

Media Release



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New angel fund gives investors exposure to NZ start-ups

Investors are being sought for a \$5 million angel investment fund called the Halo Fund. It is a joint venture between seven leading angel investor groups and the New Zealand Venture Investment Fund, and is aimed at attracting investors who wish to gain access to a diversified range of exciting young technology-focused companies.

Halo Investment Management chairman John McDonald said the angel investor groups are now raising capital with the aim of establishing a fund of at least \$5 million.

“The Halo Fund enables investors to partner with New Zealand’s most experienced angel investors to invest in new technology, high growth companies in dynamic sectors like software, bio-technology, and medical diagnostics, gaining immediate access to a diversified portfolio of investments in young New Zealand companies.

“As a passive fund, it will only invest in companies in which its approved co-investor angel groups and NZVIF’s Seed Co-Investment Fund also invest. The Fund is based on the premise that the best people to guide early stage investments are successful entrepreneurs and business leaders, many of whom have experienced both early stage business success and failure.

“It is these active co-investors – representing New Zealand’s leading angel investors – who will select, undertake due diligence on, invest in, and, ultimately, exit portfolio companies.

“Investors will gain access to a wider number of opportunities than they could otherwise access if acting as individuals. For a limited capital contribution an investor can build a diversified portfolio while preserving the ability to commit greater amounts to an individual company, if so desired.

“The Fund will invest up to \$125,000 into 30 plus companies over a two to three year period at the seed and start-up phase. Follow-on funding of up to \$125,000 will be available. The Fund has nine approved angel groups providing a pipeline of investment opportunities.”

Mr McDonald said the capital raising aimed at ‘eligible persons’ for the Halo Fund is now underway. Investors must meet the ‘eligible person’s criteria required for joining angel groups, as set down in the Securities Act.

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