

Media Release

The Hon Martin Pakula MP

Minister for the Coordination of Jobs, Precincts and Regions – COVID-19

Minister for Racing

Minister for Jobs, Innovation and Trade

Minister for Tourism, Sport and Major Events



Tuesday, 19 May 2020

NEW ANGEL GROUPS PROVIDE LIFELINE TO EARLY-STAGE STARTUPS

More than \$10 million in private sector capital is set to be unlocked to help over 40 early-stage Victorian startups reach their economic potential, thanks to funding announced by the Andrews Labor Government today.

The \$1.16 million investment made by the Government's startup agency LaunchVic will provide a much-needed boost for many early-stage startups who are finding it difficult to secure seed investment to help them take the next step.

LaunchVic ran an Expression of Interest process seeking high quality, Victorian-based angel network proposals. The lack of access to capital was identified as a serious issue for the sector, further exacerbated by the effects of the coronavirus pandemic.

Four new angel groups run by experienced angel investors will receive funding to support the establishment of their operations, enabling them to unlock significant financial investments. These are:

- Working Theory Angels, which will make at least eight investment deals with a combined value of \$2.1 million
- Angel Partners, which aims to make 15 investment deals and activate \$1.9 million of capital
- Innovation Bay Angel Network, which will facilitate 11 investment deals with a combined value of \$4.1 million, and
- Archangel Ventures, which will make nine investment deals and activate \$2.25 million of capital.

Angel networks play an important role in supporting early-stage startups, providing funding (generally between \$100,000 and \$1 million); mentorship, which is often considered more important than financial support; networks and connections to support business development; and critical advice on establishing processes.

For more information, visit launchvic.org.

Quotes attributable to Minister for Jobs, Innovation and Trade Martin Pakula

"This funding provides a genuine opportunity for startups at a time when obtaining seed investment is even more challenging."

"We want to support startups that have high-growth potential, so they can scale and become the next Airwallex, Culture Amp or Judo Bank."

Quote attributable to LaunchVic chief executive Dr Kate Cornick

"Now more than ever, startups need help connecting to investors to access seed capital, and investors with capital are more likely to be inundated with requests for funding."

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