

# Verax Biomedical Closes \$15 Million Series B Private Placement

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Verax Biomedical, Inc. announced that it has closed a \$15 million Series B private placement with a syndicate of leading investors. Verax will use the funds to complete development and begin commercialization of its first product, the Platelet PGD test, a rapid, easy-to-use, test for the sensitive and specific detection of bacterial contamination of platelets immediately prior to transfusion.

KB Partners led the Series B financing and was joined by new investors CNF Investments, SightLine Partners, Teknoinvest, and Long River Ventures as well as existing investor BioVentures Investors. Adams Harkness acted as the exclusive placement agent and financial advisor to Verax.

"We believe that Verax has developed the leading platform for the detection of bacterial contamination of blood products and other cellular material," said Bob Zieserl, Managing Director at KB Partners. "With the continuing need in the world's blood supply for an effective bacterial contamination screen, Verax is now strongly positioned to rapidly complete the development of its first product, the Platelet PGD test. Our proprietary test will provide transfusion specialists with a highly specific and sensitive way to significantly improve the safety of platelet transfusions over current quality control methods because it is designed to be used just prior to transfusion and addresses the unique challenges posed by bacterial contamination."

Verax's Platelet PGD test detects the presence of a broad range of clinically-relevant gram-positive and gram-negative bacterial contaminants in platelets just prior to transfusion. The test is a single-use disposable device that requires minimal attended labor and provides a result in less than 30 minutes. Bacterial contamination of platelets is the most significant infectious risk in the blood supply today, with an estimated 1:2,000 contaminated units.

"We are pleased to welcome all the new investors who participated in the Series B financing and look forward to working with them to quickly commercialize Verax's strong technology platform," commented Marc Goldberg of BioVentures Investors, which led the Series A financing for Verax. "Beyond addressing the immediate need for a more effective method of screening platelets, Verax is well-positioned to complete its Red Blood Cell PGD test, which is under development for use in screening bacterial contamination of red blood cells, currently the second greatest infectious risk to the blood supply after bacterial contamination of platelets."

About Verax Biomedical

Based in Worcester, MA, Verax Biomedical is a leader in the development of rapid tests designed to detect a broad range of bacterial contaminants based upon its proprietary Pan Genera Detection (PGD) technology. The first target application for its technology is to test for the presence of bacterial contaminants in the blood supply. Bacterial contaminants in platelets and red blood cells represent the greatest lethal infectious risks in transfusion medicine today, and no rapid, simple methods are presently available to effectively address this threat. Over 17 million patients receive in excess of 60 million units of these individual blood components annually in North America, Europe and Asia.

#### About KB Partners

KB Partners is a leading Chicago-based venture capital firm focused on investments in early-stage technology companies in the Midwest. Founded in 1996, KB Partners manages two venture funds totaling in excess of \$95 million that target opportunities in the hardware/software, communications, medical and industrial industries. For more information, please visit [www.kbpartners.com](http://www.kbpartners.com).

#### About CNF Investments LLC

CNF Investments LLC, is a closely-held company that is the ownership, investment and asset management arm of Clark Enterprises, Inc. Headquartered in Bethesda, Maryland, Clark is one of the largest privately held companies in the Washington Metropolitan area, with particular interests in construction, technology development, real estate and private entities.

#### About SightLine Partners LLC

SightLine Partners LLC is the venture capital subsidiary of U.S. Bancorp. SightLine Partners organizes venture funds and invests the capital into promising emerging-growth healthcare companies in the medical device, biotechnology and healthcare services sectors. SightLine Partners currently manages three funds with \$185 million under management. For more information, please visit [www.sightlinepartners.com](http://www.sightlinepartners.com).

#### About Teknoinvest Management AS

Teknoinvest Management AS is a premier Scandinavian venture capital company headquartered in Norway that invests in areas of emerging technologies within the IT/Telecom and Life Sciences sectors. Teknoinvest's main geographical scope is Scandinavia and the USA. Teknoinvest was established as the first venture capital investment company in Norway in 1984. For more information, please visit [www.teknoinvest.no](http://www.teknoinvest.no).

#### About Long River Ventures

Long River Ventures provides capital, operational expertise and an extensive network of contacts and relations to exceptional management teams. The fund invests in early stage information technology, health care, communications, and other technology-driven product, manufacturing, and service businesses. Long River Ventures is an affiliate of Village Ventures of Williamstown, MA. For more information please visit, [www.longriverventures.com](http://www.longriverventures.com).

#### About BioVentures Investors

BioVentures Investors headquartered in Cambridge, MA, invests in life science and healthcare companies, including those focused on novel drugs and drug development, medical devices, and medical IT. The firm is managed by Peter Feinstein, Walter Gilbert, Ph.D., and Marc Goldberg. For more information, please visit [www.bioventuresinvestors.com](http://www.bioventuresinvestors.com).

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#### SOURCE:

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