

# The UniQuest Extension Fund

## Supporting the growth of UQ's start-up ecosystem

### Information for investees

The UniQuest Extension Fund is a \$32 million investment fund designed to support the start-up ecosystem at The University of Queensland (UQ). The Fund will provide capital as well as skills and connections to help UQ start-up companies grow their teams, develop commercial-grade products and services and drive customer acquisition and global expansion.

The Fund supports companies stemming from the UQ community, including students, researchers and alumni. The fund also supports the broader goal of increasing the impact of UQ innovation nationally and globally, enriching the Australian investment capital landscape.

#### Why the Extension Fund?

The Extension Fund takes its name from the Queensland University Extension Movement which was begun in 1893 by a group of private individuals who organised public lecture courses in adult education, hoping to extend the dissemination of knowledge in Brisbane and excite wider community support for a university. The activities of the Extension Movement were instrumental in the establishment of UQ by Act of Parliament on 10 December 1909.

Like the 19th Century Extension Movement sought to extend the broadcast of new knowledge, the

Extension Fund seeks to promote education in the important economic role of technology and catalyse new technology companies by the provision of early capital.

#### About the Extension Fund

Administered by UQ's commercialisation company, UniQuest Pty Limited, the Extension Fund has three reserves of capital:

- **\$2M Pre-seed:** initial investment at the earliest development stage typically following development of a minimally viable product and evidence of strong market need and growth. Investment can be made pre-incorporation. Alumni companies are not eligible to utilise the Pre-seed reserve.
- **\$10M Seed:** foundation investment in a start-up company.
- **\$20M Follow-on:** subsequent investment(s) in a start-up.

### SUPPORTING COMMERCIAL DEVELOPMENT ACROSS THE UQ COMMUNITY

#### Students

Current UQ undergraduates and Masters coursework students that have founded a company



#### UQ researchers

Staff and Higher Degree Research students working with UniQuest to commercialise intellectual property resulting from research activities



#### Alumni

Graduates and former staff that have founded a start-up company



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## FREQUENTLY ASKED QUESTIONS (FAQ)

### What is the advantage to my company of having UniQuest as an investor?

UniQuest is a leader in the commercialisation of early-stage intellectual property (IP), well versed in financing and establishing new start-ups and leveraging a rich pool of key industry connections to grow businesses towards meaningful impact.

### How is the decision made whether the Extension Fund will invest in my technology or company?

UniQuest will perform initial due diligence on your opportunity and if the proposal looks sound, you will be asked to fill in a short application form (Investment Application Form). More advanced due diligence will then be performed and depending on the amount of capital being requested you may be asked to pitch to our Investment Advisory Committee.

### What makes a good investment opportunity?

There is no 'one-size fits all' solution to qualifying as a great investment but to be competitive you should ideally have a new technology, valuable intellectual property, strong early market validation, founders with exceptional credentials, a strong business model, a realistic and attainable target market, potential for sustained growth and a credible path to return for Investors.

### What are the eligibility conditions for Alumni investment?

Parties requesting investment as alumni must have been a past student or staff member of The University of Queensland.

### What kinds of technology are eligible for investment?

The Extension Fund has a broad investment mandate, not limited to any particular sector, industry or business model. The Extension Fund is interested in a broad range of technology types. We have supported investment in companies from the medical, food and beverage, renewable energy and agricultural technology industries. We simply require that an innovative technology is central to your product or service.

### What kind of investment opportunities do you tend to avoid?

Although the Extension Fund doesn't explicitly overlook any industry or sector, here are some examples of less desirable attributes:

- Incrementally better ('Me too') solutions in crowded markets
- Technology that relies excessively on 3rd party data/access
- Businesses chasing markets or trends
- Historically poor use of capital
- "Solutions looking for problems"
- Products that require significant investment or long runways before going to market
- Teams that do not collaborate well.

### How do you work with your companies post-investment?

The team at the Extension Fund look to support your business. We facilitate introductions to our industry networks including (UQ academics, industry experts, consultants, etc.), other venture capitalists and key opinion leaders to help solve problems, connect with you to support, and ultimately increase the value of your business.

As we are a small dynamic team we try to find balance between growing our companies actively and allowing them to do what they do best.

## INVESTMENT CAPS

The Extension Fund has a cap on the amount that any one company can cumulatively source from each of the reserves:

- **\$200k from the Pre-seed Reserve**
- **\$1M from the Seed Reserve**
- **\$2M from the Follow On Reserve**

An individual company can make several requests from the same reserve to reach the cap. For example, if an Alumni Company sought a follow-on investment from the Fund of \$500k, they could come back multiple times to request funds of up to an additional \$1.5M.

## THINGS THE FUND WILL NOT DO

- Lead an investment round i.e. take an active role in building a syndicate to raise capital.
- Invest in listed companies.
- Invest in opportunities that present a clear reputational risk to UQ.
- Invest in blue sky ideas without a minimum viable product, or clear and demonstrated market opportunity.

## CONTACT US

If you have an opportunity to present to the Fund or require more information please contact:

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In any initial communication please only provide non-confidential information.

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