

Bio-Partnering Forum
Wednesday, October 26,
2011 Location: Bella Vista, St.
John's



11:30 am – 12:00 noon

Emerging Markets in the Natural Health Sector

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What are the Current & Future Trends in Food / Nutra / Biotech / Pharma Research & Economy

Market Overview, Trends and Market Drivers

Capital Investment

Leadership

Partnerships

Bioeconomy

Opportunities

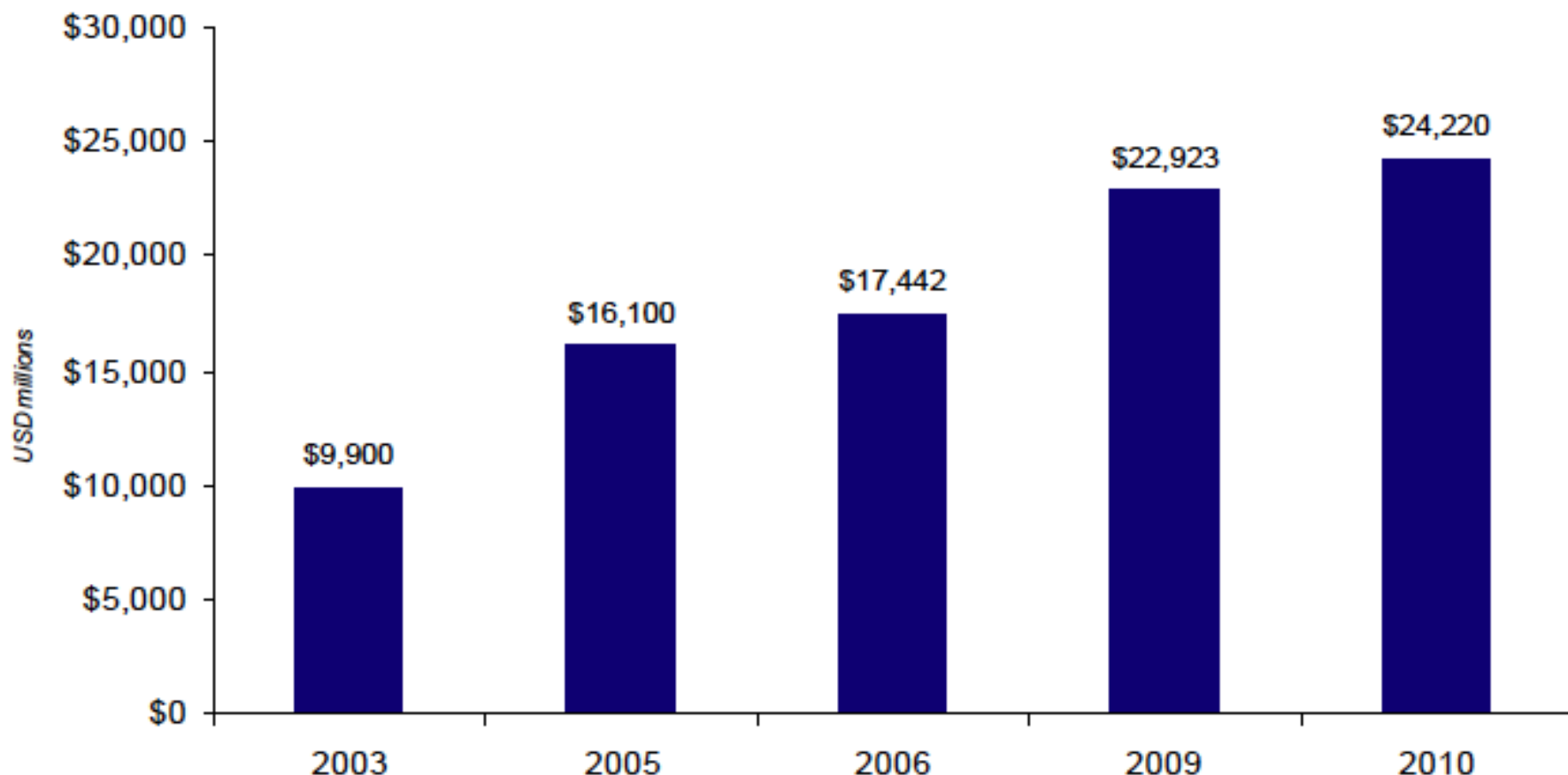
Intellectual Property

Added-Value Natural Health Products

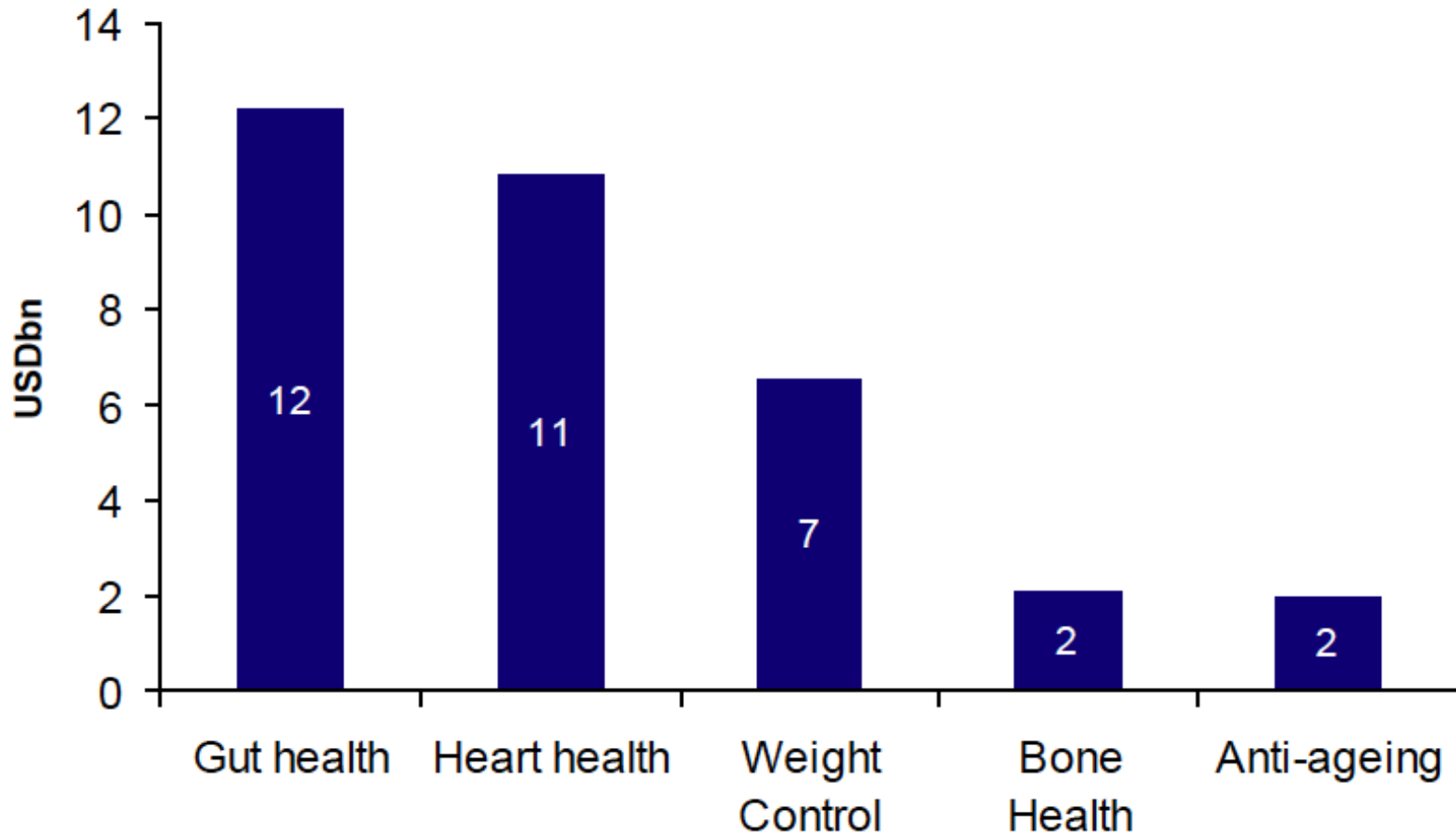
Current Local Integrated initiatives

Overview

Global Functional Foods Market 2003-2010



Source: Leatherhead Food Research. Global market defined as Europe, US, Japan and Australia. Functional Foods defined as all 'food and drinks carrying a health claim' and does not include energy products.



Source: Leatherhead Food Research

Key Market Drivers

Significant higher value-added potential

Growth opportunity

Growing technological capabilities

Changing lifestyle and consumption patterns

Changing consumer priorities

Capital Investment

Canada's natural health sector is hard up for capital and we got to get creative when it comes to attracting investment

Culprits of the Industry's malaise and despair over the startup community :
Venture's stress -
Let's also look in the mirror.

Global economic crisis

FDA raising the bar

Pharma squeezing biotechs with back-ended deals

Low hanging fruit of the target universe picked

Over-promised and under-delivered

Leadership

Industry insiders suggest that government needs senior leadership when it come to science

Board of Directors must act to manage shareholder value and be more involved in governance, discipline of capital allocation and strategy in a realistic way.

Partnerships

Ontario and Québec are looking to raise international profile of their combined life sciences industries: Success will be measured by their hability to spur investment

VCs

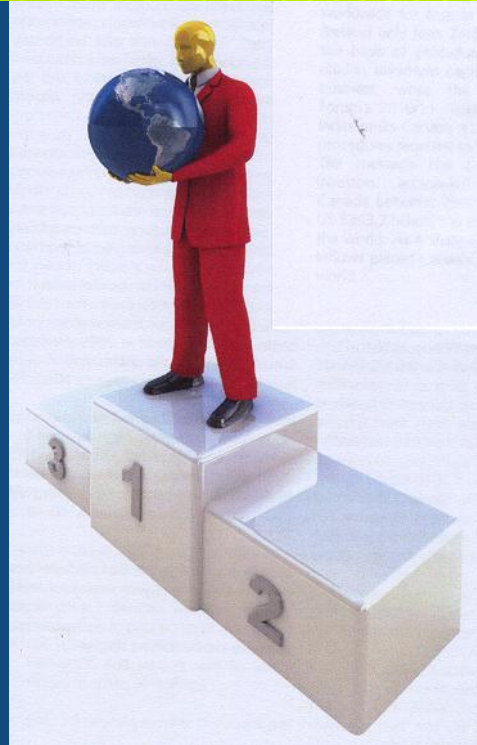
Angels

Government R&D agencies (NRC, NSERC, CIHR)

Local, Provincial & Federal governments' ministries and programs in a timely matter

Bioeconomy 101

Globalization
Market Size
Think big
Make Canada the world
leader by 2020
Big; Hairy; Audacious's
goal.



$$10\% = 130\text{M} \times 1 / \text{day} \times \$0.01 \times 365 \text{ d} / \text{y} = \$474,500,000$$

Opportunities

Squandering opportunities

Think differently

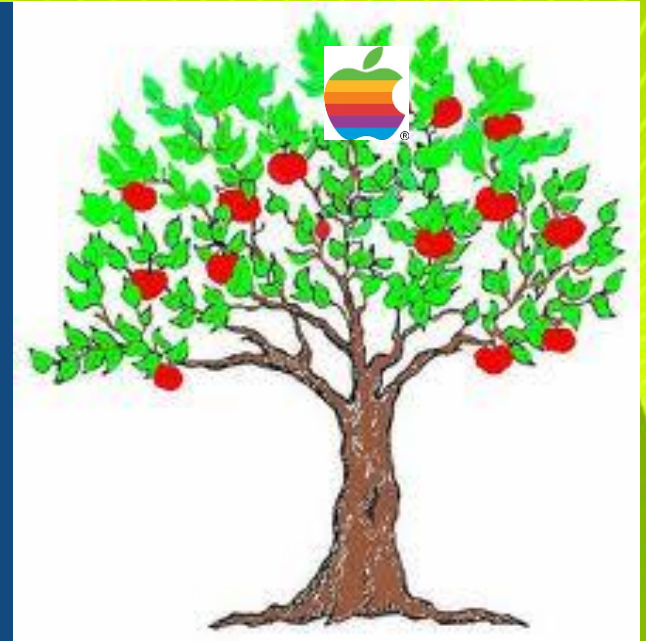


Focus on what is unique

Take giant leap in nutriscience and health

Go back to basics of backing real
(ingredients) innovation

Clear demographic focus



Intellectual Property

Observers say Canada's IP regime needs to extend protection on R&D data to compete globally (20 years); our regime lags behind US and EU.

Added-Value Natural Health Products

21st century look at natural resources

- Land-based biomasses
- Marine-based biomasses

Functional food / Functional beverages

Medical Food / Medical drinks

Natural health products / Nutraceuticals

Dietary supplements

Nutricosmetics

Cosmeceuticals

Pharmaceuticals

Added-Value Natural Health Products

You need to satisfy what people wants:

Basic R&D harvesting, transformation, extraction, analyses

R&D formulation and stability; product development

Quality (GMP) manufacturing

Proven safety (GLP) preclinical / clinical



Proven evidence of efficacy (GCP) clinical trials / applications / multi-benefit positioning

Regulator approvals

SUBSTANTIATED HEALTH CLAIMS' APPROVALS

Current Local Integrated initiatives



SEDNA NUTRA



*Natural
Newfoundland
Nutraceuticals Inc.*

Is involved in the R&D of nutraceutical products of the highest quality and purity. It researches into the health benefits of berries, especially blueberries. That research has shown that blueberries, especially Newfoundland low bush berries are amongst the best foods you can eat due to their high levels of antioxidants.

Current Local Integrated initiatives

Farming the forest of birch trees



Central Newfoundland
Birch Products Inc.



Semintha
Nutraceuticals Ltd.

Overview

Boosting the country's potential to capitalize on abundant natural biomasses and strong research and development capabilities within our borders.

Thank you for your time

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