Cambridge Enterprise facilitates the formation of around thirty new companies each year (about five of which are based on University-owned intellectual property).

Further information on Cambridge Enterprise can be found at: <http://www.enterprise.cam.ac.uk>

Ithaka Life Sciences

Ithaka was founded in 2000 and has quickly built a reputation as one of the UK's leading consultancy and interim management service providers, specialising in new and growing life science businesses. It offers expertise in a number of sectors including pharmaceutical R&D, medical devices, diagnostics and sensors, agriculture and food biotechnology. Its clients include universities, research institutions, life science businesses, investors and public sector bodies. It has offices in Cambridge and Durham.

www.ithaka.co.uk

Psynova Ltd.

Psynova is a new company, established in 2005 by Dr Sabine Bahn MD, PhD, MRCPsych, and Prof Chris Lowe PhD of the University of Cambridge, for the commercial development and exploitation of novel biomarkers for neuropsychiatric disorders.

Building on 12 years of ground-breaking research by Dr Bahn, Psynova has close links with Bahn's laboratory within the newly-established Centre for Neuropsychiatric Research (CCNR) at the University of Cambridge. Initially concentrating on schizophrenia and bipolar affective disorder (previously referred to as manic depression) Psynova intends to longer term, move into related therapeutic areas, such as depression, neurodegenerative disorders and substance abuse, as well as sleep and eating disorders, where it has extensive relevant expertise.

At present there are no validated biomarkers and diagnostics for these disorders, nor are the underlying disease processes understood, meaning symptomatic relief only, from current medications on offer. Psynova intends to address all of these deficiencies.