

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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About Quantec

www.quantec.co.nz

Quantec Limited is a New Zealand-based company specialising in high-value bioactives from natural products. These bioactives are then developed into proprietary ingredient formulations for use in finished product applications such as human health and animal health.

About The Product – IDP™

Product characteristics:

- **Natural, safe and effective**
- **Triple A Action providing both a first and second line of defense**
- **Proven anti-inflammatory, antioxidant and antimicrobial activity**
- **Patented**
- **Available as a stable, freeze-dried powder**
- **Can be incorporated into a variety of products, such as creams, tablets, lozenges and gums**

The proteins in IDP™ are the natural defense proteins isolated from fresh, pasteurized milk. These proteins remain in exactly the same proportion and ratio as they are in nature.

Quantec Ltd has demonstrated that the synergy of the unrefined protein complex is far more potent than its isolates.

IDP™ can act in the same way for which nature has designed it.

IDP™ has a unique powerful and synergistic **Triple A Action** (anti-inflammatory, antioxidant, antimicrobial) that provides two lines of defense.

- The **first lines of defense** are its antioxidant and antimicrobial activity.
- The **second line of defense** is its anti-inflammatory activities.

Many individuals have increased sensitivity to triggers of inflammation. IDP™ works with the innate (acute phase) immune system within the body to help normalize the inflammatory response.

The immune defense proteins in IDP™ have a powerful and synergistic defense function. The unique two fold action of IDP™ effectively provides layers of immune protection by creating a first line and second line of defense.

The outer barrier or first line of defense is the antimicrobial activity, which protects the host against invasion of unwanted pathogens.

By defending the body against infective agents such as microbial pathogens, IDP™ also reduces the inflammatory response normally associated with infection.

Applications for IDP

Due to its naturally-derived composition, IDP™ is a safer and more effective alternative for many internal and external applications.

For example, it is effective for preventing and clearing skin conditions, such as eczema and acne, while being less drying and irritating, and is a safer alternative to harsher treatments

The potential internal applications of IDP™ include (but are not limited to): Oral Applications (Tooth Plaque, Gum Disorders, Breath Freshener and Mouthwash), Colds and Flu, Sore and Strep Throat, Digestive Upsets, Gastrointestinal Disorders, Infections (Parasitic, Bacterial, Viral and Fungal), Candida Yeast Infections and Thrush.