

Media Release

Mr Tim Pallas MP
Treasurer
Minister for Industrial Relations
Minister for Economic Growth



Friday, 9 August 2024

BOOSTING CRUCIAL CAPITAL FOR VICTORIAN STARTUPS

The Allan Labor Government is backing Victorian startups – with support for new investment funds to inject more resources into good startups.

Minister for Economic Growth Tim Pallas last night attended the Victorian Startup Gala and announced a \$2.4 million investment into eight new Venture Capital (VC) funds which will set up in Victoria.

Delivered through LaunchVic's *VC Support Program*, the new VC funds will aim to raise more than \$300 million in capital for Victorian startups, benefitting the state's broader startup ecosystem.

Australian Medical Angels, Ecotone Partners, Era VC, Flying Fox Ventures, Mandalay Funds Management, Pacific Channel Ventures, SBE Australia and Synthesis Capital will each receive a \$300,000 grant to establish new funds in Victoria.

The number of startups in Victoria has more than tripled since 2017 to 3,500, but access to early-stage venture capital remains a barrier.

Australian Medical Angels is Australia's largest syndicate of clinician angel investors with 28 investments, and this funding will enable the team to launch a new early-stage VC fund to invest in the next generation of medtech and healthcare startups.

Led by experienced venture capital investors Dr Amandeep Hansra and Dr Bi Mian, the new fund will leverage their expertise to reach a target fund size of \$40 million and see capital flow into the sector.

Other new VC funds will focus on critical areas for investment in the startup ecosystem including Ecotone Partners and SBE Australia, prioritising climate technology and women-led startups respectively.

LaunchVic was established in 2016 by the Labor Government to grow the state's startup ecosystem. According to Dealroom data, the current combined value of Victoria's startups, scaleups and unicorns – startups with a valuation of \$1 billion or more – is \$123 billion.

The *Victorian Budget 2024/25* provided \$40 million over four years for LaunchVic to continue supporting founders and startups by enhancing their access to capital.

The Budget funding will also support the continued delivery of the Alice Anderson Fund, which co-invests in women-led startups to ensure that more Victorians are supported to turn their great ideas into great companies.

Quote attributable to Minister for Economic Growth Tim Pallas

"These new VC funds will provide more investment for startups when they need it most, allowing them to scale up quicker and create more high-skilled jobs in critical sectors like medtech and climate technology."

Quote attributable to LaunchVic CEO Kate Cornick

"This program is supporting the growth of the local VC sector and placing more capital into the hands of quality founders during those crucial early stages."

Media contact: Alan Padgham 0418 783 688 | alan.padgham@minstaff.vic.gov.au