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INNOVIUM ANNOUNCES FIRST QUARTER RESULTS

Toronto ... Innovium Capital Corp. reports its results for the first quarter of 2006. Innovium invests in opportunities that are capable of maturing into sustainable equity values. The following updates describe recent noteworthy developments in Innovium's investments:

In the first quarter of 2006, Innovium Capital Corp. ("Innovium" or the "Company") balanced divestitures with new investments. A total of \$1.9 million was generated via the sales of investments, primarily through sales of Atlantis Systems Corp. stock, and \$1.8 million was invested in new and existing opportunities. The lion's share of the capital advanced was invested in **Seed** Media Group LLC ("Seed").

During the last four months, Seed made significant progress in evolving its business model from one that was publishing-centric to one that has digital media as its core. This evolution has assisted in generating a strong and growing advertising sales pipeline. In January, Seed launched www.scienceblogs.com, its newest digital property and the web's largest community dedicated to science. *ScienceBlogs* is a network of the 20 most popular science blogs. In March 2006, Seed's digital network (seedmagazine.com, phylotaxis.com and scienceblogs.com) generated 50% more unique visits than it had in February 2006 and over 60% more page views than it had received in February 2006. Also, phylotaxis.com was nominated for a 2006 Webby Award for Best Navigation.

Currently Seed's fifth issue of *Seed* magazine (June/July 2006) is being prepared for press and initial sales results of the fourth issue (on the stands now) appear to be strong. As a barometer of acceptance, sales of the third issue at Barnes & Noble increased by 41% over sales of the second issue. In addition, *Seed* was selected for the 2006 Best American Science and Nature Writing anthology, published by Houghton Mifflin.

CablesEdge Software Inc. ("CablesEdge"), another investment capital recipient from Innovium, has been aggressively marketing its *Voice-on-the-Go*[™] interactive voice access to your desktop solution. CablesEdge recently exhibited at 3GSM in Barcelona in February 2006 and at CTIA in Las Vegas in April 2006. CablesEdge has three more events planned for May 2006. These events have generated significant interest and a tremendous number of leads from around the world. To actively pursue and manage these leads, CablesEdge has hired two additional business development executives.

As a result of its intense marketing activity, CablesEdge is in discussions with carriers and retailers in the UK, Canada, USA, Europe and Australia regarding internal trial implementations. To support these trial activities a production-hosting centre with a major commercial outsourcing partner is in the process of being established.

During the first quarter, **First Person Plural** Inc. ("FPP") began public promotion of its internet targeting technology, *Witness*SM, and its core advergaming title, *HumanLimit*[™], to the advertising industry. Player pre-registration for HumanLimit has begun as development of this interactive global on-line competition progresses.

...2/

As expected, and as previously disclosed by Innovium, the Company's agri-products revenue stream after January 2005 declined to more modest levels. Innovium's revenue source from Lallemand has historically consisted of 15% of Lallemand's Levucell sales in Europe and North America. In accordance with Innovium's agreement with Lallemand signed in 1999 (the "Lallemand Agreement"), as of February 1, 2005, this payment is now computed as 2.5% of worldwide Levucell sales. As the market for Levucell has not yet been developed much beyond Europe and North America, Innovium's revenue stream experienced an expected significant decline. As a result, Agri-products revenue declined to \$116,000 in the first quarter of 2006 compared to \$489,000 for the first quarter of 2005. Management expects agri-products revenues to gradually increase over the upcoming 24 years of the Lallemand Agreement as Lallemand continues to expand its sales of Levucell-based products around the world. Based on conversations with Lallemand's management and on Lallemand's recent achievements in receiving permanent European Union approval for Levucell SC, Innovium has every confidence in Lallemand's ability to continue to grow Levucell sales, thus increasing the payments due to Innovium.

In the first quarter of 2006, the Company sold 1,928,800 shares of Atlantis Systems Corp. ("Atlantis") for proceeds of \$1,146,000 resulting in a gain of \$79,000 (first quarter 2005 - no gains or losses were realized).

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 value of those investments. Unrealized losses booked in the first quarter were \$578,000 compared to unrealized gains of \$3,772,000 in the first quarter of 2005. The first quarter losses on investments was made up as follows: a gain of \$60,000 related to Duran Ventures Inc. ("Duran"); a \$16,000 foreign exchange gain related to its investment in Seed; a \$1,500 gain related to CablesEdge; a \$17,500 loss related to Dentonia Resources Ltd. ("Dentonia"); and a \$638,000 loss related to the decline in the market value of Atlantis' shares on the Toronto Stock Exchange. In 2005, the \$3,772,000 unrealized gain was due primarily to an increase in the market value of Atlantis' shares.

Due to the volatility of Atlantis', Dentonia's and Duran's stock in the market, and the fact that Innovium revalues these investments quarterly based on their stock prices, future significant quarterly unrealized gains or losses may occur. While these gains and losses are unrealized, they are indicative of the potential gains realizable on Innovium's investments in Atlantis, Dentonia and Duran.

Interest and dividend income increased as a result of dividends accrued on Seed preferred shares and interest charged on advances to FPP and CablesEdge.

Compared to the first quarter of 2005, the Company experienced a \$51,000 decrease in general and administrative costs during the first quarter of 2006. While Innovium's Directors do not receive a normalized fee, in January 2005 non-management Directors received an aggregate of \$33,000 for services rendered. The Directors did not receive cash remuneration in the first quarter of 2006. In the first quarter of 2005, Innovium granted stock options as noted above. An expense of \$56,000 was recorded related to the vesting of these options. No stock options were granted in 2006. Innovium experienced a net increase of \$46,000 in professional fees as a result of tax and general advisory work as well as brokerage fees on the sale of the Atlantis shares. Innovium also accrued \$6,000 in interest due on its note payable that did not exist in the first quarter of 2005. The balance of the net decrease is attributable to the timing of expenses year-over-year.

For the three months ended March 31, 2006, the Company recorded a negative operating cash flow, after changes in non-cash working capital items, of \$180,000 compared to positive operating cash flow of \$374,000 recorded in the same period in 2005. The change is attributable to the decline in cash receipts from agri-products revenue year-over-year.

Innovium had a 2006 first quarter loss of \$647,000 compared to earnings of \$3,918,000 in the first quarter of 2005.

... 3/

Table of Highlights of the Financial Statements

	<u>Three months ended</u>	
	<u>Mar. 31, 2006</u>	<u>Mar. 31, 2005</u>
<i>(Expressed in thousands of Canadian dollars, except per share amounts)</i>		
Agri-products revenue	\$ 116	\$ 489
Gains on investments	79	---
Unrealized gains (losses) on investments	(578)	3,772
Interest and dividend income	50	2
General and administrative expenses	306	357
Depreciation and amortization	2	2
Foreign exchange loss (gain)	6	(14)
Earnings (loss) before income taxes	(647)	3,918
Income taxes	---	---
Net earnings (loss)	\$ (647)	\$ 3,918
Net earnings (loss) per share	\$ (0.01)	\$ 0.09
Cash provided by operating activities (after net change in working capital balances)	\$ (180)	\$ 374

	<u>As at</u>	
	<u>Mar. 31, 2006</u>	<u>Dec. 31, 2005</u>
<i>(Expressed in thousands of Canadian dollars)</i>		
Cash and cash equivalents	\$ 838	\$ 889
Accounts receivable and other assets	258	278
Short-term investments	3,251	977
Total current assets	\$ 4,347	\$ 2,144
Venture investments	4,032	6,891
Capital assets, net	30	32
Total assets	\$ 8,409	\$ 9,067
Accounts payable and accrued liabilities	\$ 132	\$ 150
Total current liabilities	\$ 132	\$ 150
Notes payable	\$ 370	\$ 363
Shareholders' equity	\$ 7,907	\$ 8,554

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

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

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.