

GROWTHWORKS | *access fund*

Financial Statements

Year ended December 31, 2004
and Auditor's Report

Report to Shareholders

We are pleased to report that GrowthWorks Access Fund is progressing well in terms of investment activity and we are confident the Fund has further growth potential given time and market opportunity. Two-thirds of the portfolio's information technology companies are generating significant sales revenue as are two of the life sciences companies. Other life sciences companies are reporting solid progress with their drug trials.

As we reported to the Limited Partners in 2003, we do not anticipate making any new investments and will support existing portfolio companies so that they can continue to grow and develop. We are actively managing the Fund in the expectation that it will realize solid gains over the normal venture capital cycle.

On April 29, 2005, Celator Technologies, a GrowthWorks Access Fund portfolio company, closed a US\$40M round of financing lead by three US-based venture capital funds and supported by existing investors, like the GrowthWorks Access Fund.

Celator is developing new combination chemotherapies, which make it possible to identify and "lock in" the precise ratio of chemotherapy agents that can produce combination therapies with potentially significantly enhanced effectiveness.

In the information technology portion of the portfolio, Bycast Inc., together with partner, HP, closed a large contract with Banner Health to supply a medical imaging storage solution.

The Fund has an initial term of five years. As stated in the Offering Memorandum, this term can be extended by up to three additional one-year periods if the Fund's investment and divestment program is not yet substantially complete. At this time, the Fund's general partner intends to extend the term for at least a one-year period. We will notify Limited Partners in late fall 2005 to clarify the status of the Fund's term.

GrowthWorks Access GP I Ltd., the General Partner, will continue to review the Fund's portfolio throughout the year to assess the progress of the investment and divestment program. In venture investing, as companies mature, exit opportunities are usually through an Initial Public Offering (IPO) or by the company being acquired in a merger.

Both these scenarios present opportunities for the Access Fund to realize value on its investments. While several investee companies are still in early stages of development, we are encouraged by the recent increased activity in the IPO and merger markets compared to the previous few years. Over \$84 million was raised by our portfolio companies in 2004 indicating significant interest in venture capital investing from the private equity sector.

Thank you for your interest and continued support of the GrowthWorks Access Fund.



David Levi, President & CEO
GrowthWorks Access GP I Ltd.
General Partner of GrowthWorks Access Fund Limited Partnership

Report on Progress

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP

December 31, 2004

Access Fund Portfolio

The Access Fund made 'follow-on' investments, totalling \$1.7 million in nine portfolio companies in 2004 to support the Fund's initial investments. This money helps these companies to develop their products and business strategies as they grow and mature. In the three financings listed below, the Fund was part of a larger syndicate (two or more partners). The benefit of such syndicated financings is that the companies received more money while the risk is shared among several venture capital funds

CellFor Inc.

Financing date: May 2004

Total raised: \$10 million

CellFor, founded in 1999, has developed a patented process, called somatic embryogenesis, to clone tree seedlings for the forest industry. With this process, CellFor can replicate thousands, even millions, of seeds from the most productive trees. This financing helped the company expand to meet the production requirements of its customers in the forest industry.

Twinstrand Therapeutics, Inc.

Financing date: March 2004

Total raised: \$10 million

Twinstrand Therapeutics, Inc. is developing anti-cancer therapeutics using a toxic substance called ricin. This financing allowed Twinstrand to finish preclinical testing and development of its main anticancer drug candidate. On April 27, 2005 Twinstrand announced the initiation of pre-clinical trials to be conducted at Princess Margaret Hospital in Toronto.

Axonwave Software, Inc.

Financing date: September 2004

Total raised: \$8 million

Axonwave Software, Inc. has developed software that uses natural language to streamline claims processing by health insurers and helps them to control costs and identify fraudulent claims. This latest investment has helped Axonwave expand its sales, marketing and services operations and programs.

Auditors' Report

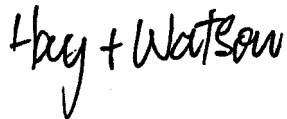
To the Partners of GrowthWorks Access Fund Limited Partnership

We have audited the statements of net assets of GrowthWorks Access Fund Limited Partnership as at December 31, 2004 and 2003, the statement of investment portfolio as at December 31, 2004 and the statements of operations, of deficit and of cash flows for each of the years in the two year period ended December 31, 2004. These financial statements are the responsibility of the General Partner (GrowthWorks Access GP I Ltd.). Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial positions of the Partnership as at December 31, 2004 and 2003 and the results of its operations and its changes in cash flows for each of the years in the two year period ended December 31, 2004 in accordance with Canadian generally accepted accounting principles.

As a result of the revision of the definition of generally accepted accounting principles by the Canadian Institute of Chartered Accountants, the Partnership changed its accounting for deferred organization costs on a prospective basis as of January 1, 2004. The effect of this change is described in Note 2 to the financial statements.



Chartered Accountants

Vancouver, British Columbia
February 1, 2005

Statements of Net Assets

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP

December 31

	2004	2003
ASSETS		
Cash	\$ 40,695	\$ 88,234
Investments, at estimated fair value (cost 2004—\$8,066,534; 2003—\$8,508,762) (Note 2)	6,081,156	7,629,232
Accounts receivable	251	169
Deferred organization costs, net of amortization in 2003 of \$552,726 (Note 2)	—	411,087
	<u>6,122,102</u>	<u>8,128,722</u>
LIABILITIES		
Accounts payable and accrued liabilities	<u>105,233</u>	<u>7,190</u>
NET ASSETS	<u>\$ 6,016,869</u>	<u>\$ 8,121,532</u>
PARTNERS' EQUITY		
Issued and fully paid partnership units	\$ 10,100,010	\$ 10,100,010
Capital repayment	(300,000)	—
Deficit	(1,167,833)	(1,098,948)
Unrealized depreciation of investments (Note 2)	<u>(2,615,308)</u>	<u>(879,530)</u>
	<u>\$ 6,016,869</u>	<u>\$ 8,121,532</u>
NUMBER OF PARTNERSHIP UNITS	<u>1,010,001</u>	<u>1,010,001</u>
NET ASSET VALUE PER PARTNERSHIP UNIT (Note 2)	<u>\$ 5.96</u>	<u>\$ 8.04</u>

Approved by the Director of the General Partner
Growth Works Access GP I Ltd.



Statements of Operations

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP
Years ended December 31

	2004	2003
INVESTMENT INCOME		
Interest	\$ 26,412	\$ 93,767
EXPENSES		
Filing fee	—	750
Foreign exchange loss	4,339	—
Management fee (Note 3)	211,662	231,587
Miscellaneous	270	150
Organization cost amortization	—	192,763
Professional fees	6,000	6,000
	<u>222,271</u>	<u>431,250</u>
INVESTMENT LOSS	(195,859)	(337,483)
REALIZED GAIN (LOSS) FROM SALE OF INVESTMENTS	<u>538,061</u>	<u>(349,000)</u>
UNREALIZED DEPRECIATION OF INVESTMENTS	<u>(1,735,778)</u>	<u>(253,870)</u>
DECREASE IN NET ASSETS FROM OPERATIONS	<u>\$ (1,393,576)</u>	<u>\$ (940,353)</u>

Statements of Deficit

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP

Years ended December 31

	2004	2003
DEFICIT, Beginning of Year	\$ (1,098,948)	\$ (412,465)
Investment loss	195,859	337,483
Realized gains (losses)	538,061	(349,000)
Write-off of deferred organization costs at January 1, 2004 (<i>Note 2</i>)	<u>(411,087)</u>	<u>—</u>
DEFICIT, End of Year	<u><u>\$ (1,167,833)</u></u>	<u><u>\$ (1,098,948)</u></u>

Statements of Cash Flows

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP

Years ended December 31

	2004	2003
Cash Flows From (Used In) Operating Activities		
Interest received	\$ 26,330	\$ 93,465
Cash paid for services	(124,228)	(237,297)
	<u>(97,898)</u>	<u>(143,832)</u>
Cash Flows From (Used In) Investing Activities		
Acquisition of investments	(1,698,469)	(2,138,706)
Sale of investments	918,549	—
Sale of marketable securities	1,130,279	2,308,706
	<u>350,359</u>	<u>170,000</u>
Cash Flows Used In Financing Activities		
Capital repayment	<u>(300,000)</u>	<u>—</u>
(DECREASE) INCREASE IN CASH	(47,539)	26,168
CASH, Beginning of Year	<u>88,234</u>	<u>62,066</u>
CASH, End of Year	<u>\$ 40,695</u>	<u>\$ 88,234</u>

Statement of Investment Portfolio

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP

December 31, 2004

Venture Investments			Unrealized Appreciation (depreciation)	Estimated Fair Value 2004	Estimated Fair Value 2003
Investee companies	Debt at cost	Equity at cost			
Advanced Manufacturing					
Cellex Power Products Ltd.	\$ —	\$ 288,000	\$ (205,241)	\$ 82,759	\$ 165,517
Heatwave Technologies Inc.	36,025	288,200	(324,225)	—	144,100
JGKB Photonics Inc.	—	216,150	(90,063)	126,087	216,150
	<u>36,025</u>	<u>792,350</u>	<u>(619,529)</u>	<u>208,846</u>	<u>525,767</u>
Life Sciences					
Ability Biomedical Corp.	—	—	—	—	216,150
Celator Technologies Inc.	100,000	356,260	—	456,260	356,260
Cellfor Inc.	248,440	356,261	(50,994)	553,707	428,311
Neuromed Technologies Inc.	—	329,996	—	329,996	329,996
Protiva Biotherapeutics Inc.	108,000	593,769	(189,258)	512,511	404,511
Stressgen Biotechnologies Inc.	—	172,920	(155,420)	17,500	68,334
Twinstrand Therapeutics Inc.	—	605,676	3,825	609,501	249,501
Xillix Technologies Corp.	—	181,599	670,766	852,365	1,271,208
5267 Investments Ltd.	—	5	—	5	—
	<u>456,440</u>	<u>2,596,486</u>	<u>278,918</u>	<u>3,331,845</u>	<u>3,324,271</u>
Information Technology					
Antarti.ca Systems Inc.	—	169,024	(22,099)	146,925	84,524
Axonwave Software Inc.	—	1,044,480	(268,831)	775,649	478,336
Bycast Inc.	—	626,181	—	626,181	626,181
Colligo Networks Inc.	—	317,386	(277,557)	39,829	123,533
Correlation Technologies Inc.	—	429,224	(429,224)	—	—
Quadrus Financial Technologies Inc.	31,451	356,261	(178,130)	209,582	356,261
Silicon Chalk Inc.	91,220	644,789	(702,430)	33,579	256,950
Tap Solutions Inc.	14,410	381,865	(396,275)	—	14,410
	<u>137,081</u>	<u>3,969,210</u>	<u>(2,274,546)</u>	<u>1,831,745</u>	<u>1,940,195</u>
	<u>\$ 629,546</u>	<u>\$ 7,358,047</u>	<u>\$ (2,615,157)</u>	<u>\$ 5,372,436</u>	<u>\$ 5,790,233</u>
Marketable Securities					
	Type of Investment	Maturity date	Par value		
Bankers' Acceptances					
First Bank	B/A	February 7, 2005	485,100	483,805	—
HSBC	B/A	March 21, 2005	226,200	224,915	—
CIBC	B/A	January 7, 2004	1,016,000	—	1,015,390
Bank of Nova Scotia	B/A	January 14, 2004	439,700	—	439,203
Bank of Nova Scotia	B/A	February 24, 2004	386,000	—	384,406
Marketable securities, at estimated fair value				<u>708,720</u>	<u>1,838,999</u>
Investments, at estimated fair values				<u>\$ 6,081,156</u>	<u>\$ 7,629,232</u>

Notes to Financial Statements

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP

December 31, 2004

1. Organization and Operations

Growth Works Access Fund Limited Partnership (the "Partnership") was formed on September 15, 2000 under the laws of the Province of British Columbia. Growth Works Access GP I Ltd. is the General Partner. Except for the General Partner and any limited partner who participates in the management of the Partnership, the liability of the partners is restricted to their investment in the Partnership.

The Partnership is in the business of making direct or indirect investments in Canada and the United States, with a particular emphasis on early stage information technology, life sciences and advanced manufacturing companies.

During the period ended December 31, 2001, the Partnership issued 1,010,001 limited partnership units to persons resident in the provinces of British Columbia and Alberta at \$10.00 per unit. Each unit represents an equal undivided interest in the net assets of the Partnership. The Partnership will have an initial term of five years, which may be extended by up to three additional one year periods by the General Partner if it considers that the Fund's investment and divestment program is not substantially complete.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles, which include the following significant policies:

General

These financial statements include only the assets, liabilities, revenue and expenses of the Partnership and not those of the General or Limited Partners.

There is no provision for income taxes as Partnership income is taxed in the hands of the partners.

Accounting Change

In July 2003 the Accounting Standards Board of the Canadian Institute of Chartered Accountants revised the definition of generally accepted accounting principles ("GAAP"), excluding industry practice as an authoritative source of GAAP. The Partnership had, in accordance with industry practice, deferred and amortized costs incurred for the organization of the Partnership, which included all costs related to the formation of the Partnership, including regulatory costs, commissions and other fees paid for the issue of units and the marketing of the units of the Partnership prior to the commencement of operations, on a straight line basis over the initial five year term of the Partnership (*Note 1*). The revision of the definition of GAAP no longer allows the deferred organization costs to be recorded as an asset and, as of January 1, 2004, the Partnership wrote off the unamortized balance of deferred organization costs of \$411,087 to retained earnings. The net asset value per partnership unit at January 1, 2004 calculated in accordance with the new recommendation was \$7.63.

Investments

Marketable securities are recorded at their estimated fair values. Gains or losses on disposition of marketable securities are recorded in operations and retained earnings when realized. Unrealized appreciation or depreciation of marketable securities is recorded in partners' equity.

Venture investments are recorded at cost for one year from the date the investment is made, unless there is a transaction within that year which establishes a different value for the investment or there is a significant change within that year in the Fund's expectations of the investment. After one year from the date of the investment, venture investments are recorded at their estimated fair values. Unrealized appreciation or depreciation of venture investments is recorded in partners' equity.

Notes to Financial Statements (continued)

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP

December 31, 2004

2. Significant Accounting Policies (continued)

Estimated fair values for investments are determined using the following methods:

- marketable securities - on the basis of adjusted year end market quotations
- venture investments which are publicly traded or can be converted to publicly traded securities – on the basis of market quotations, adjusted for factors affecting the orderly disposition of the investment
- venture investments which are not publicly traded - on the basis of generally accepted valuation methods which best and most objectively reflect the expected value that would be agreed upon in an open and unrestricted market between fully informed, knowledgeable and willing parties dealing at arm's length and without constraints.

The estimated fair value of venture investment share purchase options and contracts for the future sales of venture investments is the gain or loss that would be realized if, on the date of the valuation, the position in the option or futures contract was closed out. The unrealized gains or losses on options and futures contracts are reported as part of the unrealized appreciation or depreciation of investments until the contracts are closed out.

The process of valuing venture investments for which no public market exists is based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the venture investments. These differences could be material to the fair value of the Partnership portfolio.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires estimates and assumptions that affect the reported amount of certain assets and liabilities at the date of these financial statements and the reported amounts of certain revenue and expenses during the year. Actual results may differ from those estimates.

3. General Partner Fees and Allocations

Pursuant to the agreement dated November 1, 2000 between the Partnership and the General Partner, the Partnership has agreed:

- To pay to the General Partner a monthly management fee equal to one-twelfth of 2.75% of the net asset value of the Partnership on the last day of each month.
- To allocate to the General Partner from Partnership income and pay annually a performance share equal to 20% of the returns in excess of an annually compounded threshold return of 10% of the weighted average of the Partnership's contributed capital, less any performance share paid in respect of investments in other venture investment funds and less any performance share paid in previous years. If the return in a year falls short of the threshold, the difference between the return and the threshold will reduce the performance share payable to the Company in subsequent years. If the Partnership does not have sufficient cash to fully pay the performance share in any year, a portion may be deferred and added to the performance share in subsequent years. No performance share was paid in 2004 and 2003.

Notes to Financial Statements (continued)

GROWTHWORKS ACCESS FUND LIMITED PARTNERSHIP

December 31, 2004

4. Agreements

Growth Works Ltd., the parent company of the General Partner, and Working Opportunity Fund (EVCC) Ltd. ("WOF"), have entered into a co-investment agreement, pursuant to which the Partnership may invest a proportionate amount in an investment concurrently with an investment made by WOF, to an aggregate maximum of \$60 million, \$30 million in each of the technology and life sciences sectors.

The Partnership entered into an agency agreement with Odium Brown Ltd., Canaccord Capital Corporation, Raymond James Ltd. and United Capital Securities Inc. to act as the lead agents for the sale of Partnership units. A commission equal to 1% of the gross proceeds was paid to the lead agents. A 5% sales commission on subscriptions procured by the lead agents or by other qualified dealers and adviser firms appointed by the lead agents was also paid. In addition, the Partnership paid the lead agents reasonable legal fees and disbursements and certain travel expenses incurred in connection with the sale of Partnership units.

5. Related Party Transactions

The Partnership paid management fees of \$211,662 (2003 - \$231,587) to the General Partner during the year ended December 31, 2004.

6. Financial Instruments

Canadian generally accepted accounting principles require disclosure of the fair value of financial instruments. The Partnership's assets and liabilities are carried at (*Note 2*) or approximate their fair values at December 31, 2004.

7. Comparative Figures

The comparative figures have been reclassified as necessary to conform to the presentation used in the current year.

Corporate Contact Information

Investor and Investment Dealer Relations

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