

**Emergent Technologies Fund IV Raises \$27 Million,
Focuses Unique Commercialization Model On Biotechnology
Within The University Of Texas System Campuses**

AUSTIN, TX, May 7, 2007 – Emergent Technologies, Inc. (ETI) announced today the final closing of Emergent Technologies Fund IV, L.P. (Fund IV), a fund intending to commercialize technologies derived within the University of Texas System institutions. ETI plans to utilize the \$27 million fund to commercialize up to 30 different technology applications.

Fund IV is made up of several large family office and institutional investors, including San Antonio businessman Red McCombs and two other Texas billionaires. The Red McCombs investment marks his first toward a biotechnology-focused fund.

“We have been looking for an opportunity to help fill the gap between the large amount of research funding going into university systems and the limited commercial success of the resulting technologies,” said McCombs. “ETI has the first model that we have seen which consistently and successfully created marketable products from these innovations.”

All Fund IV investors are located in Texas, including investors in San Antonio, Austin, Amarillo, Dallas, Fort Worth, Houston and Lubbock.

President of Fund IV, David Lee, commented, “We are proud to be underwritten by such a strong group of investors who appreciate the important role we play for the university, for industry, and for regional economic development. ETI’s unique business model is what attracted these high-caliber limited partners to Fund IV.”

Thomas Harlan, President and CEO of ETI, noted, “Our market driven technology commercialization model is focused on rapidly bridging the gap from university-based science to technology applications that can fill the dwindling R&D pipelines within the biotechnology industry.”

“The ETI model allows us to leverage the fund’s investments with continued grant funding and industry partner resources,” explained Harlan. “This additional capital is non-dilutive to the fund and university equity interests in the portfolio companies, which creates an attractive financial model. For every \$1 million we invest in a portfolio company, up to an additional \$12 million from these alternative funding sources is invested in the technology. As a result, our \$27 million fund has the equivalent commercialization potential of a \$300 million fund managed via a traditional venture capital model.”

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Lee added, "UT represents an enormous opportunity for ETI, with over 117 U.S. patents and 655 invention disclosures last year alone." According to a report on biotech commercialization by the Milken Institute (September 2006), the University of Texas System was ranked first in the world in the number of biotech patents filed, outranking the powerhouse universities and medical centers in California and in the northeastern US.

Fund IV has already begun an aggressive commercialization strategy with two biotechnology companies formed in the last six months, and several others in the process of launching in 2007.

Mimetic Solutions, LLC (www.mimeticsolutions.com) is one of these new companies, specializing in recognitive or 'smart' chemistry that can recognize a specific biological marker, triggering release of a drug or other active compound.

Another newly formed company is Beacon Sciences, LLC (www.beaconsciences.com), which specializes in a proprietary 'lock-and-key' chemistry coupled with chemiluminescent ('glow') chemistry, with applications in medical diagnostics, environmental testing, and biodefense.

About Emergent Technologies Fund IV, L.P.*

Emergent Technologies Fund IV, L.P., (Fund IV) has been established to invest in early-stage companies formed to license and commercialize technologies created, developed, owned, and/or synergistic with institutions of The University of Texas System.

About Emergent Technologies, Inc.

Emergent Technologies Inc. (ETI), founded in 1989 by Thomas A. Harlan, is a unique life sciences venture firm that forms and manages companies and funds that commercialize groundbreaking institutional and university-based technologies. ETI is a turnkey solution for converting university science into high return ventures. ETI works with regional economic development groups and universities to capitalize on the technology assets unique to their region. For more information, visit the company website www.etibio.com.

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