



Press Release: July 17 2009
Phase Focus ("The Company")

Phase Focus Limited
The Kroto Innovation Centre
University of Sheffield North Campus
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£450,000 raised for further development of the Phase Focus Virtual Lens®

SHEFFIELD, FRIDAY 17TH JULY 2009. Phase Focus Limited, a spin-out company from the University Sheffield, today announced that it had received an investment of £350,000 in a round led by South Yorkshire Investment Fund (SYIF). Existing investors Fusion IP plc, the university IP commercialisation company that turns world class university research into business, the White Rose Technology Seedcorn Fund, and the Viking Fund joined with SYIF in this investment.

In addition, the Company announced that it had received a £100,000 Grant for Research and Development from Yorkshire Forward, the regional development agency for the Yorkshire and Humber region.

The Company's technology, the Phase Focus Virtual Lens®, eliminates the need for high-quality lenses in microscopy and imaging by transferring the image-producing step to a computer programme. This disruptive innovation is expected to revolutionise microscopy, a market forecast to reach \$1.6 billion this year, not only by eliminating the restrictions and performance limitations of today's conventional focussing devices, but also by enabling a range of new capabilities including post-acquisition focussing and high-contrast stain-free imaging.

The Virtual Lens has been demonstrated in all three of the Company's initially targeted wavelength regimes (optical, electron and X-ray microscopy,) and optical microscopy applications are being developed in collaboration with end-users. This new investment, together with the Grant for R&D, are expected to allow the Company to demonstrate additional optical applications; further develop the technology at other wavelengths; and initiate its commercial marketing plan in collaboration with strategic business partners.

Dr. Ian Pykett, Phase Focus's CEO, said, "I am delighted to welcome SYIF as a new investor in the Company, and equally pleased that Fusion IP, White Rose and the Viking Fund have all followed on their prior investments. The Company has benefitted hugely from the advice and experiences of its existing investors and I anticipate that SYIF will strengthen the Company still further. This most recent investment will enable us to put this remarkable technology into the marketplace."

David Livesley, investment manager at SYIF said, "It isn't often we see a company with what can truly be considered "disruptive" technology. We believe Phase Focus to be one of those companies. The market potential for Phase Focus is therefore large and we look forward to working with Dr. Pykett's team at Phase Focus to help take the business to the next level."

South Yorkshire Investment Fund offers seedcorn finance, business loans and equity-linked investments from £15,000 to £2.5 million for businesses in or relocating to South Yorkshire.

Fusion IP plc was established in 2002 to commercialise university-generated IP and holds the exclusive rights to 100% of the university-owned research generated at two of the UK's leading universities, The University of Sheffield and Cardiff University. This gives Fusion IP a combined

attributable R&D spend of approximately £166.8 million a year and enables it to invest in some the world's most advanced and exciting science, turning world class research into business through the creation of a growing portfolio of companies, in fields as varied as drug discovery, alternative energy and engineering.

The **White Rose Technology Seedcorn Fund** is an early stage seedcorn fund, which invests in exciting new technology emerging from the Universities of York, Leeds and Sheffield.

The **Viking Fund** is a Yorkshire-wide, co-investment venture capital fund, specialising in providing finance for early-stage technology companies.

Yorkshire Forward is the regional development agency for Yorkshire & Humber.

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