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## **APPLABS PARTNERS WITH PROMINENT SILICON VALLEY INCUBATOR ARCHIMEDES LABS**

### **HIGHLIGHTS**

- **Applabs and Archimedes sign agreement to jointly collaborate and co-invest in quality vetted Technology start-ups.**
- **Applabs will be able to invest on the same pricing and terms as Archimedes Labs and Archimedes Ventures III**
- **Agreement provides scope for Silicon Valley renowned investors Keith Teare and Kambiz Hooshmand to be appointed to the proposed Applabs advisory board**
- **Archimedes Venture (I) returned over 100x on investors funds (\$250k to \$28m)**
- **Archimedes Labs currently raising \$25m for its third Venture Capital Fund (Archimedes Venture III)**
- **Archimedes Labs founded TechCrunch which was acquired by AOL for an undisclosed amount**
- **Archimedes founder Keith Teare boasts impressive track record having created two companies worth over \$1bn (EasyNet & RealNames)**
- **Partnership provides global exposure for current Applabs investments such as Home Open & Roster Elf**
- **Applabs in advanced staged negotiations with several US based investment opportunities**

Applabs Technologies (ASX code: ALA) is pleased to announce it has signed a partnership agreement with one of Silicon Valley's most prominent investors, Archimedes labs to jointly collaborate and finance technology start-ups.

As partners, each has agreed to offer the other any opportunity they source, and in particular Applabs will be able to invest into companies on the same pricing and terms as Archimedes Labs and the Archimedes Ventures III Capital Fund.

Applabs is not committed by the agreement to any capital expenditure, but is already reviewing a number of promising opportunities offered to the company under the terms of this agreement.

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As part of the agreement Applabs will incorporate a US based subsidiary, Applabs Technologies LLC, to allow seamless and compliant investment into the US market. The company has engaged Perkins Coie to undertake the incorporation.

Both Applabs and Archimedes have also agreed to collaborate in marketing and launching start-ups in both Australia and the very lucrative US market. As part of the agreement Archimedes will grant Applabs access to its entire existing network of public relations, media and marketing relationships.

Archimedes is a leading Silicon Valley based Incubator and Accelerator for Technology start-ups, which have successfully funded numerous companies over the past 10 years. One notable transaction, which was funded by Archimedes Labs, was the sale of TechCrunch to AOL for an undisclosed amount. Archimedes is also currently closing its third venture capital Fund (Archimedes III) which is raising up to \$25m.

Archimedes Ventures (I) returned over \$28m from an initial fund of \$250,000 when AOL acquired TechCrunch and LookSmart acquired Edgeio. This provided investors with a more than 100x return on investors funds.

Archimedes Ventures (II) has already distributed back over 93% of investors funds, which were originally committed in June 2012. Archimedes II has an implied IRR of 136% and a 3.84x return on investors funds

Archimedes was founded by Keith Teare who has also co-established many successful companies including cScape, EasyNet, RealNames, TechCrunch and now just.me. EasyNet was an IPO in 1996 and was acquired by B Sky B for \$374.9m in 2005. Over his career Keith has created companies that were valued by others at more than \$1 billion (EasyNet and RealNames).

The current CEO of Archimedes Labs is Kambiz Hooshmand who has spent more than 25 years building communications systems and solutions for wireless and wireline infrastructure. Kambiz has been the President and CEO of Applied Micro and held senior executive positions at Cisco Systems including Group Vice President. Kambiz also a key member of Stratacom, which was eventually acquired by Cisco for \$4.5B

Applabs is currently in advanced staged negotiations with several US based investment opportunities and will update the market accordingly when an agreement has been reached.

Applabs Managing Director Stuart Kidd commented:

“We are very excited with this new partnership and believe working with a group such as Archimedes Labs will substantially increase the level of investments opportunities available to Applabs. Working with the calibre of individuals such as Keith and Kambiz, who have both had huge success in the Technology industry, will give us a key advantage in sourcing and investing in new Technology companies”.

For further information or if any shareholder wishes to invest directly into the Archimedes Ventures III please contact Patrick Glovac – [patrick@applabs.com.au](mailto:patrick@applabs.com.au)

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