

CertusBio raises \$4.6m towards global expansion

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Christchurch food processing optimisation firm CertusBio has raised \$4.6 million to put towards global expansion in an investment round led by Pacific Channel.

Currently focused on the dairy market, including a recent trial with Fonterra, the company offers biosensor technology to food producers, improves production efficiencies and reduces the cost of treating wastewater.

Chief executive Matthew Jones said the investment round, which followed an earlier raise of \$1.5m, provided the company with a significant opportunity to expand into North America.

Other investors in the round include Lincoln Agritech (the original founders of the technology), Impact Enterprise Fund, NZ Growth Capital Partners through its Aspire NZ Seed Fund, and a group of existing investors.

Jones said the company's plans included appointing a US-based executive to establish a presence and drive global sales of its technology.

It has also put two years of work into securing a partnership with US-based process technology company Relco, which will support it in starting a trial integration of its automated system into the Valley Queen Cheese plant, South Dakota.

He said CertusBio's 'lab on a chip' technology continuously monitored production losses during processing, meaning adjustments could be made in real-time to improve plant efficiency and increase commercial returns to the company.

The firm's process analyser is roughly the size of a fridge and sits in the food processing line, picking up on bacteria or any other loss inducing elements.

"The other significant benefit of the technology is to our environment. Commercial food processing facilities, such as dairy, beer and wine, fruit and vegetables, that use water during processing typically lose at least 5% of their product. This is not only inefficient and costly to the company, but these losses often end up in our rivers and landfills and, if they're not managed properly, can be extremely harmful to our environment.

CertusBio chief executive Matthew Jones.

"Our aim is to turn good food producers into great food processors so they can reach their full potential - for people and the planet. Through the use of real-time monitoring, we have been working with customers to identify the source of losses and generate efficiency gains and additional environmental benefits."

While Jones was unable to divulge details of the Fonterra trial for commercial sensitivity reasons, he said it successfully demonstrated that the system reliably monitored and detected lactose losses in a commercial processing environment, a vital proof of concept pre-expansion.

Jones said the company was mainly competing with offsite laboratory testing, which has an obvious delay of a day or more.

Pacific Channel partner Kieran Jina said the CertusBio team had demonstrated a strong ability to increase sustainability and achieve significant improvements in food processing.

"Our investment recognises the full productisation achieved by CertusBio and the scalability of the technology across a range of other process industries including chemical, oil & gas, mining, pulp &

paper, and wastewater treatment. We're thrilled to be investing in this breakthrough technology and be part of CertusBio's global expansion."

Currently, Lincoln Agritech holds 24.91% of the company, Powerhouse Ventures owns 19.1%, Harley Investment Fund owns 14.81%, Pacific Channel owns 14.75% and Aspire NZ Seed Fund owns 4.21%.

Pacific Channel will invest the \$3m it put in of the \$4.6m raised in stages, which will see it move to a holding of 41.8% within two years.