

PRESS RELEASE

DEADLINE EXTENDED FOR £5 MILLION CHALLENGE

Businesses in the West Midlands have been given an extra fortnight to submit their entry into the Connect Midlands £5m Investment Challenge which offers a reserved pot of up to £5m in equity funding to successful applicants.

The Connect Midlands £5 million Investment Challenge has experienced a high volume of traffic to its website and as a result has extended its deadline to 18th July to give interested parties more time to complete their online applications.

The Connect Midlands £5 million Investment Challenge is sponsored by BT Business, backed by Catapult Venture Managers, Midven Ltd., the Mercia Technology Seed Fund and Advantage Business Angels and supported by Advantage West Midlands (AWM).

Ian Binks, BT Business Regional Manager said; "BT Business is proud to be partners in the Connect Midlands Investment Challenge as we're dedicated to helping start-up businesses grow and prosper. The Investment Challenge is a superb initiative, and a great opportunity for budding entrepreneurs to acquire the funding they need to establish themselves, and get that all important foothold in the marketplace."

Isabell Majewsky, director of Connect Midlands said; "The primary objectives of the Challenge are to identify and highlight entrepreneurial activity, to provide a range of benefits and assistance to those companies, and ultimately lead to real equity investment opportunities.

"Entries to this years Challenge have proved to be of really high quality, and with five times more funding available than last year, we should be able to help a significant number of businesses."

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To enter the Connect Midlands Investment Challenge, entrants should complete the online assessment tool, The Gauntlet, on The Challenge's website at www.connectchallenge.org. The Gauntlet was developed by Doug Richard, founder and executive chairman of Library House, in partnership with the London School of Economics and Political Science.

Acting like a virtual investor, The Gauntlet asks the critical questions that investors ask, explains the rationale behind the questions and effectively tests businesses to see if they are ready for investment.

Dr Mark Payton, Fund Principal for the Mercia Technology Seed Fund said "The Connect Investment Challenge is a fantastic opportunity for businesses in the West Midlands to attract investment and I'm delighted to support the initiative."

Last year the inaugural Connect Investment Challenge saw over 360 businesses enter with six lucky winners receiving investment from the then £1m, jackpot. The 2006 winners were 4energy Ltd, active8 Human Resources, Service Alert Ltd (all Nottingham), Scyron Ltd (Edgbaston), Silver Lining Ltd (Rugby) and Blackstar Amplification Ltd (Northampton).

Terms and conditions apply - Catapult Venture Managers Limited, E-Synergy (fund manager to the East Midlands Early Growth Fund), WM Enterprise Ltd (fund manager to the Mercia Technology Seed Fund) and Midven Limited are authorised and regulated by the Financial Services Authority. Any investment made from the Investment Funds will be in the form of a commercial venture capital structured investment on which the Funds managed by Catapult Venture Managers Limited, E-Synergy, WM Enterprise Limited and Midven Limited will be expecting a return.

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Notes to Editors

Connect Midlands

Connect Midlands is a not-for-profit network, linking high-potential technology businesses and entrepreneurs with the business training, finance, management and customers they need to succeed. www.connectmidlands.org.

The Challenge is supported by the European Regional Development Fund.

Catapult Venture Managers

Catapult Venture Managers Limited (Catapult) was formed in October 1999. The Chairman of Catapult Venture Managers is Mich Stevenson, an East Midlands entrepreneur. The Board also includes two non-executive directors, John May and David Lambert, both experienced venture capitalists.

The Catapult Venture Managers team is able to introduce companies to business contacts and professional advisers across the Midlands. www.catapult-vm.co.uk.

WM Enterprise

WM Enterprise is a leading provider of venture capital to the Midlands, North West and South East of England. WM Enterprise operates throughout the UK with its head office in Birmingham and additional offices in Cheshire, Surrey and London. WM Enterprise is an independent niche equity investor in SMEs, providing the finance and post investment support, crucial to success. To date, WM Enterprise has raised over £90m and has invested more than £50m.

The Mercia Technology Seed Fund is a circa £13m seed fund specifically target high growth, proprietary technology-backed opportunities based in the West Midlands.