

An Introduction To

FOUNTAINHEAD CAPITAL PARTNERS

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BACKGROUND

- ◆ FHCP is an investment firm based in Jersey, Channel Islands, established two years ago
- ◆ Principals in US and Europe with blend of investment banking, private and public investing, fund raising and M&A experience
- ◆ Transaction originators, principal investors and fund raising facilitators
- ◆ FHCP has closed 9 reverse mergers and participated in transactions raising an aggregate of \$200 million






PEOPLE

- ◆ David Cantor: 18 years with Citigroup, DLJ/CSFB and Lehman Brothers. M&A and Equity Capital
- ◆ Adrian Liddell: 26 years with, Phoenix Equity Partners, Citigroup, DLJ/CSFB, Lehman Brothers and Samuel Montagu. M&A and private equity investing
- ◆ Peter Zachariou: 15 years private and public investing in emerging and growth companies and workouts






ACTIVITIES

- ◆ Invest in and fund raise for growth companies needing access to strategic funding
- ◆ FHCP are principal investors:
 - Owners of high quality public vehicles
 - Exchange controlling holdings in public vehicles
 - Investors of new capital
- ◆ Predominantly invest through Accelerated IPO (AIPO) structure - simultaneous PIPE funding and reverse merger into an existing US publicly listed and reporting company
 - Quicker/easier than IPO, timing not constrained by market windows
 - Opens up deep pools of capital
 - Particularly attractive in current turbulent markets
 - Highly suitable for life science, technology, Asian businesses and other growth sectors
- ◆ Also invest in earlier stage situations on private basis

RECENT TRANSACTIONS

 <p>ARNO THERAPEUTICS</p>	<p>Reverse merger and \$18m fundraising with Two River Group/Riverbank at \$27m pre-money valuation for Arno Therapeutics. Clinical-stage biopharmaceutical company developing innovative product for the treatment of cancer</p>
 <p>Sino Shipping Holdings Inc</p>	<p>Reverse merger with two subsidiaries of Yongzhen International Marine to form Sino Shipping Holdings Inc. Marine bulk transportation in China and Southeast Asia</p>
 <p>China New Energy Group</p>	<p>Reverse merger and subsequent \$9m fundraising by China Hand Fund for China New Energy Group. Vertically integrated natural gas distribution to residential and industrial customers in small/medium cities in China</p>
	<p>Reverse merger and \$10m fundraising at \$26m pre-money valuation for NovaRay. Subsequent \$10m follow-on. Innovative developer of revolutionary digital x-ray technology for medical imaging; enables real-time, low-dose tomographic imaging for cardiac catheterization</p>
	<p>Reverse merger and \$20m fundraising with Two River Group/Riverbank at \$43m pre-money valuation for Nile Therapeutics. Clinical-stage biopharmaceutical company developing innovative product for the treatment of cardiovascular disease. Now trading on NASDAQ</p>
<p>ACTIVE IMPLANTS</p>	<p>\$10m private fund raising with Sanders Morris for Active Implants Corporation. Innovative orthopedic implants using pliable materials enabling less invasive surgical methods</p>

RECENT TRANSACTIONS - Cont'd

	<p>Reverse merger and \$12m fund raising with vFinance at \$28m pre-money valuation for Usunco Automotive. Developer and distributor of medium-sized diesel engines from China to customers in China and N America</p>
	<p>Reverse merger and \$18m fund raising with Rodman & Renshaw at \$55m pre-money valuation for Javelin Pharmaceuticals (JAV). Post operative pain management drug development. After follow-on offering has moved up to Amex</p>
	<p>Reverse merger and \$11m fund raising with Rodman & Renshaw and Roth Capital at \$18m pre-money valuation for Osteologix Inc (OLGX). Bone treatment drug development</p>
	<p>Reverse merger and \$58.5m fund raising with Cowen & Co at \$45m pre-money valuation for uBid.com (UBHI). Online market place for computers and electronics</p>
	<p>Early stage funding for Vycor Medical, LLC. Highly innovative brain and spine surgery retraction devices. Follow-on funding led by Fountainhead and Regent Private Capital</p>

CVs

David Cantor

Investment banking for 18 years both in Europe and US with focus on M&A and Equity origination. Experience includes Lehman Brothers, Donaldson, Lufkin & Jenrette/CSFB, and latterly running both the Business Development Group and Diversified Industrial and Aerospace Groups for Citigroup in Europe. Co-founded FHCP in 2005. David has BSc in Banking and International Finance from City University London

Adrian Liddell

Investment banking and private equity professional with 26 years experience prior to joining FHCP from Phoenix Equity Partners, a European middle-market private equity firm, in 2006. Prior to that he was a Managing Director in M&A at Citigroup and Donaldson, Lufkin & Jenrette and spent a number of years in M&A at Lehman Brothers and Samuel Montagu & Co. He is a Chartered Accountant and has an M.A. from Cambridge University

Peter Zachariou

For the past 15 years, Peter Zachariou has been an active investor in a variety of companies and industries, both public and private, specializing in workouts and capital formation. Mr. Zachariou's investments and activities have predominantly been in emerging and growth companies across a broad number of industry sectors. His primary investment focus has been the U.S. and in particular with going public transactions where capital is raised in the form of private investment in public equities ("PIPE"). He has also been proprietor and operator of several businesses in the U.K. and U.S. in the manufacturing, retail and leisure industries. Co-founded FHCP in 2005.

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Address:

Portman House
Hue Street
St. Helier
Jersey JE4 5RP
Channel Islands

Tel: +44 1534 626141

Fax: +44 1534 630113

Email: info@fhcpartners.com

David Cantor:

david.cantor@fhcpartners.com

Adrian Liddell:

adrian.liddell@fhcpartners.com

Peter Zachariou:

peterz@fhcpartners.com