

Turtlesnap Ventures, Inc.

Convergence of Biotech and Nanotech Investment Symposium

Presentation by

Keith W. Rabin

President, KWR International, Inc.

<http://www.kwrintl.com> • kwrintl@kwrintl.com

Turtlesnap Investment Symposium

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Biotech and Nanotech Offers Dramatic Potential for Growth Over the Next Decade

- Investors, Analysts, Researchers, Pharmaceutical and other Executives, Government Officials and other Key Opinion Leaders all recognize the dramatic growth potential of the biotech and nanotech field moving forward.
- Scientific developments promise to revolutionize medical treatment and other aspects of our life, giving ways to whole new industries in a manner similar to -- or even exceeding -- the gains achieved by information technology in the 1990s.
- As a result, tremendous amounts of resources and attention is being devoted to this sector by national governments and companies who do not want to be left behind.

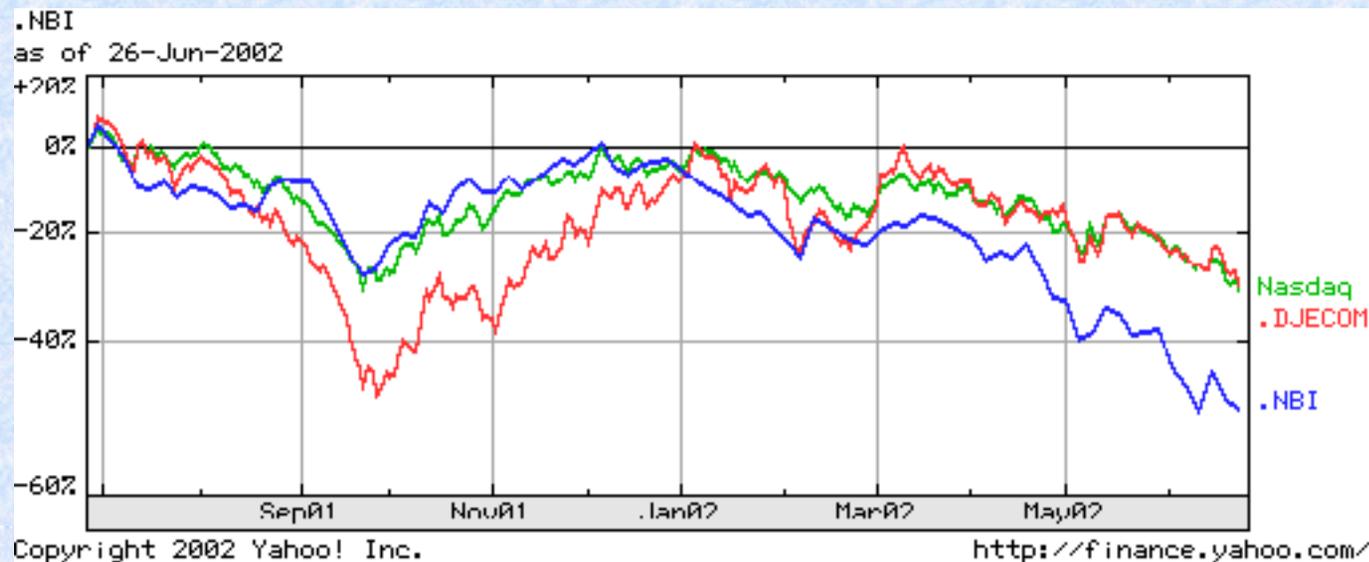
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However, Current Market Conditions are Not Conducive to Developing this Sector

- Given the lengthy approval and development process, as well as ethical issues and the many other uncertainties required to finance and commercialize these highly complex and technical developments, Bio/Nano investments require a high risk tolerance.
- This is difficult to justify in a highly volatile market environment in which investors are seeking “safe havens” and shying away from all but the most simple business models.
- Many of the worst performing mutual funds over the last quarter focus on biotech and the sector has substantially under-performed the NASDAQ as a whole -- even the depressed Internet sector.

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One Year Comparison of NASDAQ, DJ Internet Index (DJECOM) and Nasdaq Biotech Index (NBI)



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Companies and Governments Need to Acknowledge this Essential Paradox

- Success in the Bio/Nano sector will require strategies and infrastructure that can sustain the development of this promising sector.
- This is essential to both wait out the turbulence (up and down) and to sustain and enhance the capabilities and environment needed to succeed over the long term.

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Countries Must Differentiate Themselves and Create a Research- and Venture-Friendly Environment

- This includes developing an educational system and cultural and business dynamic that rewards entrepreneurship, creativity and innovation and which encourages scientific discovery -- as well as engineering and technical skills.
- Steps should be taken to promote the creation of start-ups, spin-offs, the commercialization of academic/government research (TLO's) and to encourage innovation that extends beyond the confines of major corporations.
- Regulatory regimes, incentive structures and general "quality of life" concerns must be fashioned in a way that encourages FDI and minimizes the potential for "brain and capital drain".

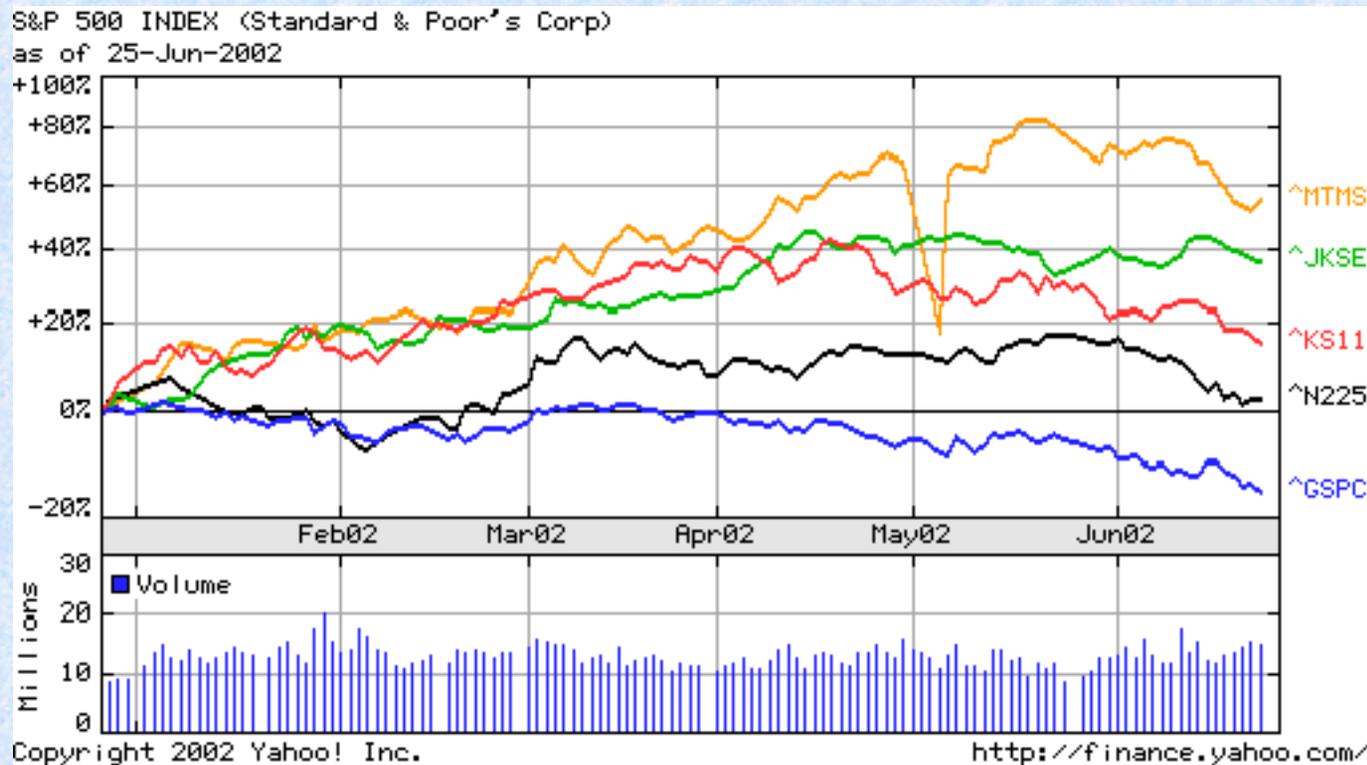
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Companies Must Adopt the Orientation Needed to Compete in a Global Industry

- The large costs of Bio/Nanotech development almost necessitate a globally-oriented marketing approach.
- An ability to harmonize the often conflicting regulatory standards and approval procedures, ethical concerns, industry and other practices makes this difficult -- but no less essential to achieve success.
- A strong balance sheet, profitability planning and successful interactions with “Big Pharma”, the VC and medical community and other key constituencies are vital.
- Ironically, cultural characteristics and orientation may play a key role in determining competitiveness in this sector, i.e., U.S. limitations on stem cell research, etc.

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Despite the Difficulties, Deteriorating U.S. Fundamentals are Again Leading Investors to Appreciate the Merits of International Diversification



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An Ability to Maintain Flexibility and Clear Communications with Investors and Industry is Critical

- Given the need to maintain the innovative flexibility of a small entrepreneurial firm with the globally-scaled resources and capabilities of large multinational enterprises, an ability to develop and maintain an often-changing global network of alliances and relationships is extremely important.
- Successful firms will be able to communicate across borders to a wide variety of internal and external constituencies in a manner that will allow a firm to develop and finance a marketable technology -- and most importantly, the means to execute on, and maximize the benefit from, the intellectual property that is developed as a result.