

GROWTHWORKS

GrowthWorks Canadian Fund and CMDF Finalize Merger

GrowthWorks Canadian Fund and Canadian Medical Discoveries Fund (CMDF) are pleased to announce the successful completion of this merger effective May 22nd, 2009. To read the full news release click [here](#).

Trades of the Merger Shares will commence today on Monday, May 25, 2009. The Merger Shares will be priced weekly on the last business day of the week, with the first pricing date on Friday, May 29, 2009. **Please contact our Client Services department to accurately calculate redemption amounts at 1-800-268-8244 or client.services@growthworks.ca.**

In order to allow GW to more accurately forecast and manage its liquidity post-merger, the Merger Shares distributed to CMDF shareholders will be subject to a permitted redemption schedule as finalized below:

- (i) up to 11.74% of the shareholder's Merger Shares* during the first year after the Merger Effective Date;
- (ii) up to 15% of the shareholder's Merger Shares* during the second year after the Merger Effective Date; and
- (iii) up to 20% of the shareholder's Merger Shares* during the third year after the Merger Effective Date.

*Calculated based on the number of Merger Shares held as at the Merger Effective Date. Percentages are not cumulative.

Units held for less than 8 years.

These units will be subject to the normal DSC and tax credit clawback amounts.

Example 1:

In year one the percentage of permitted redemption is up to 11.74%. If on the merger date, a shareholder has 1,000 eligible units (post-8 year hold) he is eligible to redeem 11.74% or 117 units.

In year two, the same shareholder would be eligible to redeem an additional 15% - or 150 units.

In year three, the same shareholder would be eligible to redeem an additional 20% or 200 units.

For shareholders who prefer to redeem additional units to those in the permitted redemption schedule, a redemption fee payable to the Fund equal to 35% of the redemption proceeds applies to those additional units during the three years following the Merger Effective Date.

Example 2:

If the share price on redemption date is \$8.67/share and a shareholder wished to redeem all his 1,000 eligible units, the redemption fee of \$2,680 is calculated as follows: (Calculation based on 883 units as 11.74% of the units redeemed are not subject to the redemption fee)

$$883 \times \$8.67 = \$7,656$$

$$\$7,656 \times 35\% = \$2,680$$

The value resulting from redemption fees paid to GW Canadian Fund will be allocated among all Series of Class A Shares of GW Canadian Fund on a proportionate basis. This redemption fee will not apply in cases:

- (a) where federal and/or provincial RVC tax credits must be repaid as a result of the redemption;
- (b) of hardship exceptions to such repayment requirements under Ontario's CSBIF legislation; and

The percentages in the **Permitted Redemptions** are not cumulative. A former CMDF shareholder may execute the specified Permitted Redemptions during each one year period, however may not carry-forward unexecuted Permitted Redemptions from one period to the next. All redemptions of Merger Shares will be subject to other applicable fees and tax withholdings.

If a redeeming holder's Merger Shares correspond to CMDF shares purchased on more than one occasion, Merger Shares will be redeemed on a first in first out basis such that Merger Shares that correspond to CMDF shares purchased first will be redeemed first.

This document does not constitute an offer or a solicitation to buy the securities referred to herein and is to be read in conjunction with the most current prospectus (and any amendments thereto) of the Fund. GrowthWorks refers to affiliates of GrowthWorks Ltd. and includes: GrowthWorks Capital Ltd, manager of the Working Opportunity Fund (EVCC) Ltd.; GrowthWorks WV Management Ltd., manager of GrowthWorks Canadian Fund Ltd. and GrowthWorks Commercialization Fund Ltd.; and GrowthWorks Atlantic Ltd., manager of GrowthWorks Atlantic Venture Fund Ltd. GrowthWorks is a registered trademark of GrowthWorks Capital Ltd.