

PBL is delighted that its spin-out CHAMELEON BIOSURFACES is continuing to reach its technical and business milestones and has secured a new £0.5m investment led by London Seed Capital

16 October 2006

Solution to Global Healthcare Problem Backed by London Seed Capital

Polymer coatings company Chameleon BioSurfaces has secured £500,000 of seed corn investment funding, enabling it to continue development of its patented polymer coatings. This innovative technology addresses the key adhesion, biocompatibility and drug elution issues plaguing the \$5bn Drug Eluting Stent market. The funding will be used to advance the development of the next generation of medical device coatings for drug eluting stents through the application of world-leading surface and electrochemistry expertise developed by Prof Chris Pickett of The University of East Anglia.

The investment round was lead by London Seed Capital in conjunction with the London Business Angel Network (LBA) and the London Business Angel EIS Tracker Fund III. Other investors in the syndicate included GEIF Ventures, Icení Seedcorn Fund and Rainbow Seed Fund.

Chameleon Biosurfaces has the potential to address the life threatening problems associated with the current generation of medical stents. Approximately 10% of patients develop post operative complications, including inflammation and possibly blood clots, which may be caused by the polymer coatings on stents. In preliminary studies, Chameleon's polymer coatings have shown outstanding performance in adhesion and biocompatibility tests which are key factors in addressing this problem.

Asked about the long term development of the business, **CEO David Hollinworth commented;**

"This funding will enable the company to continue the development of our novel coatings and demonstrate their potential to solve significant unmet medical needs in multi-billion pound markets worldwide. We are tremendously excited by the confidence shown in Chameleon by our new investors, London Seed Capital (LSC) and Great Eastern Investment Forum Ventures (GEIFV), and by the continued support of our current seed fund investors, Icení Seedcorn Fund and Rainbow Seed Fund. "

Jason Ball, Investment Director of London Seed Capital, commented;

"Medical Device Technologies have the ability to significantly impact and extend the lives of patients worldwide. Chameleon Biosurfaces' technology is addressing a major problem with existing drug eluting stents that could benefit the lives of tens of thousands of patients annually. We are delighted to be involved with the development and commercialization of their technology."

ENDS

NOTES TO EDITORS:

Further information: David Hollinworth, PhD MBA, Chameleon BioSurfaces. Telephone: +44 (0) 7739 987433. www.chameleonbio.com. Hollinworth@chameleonbio.com.

Chameleon BioSurfaces is an early stage medical technology company owning proprietary IP for electro-polymer coatings invented by Prof Chris Pickett and his scientific team. The company has laboratory facilities at The University of East Anglia in Norwich, and an administrative office in Cambridge. Dr David Hollinworth (CEO) was previously with Medtronic, the world's largest medical device company, where he managed cardiology businesses in the UK and Europe. Dr Hollinworth holds a PhD in biochemistry and an MBA from London Business School.

London Seed Capital (LSC), <http://www.londonseedcapital.com>, is a £4.8m co-investment fund that exclusively co-invests £50,000 to £100,000 alongside Business Angels in London and the South East.

London Seed Capital operates in conjunction with the London Business Angel network, through which the majority of the required matched business angel investment is sourced. An essential ingredient of the investment model that London Seed Capital follows includes a cornerstone business angel investor co-investing as part of the business angel syndicate with relevant skills that will be joining the company's board post completion.

Contact: Jason Ball, Investment Director, +44 (0) 207 089 2309, jason@londonseedcapital.com

The London Business Angel EIS Tracker Fund is an Approved Investment Fund and has been established for the purposes of placing investments in EIS Qualifying Companies. The fund tracks London Seed Capital's investments and allows investors to take advantage of the EIS tax relief. Contact: Jason Ball, Investment Director, +44 (0) 207 089 2309, jason@londonseedcapital.com

GEIF Ventures Early Growth Fund, www.geifventures.co.uk, is a £5 million fund within the NW Brown Group established in early 2003 to co-invest with GEIF business angels into promising seed and early stage businesses. GEIFV is able to invest up to £500,000 per company (up to £100,000 in the first round) and to date has invested over £3m into 21 seed and early stage companies.

Iceni Seedcorn Fund, <http://www.icenifund.com>, invests in the commercialisation of research results arising in partner academic institutions in the Eastern region of the UK, through either the creation of new ventures or through licensing

Rainbow Seed Fund, <http://www.rainbowseedfund.com>, provides seed capital to help commercialise the outcomes of scientific research at the world class publicly funded research institutes. The fund's £6 million of capital was provided by the UK Government's Office of Science & Technology, to identify and support the very early stages of business formation. The fund is managed by Midven, a Birmingham-based venture capital company specialising in equity-gap investments.