



**BREAKTHROUGH
VICTORIA**

**CREATING THE
PIPELINE**

INVESTMENT GUIDELINES

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BACKGROUND

Breakthrough Victoria is starting the journey to find the next medical breakthrough that will improve and save lives, the next digital technology that will transform the way we live, new ways to feed the world sustainably and affordably, and to help lead the way on climate change and reducing waste.

Breakthrough Victoria, through its Creating the Pipeline investment stream, will commercialise discoveries in future technologies and priority sectors. These will be early-stage ideas for the development of prototypes, proof-of-concept trials, market validation and development of minimum viable products.

OBJECTIVES

Breakthrough Victoria's Creating the Pipeline investment stream will bridge the critical funding gap between research discoveries and the commercial development of new technologies and new ventures. It aims to ensure that new products, technologies and innovations are commercialised and manufactured in Victoria to create the jobs of the future.

ELIGIBILITY

Businesses and entities that can apply to the Creating the Pipeline investment stream are:

- Research organisations, including universities and research institutes.
- Companies of any size, at the pre-revenue or revenue stage.
- Joint ventures, consortia, special purpose vehicles, comprising either industry or research organisations, or a combination.

Projects must have novel and protected (or soon-to-be protected) intellectual property (IP) with high commercial potential – and have an identified target market, or area of need in priority sectors such as:

- Health and life sciences
- Agri-food
- Clean economy
- Advanced manufacturing
- Digital technologies

Novel proposals from other emerging industry areas are also welcomed by Breakthrough Victoria.

Projects may also benefit if they:

- Have cross-sectoral application.
- Include industry partnerships, future off-take or licencing agreements, or other commercial arrangements.
- Contribute to broader environmental, sustainability or social well-being goals.

- Enable the development of sovereign manufacturing capability of critical products.
- Deliver broader economic benefit such as workforce or skills uplift or opportunities.
- Leverage existing investment or have the potential to attract further co-investment.
- Demonstrate a path to market.
- Outline regulatory pathways.
- Demonstrate outstanding technology or capability development.

INVESTMENT

- Investments for this stream will typically attract between \$500,000 and \$2 million per investment.
- Proponents will need to have 1:1 co-contribution for the investment they are seeking from the Creating the Pipeline stream. Breakthrough Victoria may also work with private and institutional investors for co-investment.
- The project should be able to harness the expertise of leaders from industry, business, knowledge institutes and the finance sector to constructively test their idea, discovery or invention.
- Breakthrough Victoria may decide the project is worth investing directly or with the permission of the proponent, negotiate with a third party to invest in the project. Private and institutional investors are encouraged to contact Breakthrough Victoria at any time about potential investments.
- Breakthrough Victoria may negotiate term sheets with long-term commercial upside and with an option for future investments with all proponents under this fund.

INVESTMENT PROPOSAL SUBMISSION PROCESS AND ASSESSMENT

Proponents will be expected to attach a business case with market analysis and an overview of their IP in their investment proposal. Investments under this stream are likely to be between \$500,000 and \$2 million.

The investment proposal needs to be submitted to Breakthrough Victoria by proponents at www.breakthroughvictoria.com and needs to include information on the commercial, financial and technical parameters of the proposal.

A proponent will be asked to:

- Describe its proposal, including the key benefits it would bring to Victoria and what makes it innovative.
- Say what is stopping it from progressing or commercialising the proposal.
- Explain how partnering with Breakthrough Victoria could progress the proposal.
- Estimate the cost of the proposal and the investment type and amount sought from Breakthrough Victoria.
- State what funding has already been secured, including any industry partnerships or commercial agreements.

Having reviewed the investment proposal and conducted due diligence, Breakthrough Victoria will then request greater details on the proposal such as its:

- Intellectual property with commercial potential.
- Detail market or area of need.
- Cross-sectoral application.
- Contribution to broader environmental, sustainability or social well-being goals.
- Development of sovereign manufacturing capability of products.
- Economic benefit such as workforce or skills uplift.
- Potential to attract further co-investment.
- Path to market.

Proponents will be assessed on their current capability and areas for development, with a focus on Technology Readiness Levels and Commercial Readiness Levels.

TERMS AND CONDITIONS

- There is no guarantee that an investment proposal will be supported for funding, or that the amount of funding requested will be offered.
 - All investment proposals will be assessed against their ability to meet the objectives of the Creating the Pipeline investment stream.
 - The decision of Breakthrough Victoria is final. There is no right of appeal.
 - Shortlisted proponents may be contacted to provide additional supporting documentation and confirm performance targets and milestones. Agreed performance targets and milestones will be documented prior to the investment proposal being submitted for further assessment.
 - All parties will, to the extent permitted by law, treat information as strictly confidential and commercial-in-confidence where relevant.
 - No binding agreement, process contract or other understanding will exist between Breakthrough Victoria and any proponent unless and until Breakthrough Victoria signs a formal written contract.
 - Breakthrough Victoria may require a proponent to enter into a non-disclosure agreement (NDA) or other written contract on such terms as Breakthrough Victoria deems appropriate.
 - The proponent agrees that all costs and liabilities incurred by the proponent arising from, or in connection with, any investment proposal will be borne by the proponent.
 - The proponent should not include any information which they would like to be treated as confidential, commercial in confidence or protected in any way.
 - The proponent agrees that Breakthrough Victoria is not under any obligation to keep an investment proposal confidential, commercial in confidence or otherwise protected in any way.
- Breakthrough Victoria has the right to:**
- Enter or not enter any written contract with a proponent in relation to any investment proposal.
 - Progress the whole or any part of any investment proposal.
 - Reject or refuse to consider the whole or part of any investment proposal.
 - Proceed or not proceed with any investment proposal.
 - Require additional information from any proponent in connection with any investment proposal.
 - Permit any proponent to modify the subject matter of any investment proposal.
 - Not attribute any reasons for any actions or decisions taken.
 - Terminate the investment proposal submission process at any time, with or without notice to any proponent.
- If the investment proposal is successful, the subsequent legally binding agreement with the proponent will include details of the project, and proposed outcomes, milestones and conditions.

REPORTING

All successful proponents must comply with performance monitoring requirements, submit written reports, attend all meetings with Breakthrough Victoria and participate in any formal evaluations of the Creating the Pipeline investment stream.

A successful business or entity will be legally obliged to report back to Breakthrough Victoria regularly and as key milestones are met.

CONTACTS & FURTHER INFORMATION

Breakthrough Victoria can be contacted via email at contact@breakthroughvictoria.com.

Engagement with Breakthrough Victoria or any Victorian Government representative does not constitute endorsement of any expression of interest for funding.

All proponents will be notified of the outcome of their investment proposal.