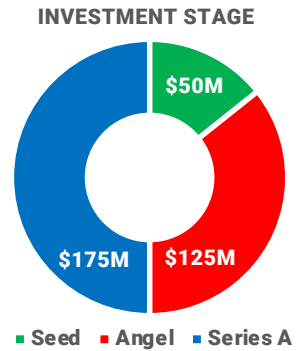
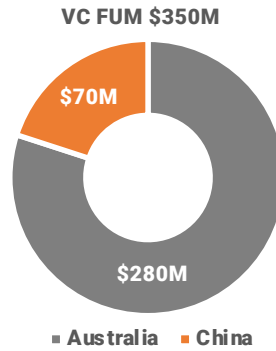


AFOF 2

KEY STATISTICS

Fund Capacity: \$150M (Platform - AFOF + ESVCLPs)
Drawdowns: 5 (20% initial & 20% on each subsequent anniversary)
Target No. Startups: ~500
Target Return: >20% annualized IRR
Allocation: 15% seed (~500 startups @ \$75K)
 35% angel (~200 startups @ \$200K)
 50% growth (~50 startups @ \$1.5M)
Fund Structure: AFOF (unconditional registration ISA)
1st investment: Q2 2019
Term: 10yr (5yr investment + 5yr exit)

ARTESIAN VC



INVESTMENT PHILOSOPHY

ECONOMIC

IMPACT



REALITY OF EXITS IN AUSTRALIA

90% of all M&A activity is trade sales at valuations <\$100M. This area is mostly overlooked by traditional VCs who target late stage \$200-300m+ exits (representing ~0.1% of all deals).

Artesian focuses on startups with the highest potential within the most active exit category (<\$100m trade sale exits). M&A activity is being driven by public and private corporates looking for growth and innovation, complementary/additional to their existing business or as a hedge against disruption.

SYSTEMATIC & SCALABLE APPROACH

A scientific approach is needed - a partnership model with the highest calibre incubators, accelerators and angel groups.

- To solve for the asymmetry of risk issue, Artesian invests in pre-screened investments from accelerator, incubator, university, angel group partners as well as contiguous opportunities from Artesian's broader network of alumni founders, industry partners and co-investors
- Highly diversified portfolio of 500+ startups

CAPTURING UPSIDE OPTIONALITY

Artesian's process also captures more captally intensive high growth opportunities that may achieve >\$100M exit.

LPs can participate directly into later stage funding rounds of the best startups emerging from the Fund's pre-screened and de-risked pipeline.

BUILDING THE AUSTRALIAN STARTUP ECOSYSTEM

Artesian' believes that startup ecosystems are built from the bottom up. Our investment model optimises ecosystem sustainability.

To create a virtuous cycle of creation, growth, exits and reinvestments it is critical to ensure a healthy early stage environment connecting entrepreneurs, universities, research organisations, accelerators, government, corporates and investors.

AFOF2 - DEAL FLOW

