



... *Creating Value*

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INNOVIUM ANNOUNCES YEAR-END 2004 RESULTS

Toronto ... Innovium Capital Corp. reports that 2004 and early 2005 have proven to be extremely rewarding as a number of Innovium's investments have reached that point in their maturity where they seem poised to repay Innovium's efforts. Innovium has also recently initiated an investment in a start-up, First Person Plural, which has excited us with the entrepreneurial zeal of its founders and founding investors, and in an emerging media opportunity, the Seed Media Group, led by Adam Bly.

LALLEMAND AGRI-PRODUCTS PAYMENTS - Innovium received payments totaling approximately \$2.0 million in 2004. In 1999, when this transaction was initiated, Innovium received approximately \$0.6 million over an initial eleven-month span.

ATLANTIS SYSTEMS - Innovium takes considerable pride in the role it has enacted in Atlantis. For in excess of three years, Innovium often bridged Atlantis' funding requirements. When required, Innovium assisted with all facets of the corporate management and investor relations functions, and played a catalytic role in a formal restructuring and implementation of a refinancing, resulting in a stronger balance sheet than it has had in many years. The Company is currently working cooperatively with Atlantis' galvanic senior management team, headed by Andrew Day and Paul Maasland, to enhance the value of the Atlantis franchise and build equity value as Atlantis repositions itself as a simulation/training company.

FLY AMERICA FURNITURE - Fly opened its fifth Quebec-based store in March 2005 and is approaching the size tolerance necessary to become cash flow positive and self-funding. Pierre Mignault has a keen appreciation of the retail sector and has played important roles in building world-class retail companies in both the grocery and the wholesale retailing sectors. We are convinced that Pierre and his team of experienced professionals have an in-depth understanding of the needs of their customers, the ability to meet customer expectations and are in the process of building a substantial company.

CABLEEDGE SOFTWARE - Simon Arnison has brought together a well-experienced, focused group determined to execute on their business strategy. Commercial trials are under way in Europe and the prospect of a commercial contract in 2005 appears promising. Innovium has every confidence that CablesEdge Software has developed first class technical capabilities and solutions. The present challenge for CablesEdge is to find the appropriate channels to bring its solutions to market.

FIRST PERSON PLURAL - Innovium recently acquired a 35% interest in First Person Plural to fund the development of an adver-gaming concept called "Human Limit". Innovium's Management has been energized by Alexandre Dulude and Darren Henriet. Their clear-headed enthusiasm and creative passion have generated the recognition of a business problem and an enterprising solution capable of generating significant revenues and value.

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SEED MEDIA GROUP - Innovium recently made an US\$800,000 investment in the Seed Media Group, LLC ("SMG") for 19.8% of the Series A preferred shares. Seed is an emerging science media and entertainment company based in New York City. US\$500,000 was paid at the time of closing and the remaining US\$300,000 will be paid within 30 days of closing. Innovium has co-invested in association with new capital from US private equity firm, The Walnut Group, and others.

RXRITE - RxRite has developed its technology solutions for the health care sector, a market awash with opportunity but constrained by conflicting and labourious regulatory hurdles. As a consequence, RxRite has been concentrating on effecting strategic and teaming relationships with providers within the same "space", each providing a piece of the puzzle towards the achievement of a comprehensive product solution. Evidence of this focus is its recent transaction with HealthRamp utilizing RxRite's proprietary RIM BlackBerry® platform.

OPERATIONS - Payments from Lallemand reached \$2,038,000 in 2004, an increase of \$265,000 from the \$1,773,000 achieved in 2003. This revenue stream, which is paid in US dollars, continued its positive trend by increasing 18% year-over-year on a US dollar basis. This revenue has primarily been computed based on 15% of Lallemand's Levucell™ sales in Europe. Management believes that the Company's agri-products revenue continues to differentiate Innovium from other comparable entities.

Interest and dividend income decreased 58% to \$192,000 in 2004 compared to \$459,000 in 2003. This was a result of the June 30, 2004 conversion of the Atlantis special shares - Series 2, including accrued dividends and the note receivable, including accrued interest, into Atlantis equity as well as the write-down in a note receivable from a prior investment at December 31, 2003.

The Company recorded a foreign exchange loss of \$74,000 in 2004 compared to a loss of \$174,000 in 2003. As Innovium's primary source of income is in the form of US dollars, the Company is vulnerable to fluctuations in the Canadian dollar - US dollar exchange rate. From time-to-time, the Company enters into forward foreign exchange contracts to hedge this foreign currency exposure.

General administrative costs decreased by 5% or \$42,000 year-over-year as the Company continues to closely monitor its discretionary expenditures.

Management believes that it is appropriate to regularly evaluate and analyse the Company's investment portfolio with a view to ensuring that the carrying value of its investments are in line with the fair market value of those investments.

Innovium had net income of \$748,000 for the year ended December 31, 2004 compared to a net loss of \$2,110,000 in 2003.

Full financial results are available on SEDAR at www.sedar.com.

**Table of Highlights of
the Statements of Operations and Deficit and Cash Flows
and the Balance Sheets**

(Expressed in thousands of Canadian dollars, except per share amounts)

	<u>2004</u>	<u>2003</u>
Agri-products revenue	\$ 2,038	\$ 1,773
Unrealized losses on investments	(467)	(3,184)
Interest and dividend income	192	459
General and administrative expenses	782	824
Depreciation and amortization	159	160
Foreign exchange loss	74	174
Earnings (loss) before income taxes	748	(2,110)
Income taxes	---	---
Net earnings (loss)	\$ 748	\$ (2,110)
Basic and diluted earnings (loss) per share	\$ 0.02	\$ (0.06)
Cash provided by operating activities (after changes in non-cash working capital items)	\$ 911	\$ 607
Cash and cash equivalents	\$ 626	\$ 167
Accounts receivable and other assets	1,075	1,379
Investments	5,002	4,428
Capital assets, net	33	33
Total assets	\$ 6,736	\$ 6,007
Accounts payable and accrued liabilities	\$ 82	\$ 126
Notes payable, including accrued interest	\$ ---	\$ 409
Shareholders' equity	\$ 6,654	\$ 5,472
Book value per share	\$ 0.16	\$ 0.15

Innovium Capital trades under the symbol **INV** on the TSX Venture Exchange.

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