Management Report of Fund Performance

For the period ended February 28, 2011

GrowthWorks Canadian Fund Ltd.

Growth Series – Commission I

Growth Series – Commission II

FOF Growth Series (since July 14, 2006 merger date)

Performance Diversification Know-How

This interim management report of fund performance contains financial highlights but does not contain either interim or annual financial statements for these series of GrowthWorks Canadian Fund Ltd. (the “Fund”) Class A Shares. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling toll free 1-800-268-8244, by writing to us at Suite 2200 Exchange Tower, 130 King Street West, PO Box 422, Toronto, Ontario, M5X 1E3 or by visiting our website at www.growthworks.ca or SEDAR at www.sedar.com. Shareholders may also contact us using one of these methods to request a copy of the Fund’s proxy voting policies and procedures, or proxy voting disclosure record. Unless otherwise stated, all information in this report relates only to GrowthWorks Canadian Fund Ltd., Growth Commission I, Growth Commission II and FOF Growth Series. These series are referred to collectively in this report as the “Growth Series” or “Series”. Where information is presented for all Series, individual Series information may vary slightly due to different cost and fee structures.

In this report “NAV per share” means the price for purchasing, redeeming or switching shares of the Fund calculated in accordance with the Fund’s valuation policies and procedures and “net asset value” or “NAV” means the total NAV of all Class A Shares of the Fund, or where referring to a particular series of shares, then the total NAV of only that series of shares. NAV per share may include the unamortized balance of selling costs incurred in respect of Series shares (or Merged Fund shares). In this report, “net assets” refers to net assets determined in accordance with Canadian generally accepted accounting principles (GAAP), as presented in the financial statements of the Fund.

Our manager (the “Manager”) is GrowthWorks WV Management Ltd. and our principal distributor is GrowthWorks Capital Ltd. Our Manager and principal distributor form part of the venture capital operating division of Matrix Asset Management Inc. which manages several retail venture capital funds (RVCs) across Canada. The Manager assumed management of the Fund as of November 29, 2002.The Fund completed a merger with Capital Alliance Ventures Inc. (“CAVI”) and Canadian Science and Technology Growth Fund Inc. (“CSTGF”) on November 29, 2005, with First Ontario Labour Sponsored Investment Fund Ltd. (“FOF” or “First Ontario Fund”) on July 14, 2006, with ENSIS Growth Fund Inc. (“ENSIS”) on October 24, 2008 and with Canadian Medical Discoveries Fund Inc. (“CMDF”) on May 22, 2009 (the “Merged Funds”).

Forward looking statements: This report contains forward looking statements. These statements primarily relate to assessments of the targeted timing of exits (also referred to as divestments) from the Fund’s venture investment portfolio, future economic and market conditions and the adoption of International Financial Reporting Standards (“IFRS”). Such information has been included to assist readers with assessing the maturity of the Fund’s venture portfolio, recent developments in the Fund's operating climate and possible future developments that may affect Fund performance. All forward looking statements are based on management’s current beliefs and assumptions which are subject to numerous risks and uncertainties. Statements with respect to targeted timing of and proceeds from venture portfolio exits are based on management’s beliefs and assumptions with respect to a range of factors, including M&A and IPO market conditions generally and within the sectors in which portfolio companies operate, market potential of technologies and products under development or offered by portfolio companies, the management, intellectual property rights, performance and stage of development of portfolio companies and the portfolio companies’ need for and access to further financing. While management considers such beliefs and assumptions to be reasonable based on information currently available to it, no assurance can be given that such beliefs and assumptions will prove to be correct or with respect to the actual timing of or proceeds from venture portfolio exits. Events or circumstances may cause actual results to differ materially from those expressed or implied by such forward looking statements as a result of numerous known and unknown risks and uncertainties, including, but not limited to, those associated with economic and market conditions, including M&A and IPO market conditions, portfolio companies’ development and achievement of milestones for developing products, technologies or services, including those for which markets are not yet established and may never be established, access to needed financing, portfolio companies’ ability to attract and retain key management and employees and establish and protect intellectual property rights, and other risks identified in the Fund’s prospectus. Most of these factors are beyond the control of the Fund and its Manager. Neither the Fund nor its Manager assumes any obligation to update any of the forward looking statements made in this report.

Results of Operations

Net Asset Value (NAV)

Total NAV for these Series closed at $16.59 million for the period compared to $17.89 million at year end. The decrease in NAV was primarily the result of redemption activity of $357,000 and a net realized loss on the sale of venture investments of $843,616. These were partially offset by subscription activity of $217,370 and unrealized appreciation of $338,598 on venture investments.

Revenue, Expenses and Management Expense Ratio ("MER")

Total investment income for the period was $89,000 (Feb 28, 2010: $144,000). This decrease was primarily the result of lower interest income earned on both short term investments and venture investments as a result of a general downward trend in realizable market interest rates for short-term products.

Total operating expenses for the period were $832,000 (Feb 28, 2010: $610,986). The Fund's primary expenses are management fees and administration fees. As management fee and administration fee expenses are based on fixed percentages of NAV as outlined in the management agreement between the Fund and its Manager, the expectation may be that expenses will increase or decrease relative to the increase or decrease in NAV for the period. However, the seasonal nature of the sales and redemption cycles of investment funds such as the Fund means that NAV may be lower or higher for a significant portion of the period than the NAV at the end of the period. As a result, changes in management fee and administration fee expenses may not change relative to the change in NAV at the end of the period. Other expenses including trailer fees and Participation Transaction related expenses were also incurred by the Series. The reported changes in expenses are consistent with the changes in NAV and other expenses for the Series over the period. See "Participation Transaction" and "Management Fees" below.

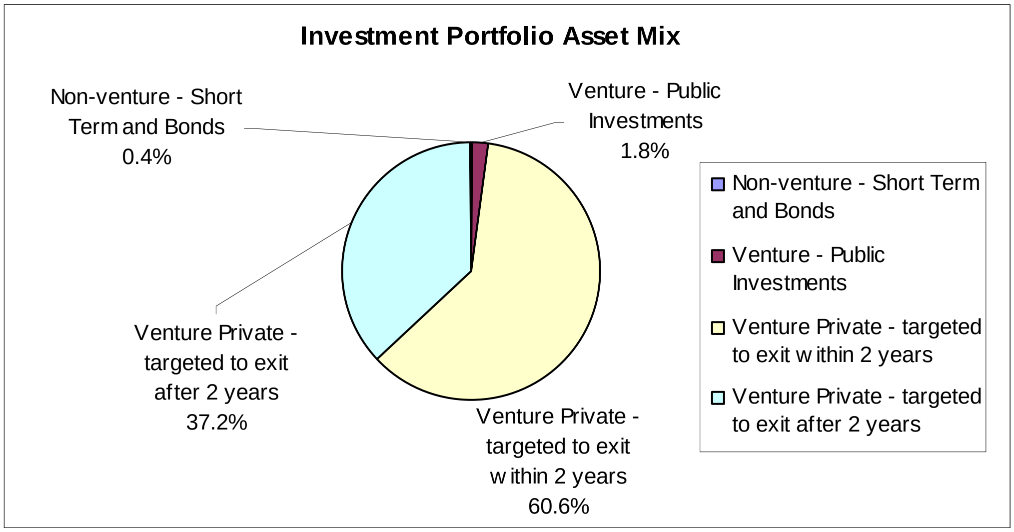
Operating MER (before IPA and participation liability) for the period was 6.47% for Commission I, 6.74% for Commission II and 5.67% for FOF Growth (Feb 28, 2010: 6.07%, 6.15% and 5.51%). See "Financial Highlights" below. Increases in total MER primarily flowed from the increased expense associated with initiation of the Harmonized Sales Tax ("HST") on July 1, 2010 by the Ontario government on management and administration fees.

Liquidity

We monitor and manage liquidity at the Fund level based on activities that draw on liquidity, the capital raised and realized and unrealized appreciation or depreciation of investments. Activities that draw on liquidity are (1) new and follow-on venture investments, (2) management fees, operating expenses, financing expenses and other commitments, and (3) redemptions of Class A Shares, in particular shares that may be redeemed without repayment of tax credits or payment of an additional redemption fee. Liquidity coverage at the Fund level is presently estimated to be sufficient to meet current and projected cash requirements. In accordance with the requirements of the Manitoba *Labour-Sponsored Venture Capital Corporations Act*, the Fund has adopted a Reserves Policy and is actively monitoring its liquidity position.

Investment Portfolio

The overall asset mix of these Series, as a percentage of the investment portfolio is set out below:



While in certain instances the Fund, on its own or together with co-investors, may hold contractual rights by which an exit may be initiated, in other instances the timing of exits is beyond the Fund's control. Exits will also depend on M&A and IPO market conditions generally and within the sectors in which portfolio companies operate. Current carrying values of the Fund's investments may not reflect the amounts for which they can actually be sold. Statements made with respect to investments targeted to exit within two years are classified based on the Manager's current beliefs and assumptions. See "Forward looking statements" above.

All series of the Fund's Class A Shares share in the same venture investment portfolio. Venture investments made during the period (excluding debt repayment restructuring) amounted to $8.01 million and, based on cost, bring the total current value of this portfolio, net of divestments and unrealized appreciation and depreciation, to $249.10 million. The following venture investments were made or acquired during the period:

Ambit Biosciences (Canada) Corp.	Octopz Inc.
BTI Systems Inc.	OneChip Photonics Inc.
CanPro Ingredients Ltd.	Peerset Inc.
Kibboko Inc.	Perspecsys Inc.
Kraus Global Inc.	Spectral Diagnostics Inc.
LibreStream Technologies Inc.	Viron Therapeutics Inc.
Morega Systems Inc.	

In addition, the Fund fully or partially divested from a number of venture investment holdings during the period, generating gross proceeds of $21.81 million and resulting in a net realized loss of $6.24 million, which was shared proportionately among all series of the Fund's Class A Shares. The Fund's remaining venture investment portfolio experienced an unrealized depreciation of $1.15 million over the period which was shared proportionately among all series of the Fund's Class A Shares.

The aggregate size of the Fund's venture investment portfolio decreased by $22.47 million during the period, a net decrease of 8.27% from the prior year-end, and was largely the result of portfolio dispositions. The public venture portfolio accounted for 5.5% of the Fund's net losses for the period and was affected by mostly by one public-company holding, OMT Inc., whose value was impacted by a proposed third-party financing transaction. While the value of the venture investment portfolio decreased during the period, reductions in the short-term investments and investments made in accordance with the Series investment focus ("Directed Funds")resulted in an increase in the percentage of NAV held in venture investments.

The continuing decline in overall venture capital supply and the volatility of initial public offering ("IPO") and merger and acquisition ("M&A") activity for technology and life sciences based companies has affected the Fund's ability to realize gains on a number of its investments. However, the nascent recovery in capital markets is stimulating higher levels of M&A activity as compared to the prior comparable period. As an example, one of the successful venture dispositions from the Fund during the period was the strategic acquisition of Cengea Solutions Inc. by NASDAQ-listed Trimble Navigation Limited for an undisclosed sum. In addition, the revenue growth and financial performance achieved by the investee companies in the Fund's venture portfolio was generally positive over the period with some exceptions. In particular, there are a number of investments that continue to demonstrate the potential for strong investment returns.

Short-term investments are comprised of investments in bonds and deposits, which may include high quality debt instruments. The Series currently holds $59,510 in short term investments. The portfolio decreased by $806,346 during the period due primarily to divestments of short-term investments to meet operational commitments and to fund investments in the venture portfolio.

In keeping with the Directed Funds investment strategy, these Series may invest in index notes ("Index Notes") such as the S&P/TSX Capped 60 Total Return Index Notes. Notes of this nature contribute to the returns of the series through capital appreciation or depreciation of the notes based on market fluctuations. At period end, the Series did not hold any Index Notes. Total net gains and revenue generated by Directed Funds investments have resulted in an increase in NAV of $796,849 since the investment strategy was implemented. The level of Directed Funds of the Series fluctuates based on a number of factors, including capital raising and levels of redemption, investment and divestment activity within the Fund. The Fund expects to re-invest in such Directed Funds investments as and when operating needs permit.

Investment Pacing

As at the end of the period, the Fund is current with applicable investment pacing requirements. Investment pacing requirements are described in detail in the Fund's prospectus.

SUMMARY OF INVESTMENT PORTFOLIO

We seek to maximize returns by investing in high growth potential companies across a range of sectors and we seek to reduce the risks typically associated with venture investments by diversifying our portfolio. Our manager applies a "true" venture capital investing strategy by assembling a diversified portfolio of businesses in different regions, sectors and stages of development, implementing a disciplined investment strategy and adding value to those portfolio companies typically by participating on boards of directors, assisting in recruiting key personnel, securing additional financing and helping to formulate long-term strategic plans. The Fund holds active venture investments in more than 67 portfolio companies.

Participation Transaction

Due to lower levels of RVC capital raised in recent years and other factors, the Fund's venture investment activity is currently focused on providing follow-on funding to existing portfolio companies.

Given strong fundamentals evident across a number of portfolio companies, the Fund entered into a participation agreement dated May 28, 2010 with Roseway Capital L.P. ("Roseway") with the objective of strengthening follow-on investment support for particularly promising companies within the venture portfolio. Under the participation agreement, Roseway advanced $20 million to the Fund in exchange for a participating interest in 15 venture investment holdings of the Fund (the "participation holdings"), with a total carrying value of approximately $100 million. The proceeds advanced provide additional capital for high potential return follow-on investments and are intended to enhance the Fund's operating and financial flexibility. In addition, Roseway agreed to provide up to $3 million of its own funds in follow-on funding for these companies. The participating interest entitles Roseway to receive 20% of the proceeds (cash or shares) earned on or generated from the sale or divestment of the participation holdings, subject to minimum annual payments of $5.7 million during the three years after closing. The Fund's obligation to repay the funds advanced on the third anniversary of closing is recorded as a liability of the Fund. Payments on account of Roseway's participating interest are accrued by the Fund as a participation liability over the period during which the Fund is projected to divest the participation holdings. For further details, see the Fund's prospectus dated November 17, 2010.

In connection with the Roseway transaction, Roseway entered into a services agreement with the Manager whereby the Manager agreed to assist with managing Roseway's participating interest and related follow-on investments in exchange for a services fee amounting to $100,000 per year. The Manager agreed with the Fund to reduce the aggregate management and administration fees payable by the Fund under the Management Agreement by the amount of all fees received from Roseway under this services agreement.

The participation agreement with Roseway was approved by the Board of the Fund and terms of the transaction that created conflicts of interest affecting the Manager were reviewed and approved by the Independent Review Committee for the Fund.

The tables and pie charts below provide information about the investment portfolio of the Series. The investment portfolio profile may change due to ongoing portfolio transactions within the Series. See the Statement of Investment Portfolio in the Fund's financial statements for additional investment details and a breakdown of the portfolio by subgroup as a percentage of net assets. Also, see the "Results of Operations – Investment Portfolio" for portfolio composition as at the end of the period. The information below does not take into account the participating interest of Roseway in those investments comprising the participation holdings.

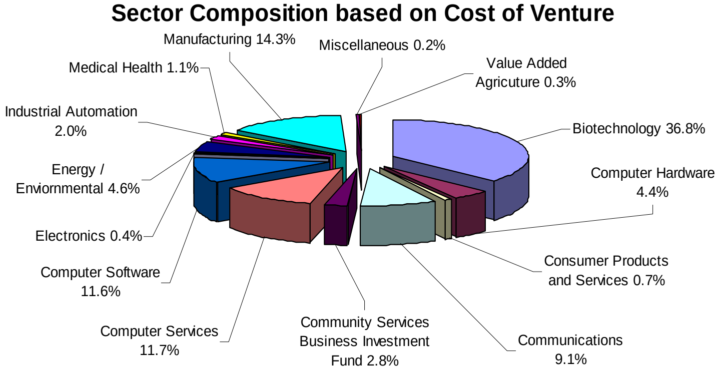
Top 25 Investments

The following table represents the top 25 ranking of investments within the total investment portfolio based on fair value as a percentage of NAV.

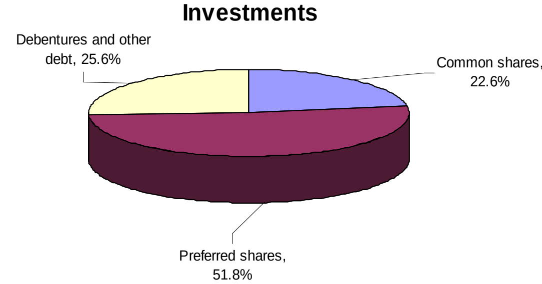
1	Cytochroma Inc.	14	OneChip Photonics Inc.	
2	Targeted Growth Canada Inc.	15	Trillium Therapeutics Inc.	
3	Ambit Biosciences (Canada) Corporation	16	Digital Payment Technologies Corp.	
4	BTI Systems Inc.	17	Kibboko Inc.	
5	Morega Systems Inc.	18	Ascentify Learning Media Inc.	
6	Camilion Solutions Inc.	19	Aizan Technologies Inc.	
7	LibreStream Technologies Inc.	20	Covarity Inc.	
8	CFN Precision Ltd.	21	Spectral Diagnostics Inc.	
9	Gemin X Biotechnologies Inc.	22	Western Life Sciences Venture Fund LP	
10	Viron Therapeutics Inc.	23	Agrisoma Biosciences Inc.	
11	ViOptix Canada Inc.	24	Icera Inc.	
12	Natrix Seperations Inc.	25	cfactor Works Inc.	
13	Kraus Global Inc.		**TOTAL % OF NAV**	**82.97%**

The following charts show the venture investment portfolio for the Series as represented by sector and type of investment holding based on cost of like investments as a percentage of the total cost of the venture portfolio. The Fund's venture investments generally consist of equity and debt investments. Debt investments are generally subordinated and in most cases are structured to be converted into shares of the portfolio company.

Sector Composition based on Cost of Venture



Investment Holdings based on Cost of Venture Investments



Recent Developments

The 6 month period ended February 28, 2011 had positive operating conditions. The Fund's investee companies operated in an economic environment where growth was achieved, however at lower levels in comparison to similar points in past economic growth cycles. While 2011 forecasts call for continued economic growth, areas for concern include European sovereign debt default, Middle East political turmoil affecting oil prices and availability, and asset price bubbles in China. All of these factors have potential to derail the positive forecasts. World equity markets made substantial gains during the period evidenced by the TSX rising by 18.7% and the NASDAQ 31.6%. Apart from a few exceptions in Europe, accommodative fiscal and monetary policies are being pursued around the world which has promoted economic growth and positive equity market performance. As long as inflation remains muted, these policies are expected to remain in place.

The Fund operated in a healthy exit environment for the past 6 months. M&A markets for technology companies, a key exit path for the Fund's venture investments, were strong in 2010. Record activity levels were achieved in US M&A markets, where a majority of the Fund's investments are sold. The US IPO market, although weak in comparison to levels reached a decade ago, had its busiest year since 2007. High profile companies like LinkedIn have recently completed IPO's, which strengthens the market for other filers. Compared to the US, Canadian exit markets were mixed. While Canadian M&A markets showed improved transaction volume, the Canadian IPO market has been virtually non-existent since 2007. A return to healthy Canadian IPO markets would be an asset to the Fund and Canada's venture capital community. If economic growth continues and equity markets are stable, the Fund's manager believes that 2011 exit markets will be strong in both countries, which has the potential to result in higher valuations for existing investee companies and more exit opportunities for the Fund.

The Fund's manager has been closely monitoring capital availability in the Canadian venture capital industry. Investment levels are down significantly in comparison to levels reached during the past decade. As a result the Fund's manager continues to focus on select follow-on investments in promising existing portfolio companies.

The Ontario government has adopted legislation providing for the phase-out of the Ontario RVC tax credit. Ontario purchasers of the Fund's Class A shares are eligible to receive a 5% tax credit for the 2011 taxation year. After the 2011 taxation year, no RVC tax credit will be available. The maximum investment that qualifies for the RVC tax credit is $7,500. The maximum annual RVC tax credit for purchases of the Fund's Class A shares is $375 for the 2011 taxation year. The federal tax credit remains at 15% subject to an annual maximum of $750.

The VenGrowth Acquisition Proposal

On October 12, 2010, The VenGrowth Investment Fund Inc., The VenGrowth II Investment Fund Inc., The VenGrowth III Investment Fund Inc., The VenGrowth Advanced Life Sciences Fund Inc. and The VenGrowth Traditional Industries Fund Inc. (the "VenGrowth Funds") announced the proposed sale of the VenGrowth Funds' assets to Covington Fund II Inc. (the "Covington Proposal"). On November 11, 2010, GrowthWorks Ltd. ("GrowthWorks") issued a press release announcing its intention to formulate an alternative proposal involving one or more GrowthWorks managed funds that would be significantly better for Class A shareholders of the VenGrowth Funds than the Covington Proposal.

On December 9, 2010, the Fund announced that its Board has approved a proposal whereby the VenGrowth Funds would be merged into the Fund (the "GrowthWorks Proposal"). Under the GrowthWorks Proposal, the Fund would acquire the assets of each of the VenGrowth Funds in exchange for Class A shares of the Fund. These shares would be distributed to Class A shareholders of the VenGrowth Funds in exchange for their Class A shares of the VenGrowth Funds. In addition to the benefits for Class A shareholders of the VenGrowth Funds, the GrowthWorks Proposal offers a number of significant benefits to Class A shareholders of the Fund, including greater diversification, enhanced liquidity, lower IPA on investments acquired from the VenGrowth Funds and cost savings.

On December 17, 2010, the VenGrowth Funds & Covington announced that they would not proceed with the Covington Proposal. The decision followed a request by the Ontario Securities Commission for new votes by VenGrowth Funds shareholders with full disclosure of original manager-to-manager arrangements associated with the proposed transaction.

In early 2011, the Fund applied to, and received approval from, the Ontario Superior Court of Justice, Commercial List, for an extension for the time to hold a shareholders' meeting until June 30, 2011, to allow the Fund the time to pursue the GrowthWorks Proposal. If the GrowthWorks Proposal were to proceed, it will be subject to approval by shareholders of the Fund. The Fund requested the extension to allow it to hold its annual meeting of shareholders and the special meeting of shareholders to approve the GrowthWorks Proposal at the same time, to avoid the significant disruption and duplication of cost that would be associated with holding separate meetings.

As of the end of the period, the GrowthWorks Proposal has not yet been put before shareholders of the VenGrowth Funds for consideration. The GrowthWorks Proposal remains subject to the settlement and execution of a definitive merger agreement and other conditions customary for a transaction of this nature, including shareholder, court and regulatory approvals. *There can be no assurance that the merger contemplated by the GrowthWorks Proposal will be completed on the basis proposed or at all.*

On October 28, 2010, the Fund announced that the Board had approved seeking approval for outstanding Merger Series and the FOF Growth Series Class A shares to be consolidated into currently offered Diversified Series, Commission I Class A shares. The proposal is aimed at simplifying the Fund's share structure and making pricing and reporting processes more efficient. It is also proposed that the name of Diversified Series be changed to "Balanced Series" and that the Directed Funds investment focus for Diversified Series Class A shares be refined to reflect a more balanced mix of equity and fixed income securities. The refined Directed Funds investment focus would consist of high quality debt instruments, high yield investments and bank securities. Finally, it is proposed that the Fund's Income Series Class A shares be consolidated into Diversified Series Class A shares. Required shareholder approvals for these proposed changes will be sought at the Fund's annual general meeting, now expected to be in June, 2011.

IFRS

The Accounting Standards Board ("AcSB") ratified a strategic plan in 2006 that would have resulted in Canadian GAAP, as used by the Fund, converging with International Financial Reporting Standards ("IFRS") over a transitional period initially expected to be completed by 2011. In June 2010, the AcSB issued an Exposure Draft "Adoption of IFRS by Investment Companies", which proposed adoption of IFRS by investment companies like the Fund in interim and annual financial statements to begin on or after January 1, 2012 instead of January 1, 2011, as previously announced, with earlier adoption permitted under certain circumstances. This proposal was finalized on October 1, 2010 by the AcSB and it was decided that Investment Companies should adopt IFRS for the first time no later than interim and annual financial statements relating to annual periods beginning on or after January 1, 2012. In January 2011, the AcSB approved an additional one year extension, to January 1, 2013 for the adoption of IFRS by investment funds as the International Accounting Standards Board's ("IASB") investment company project has been delayed and a final standard will not likely be issued before January 1, 2012, the original mandatory adoption date. Accordingly, the Fund will be implementing IFRS effective September 1, 2013 for its interim and annual financial statements.

The Manager has established a transition plan and a team of key individuals responsible for overseeing the conversion process. This transition plan includes identifying differences which exist in accounting policies, selecting the policies which are appropriate for the Fund, identifying the impact of policies selected, identifying exemptions to full restatement, establishing the timing of implementation, identifying the appropriate disclosure in financial statements prepared under IFRS and identifying the internal training required.

The identification and review of major differences from existing accounting policies, new IFRS accounting policies and exemptions, and the preparation of appropriate disclosures in the Fund's IFRS financial statements is ongoing. As each IFRS accounting policy is chosen, the Manager will review its impact on internal controls over financial reporting and disclosures and make changes where necessary. The Manager's internal training of key personnel is ongoing.

As at February 28, 2011, the Manager expects that the impact of adopting IFRS is going to be mainly in presentation and additional disclosure requirements in the financial statements of the Fund.

RELATED PARTY TRANSACTIONS

The Fund pays the Manager fees based on fixed percentages of NAV for management and administrative services provided to the Fund under a management agreement. See "Management Fees" below. Fees charged to these Series during the period were $467,510, including applicable GST/HST. The Fund also reimburses the Manager or other related entities any interest expense incurred in the financing of sales commissions. Payments to the Manager by the Series during the period are detailed under "Management Fees".

The management agreement may be terminated by either party if the other party becomes bankrupt or insolvent or is in material breach of the agreement and does not remedy the breach within 60 days of notice from the other party. The Fund may also terminate the management agreement if the Manager does not maintain necessary securities registrations or by resolution of the Board if the resolution is ratified by a special resolution of the Fund's shareholders. The termination would be effective five years after such ratification. The Manager may also terminate the management agreement if the Fund changes its fundamental investment objectives or policies.

The Manager has engaged GrowthWorks Capital Ltd., another company in the Matrix Venture Capital Operating Division, at its own cost, to provide investment advice and principal distributor services to the Fund. The Manager may engage others, including other companies in the Matrix Venture Capital Operating Division, at its own cost to provide some or all of the Services and may delegate any part of its duties and powers to them.

The Manager owns Class C shares of the Fund, which entitle the Manager to receive dividends ("IPA dividends") based on realized gains and income resulting from the Fund's venture investments. No IPA dividends were paid during the period, however IPA dividends of $24,236 have been accrued and allocated to these Series at February 28, 2011. In addition, contingent IPA of $405,527 was recorded for the period in respect of the Series. Contingent IPA is not an amount that was actually paid or payable, but is an estimate of IPA dividends that would have been payable had the entire venture portfolio been disposed of at the estimated fair value as of the end of the period.

The Fund's assets and liabilities are allocated in the records of the Fund among all series of Class A Shares of the Fund in accordance with the particular investment policies and expenses and charges applicable to the particular series. Certain investments and other assets, including cash, are allocated among multiple series of Class A Shares of the Fund through the use of inter-series receivable and payable accounts. The Series also incur inter-series receivables and payables on the reallocation of the Fund's various shared portfolios. All inter-series allocations occur at fair value. All inter-series balances are non-interest bearing, unsecured and have no specific repayment terms.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about these Series and are intended to help you understand each Series' financial performance for the past five years and the most recent interim period. This information is derived from the Fund's unaudited interim and audited annual financial statements.

Growth Commission I

***Net Assets per Share* (1)**	Feb. 28, 2011(3)	2010 (3)	2009 (3)	2008 (3)	2007 (3)	2006 (3)
Net assets per share, beginning of period(2)	$7.70	$8.75	$11.09	$11.27	$10.54	$10.04
Increase (decrease) from operations:						
Total revenue	$0.04	$0.11	$0.19	$0.21	$0.36	$0.23
Total expenses and amortization	($0.38)	($0.61)	($0.54)	($0.65)	($0.60)	($0.62)
Realized gains (losses) for the period	($0.37)	($0.44)	($0.47)	$0.65	($0.01)	$1.51
Unrealized gains (losses) for the period	$0.17	($0.09)	($1.07)	($0.50)	$0.98	($0.61)
Total increase (decrease) from operations (2)	($0.54)	($1.03)	($1.89)	($0.29)	$0.73	$0.51
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends / capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total annual distributions	-	-	-	-	-	-
Net assets per share at end of period shown (1)	$7.16	$7.70	$8.75	$11.09	$11.27	$10.54

Ratios and Supplemental Data						
Total net asset value (000's) (3)	$ 9,017	$9,647	$10,317	$8,516	$6,547	$4,352
Number of shares outstanding (000's) (3)	1,255	1,249	1,179	768	581	413
Operating management expense ratio before IPA and participation liability(4)	6.47%	5.97%	5.89%	5.82%	5.21%	5.54%
Trading expense ratio (5)	0.00%	0.01%	0.00%	0.00%	0.02%	0.03%
Portfolio turnover rate (6)	3%	19%	31%	26%	23%	67%
NAV per share at end of period	$7.18	$7.72	$8.75	$11.09	$11.27	$10.54

Additional Information on Ratios						
Operating management expense ratio before IPA and participation liability(4)	6.47%	5.97%	5.89%	5.82%	5.21%	5.54%
Earned IPA	0.27%	0.27%	0.00%	2.37%	1.14%	2.25%
Contingent IPA	(0.18%)	0.44%	0.21%	(2.08%)	1.20%	0.21%
Participation liability	3.27%	0.58%	-	-	-	-
Total MER before waivers or absorptions(4)	9.83%	7.26%	6.13%	6.29%	7.73%	8.00%

Operating MER means the MER for the Series from operations before waivers and absorptions, adjusted to remove elements related to the performance of the venture portfolio. Effective July 1, 2010 HST was implemented in Ontario increasing MER from prior periods. Earned IPA reflects the manager's participating interest on gains and income realized on successful exits from the Fund's venture investments. Contingent IPA is not an amount actually paid or payable; rather, it is an estimate of the IPA that would have been payable if the Fund's entire venture portfolio had been disposed of and this line reflects the change in the estimate from the previous period. The Participation liability reflects the accounting treatment accrual for the participation agreement which provided capital to the Fund aimed at preserving and enhancing value in the venture portfolio by enabling the Fund to participate in a number of follow-on investments opportunities in strong investee companies. Follow-on rounds of financing in strong investee companies often generate very high returns on subsequent divestments thereby increasing the performance and returns of the venture portfolio. See the Prospectus for further details.

Growth Commission II

Net Assets per Share (1)	Feb. 28, 2011(3)	2010 (3)	2009 (3)	2008 (3)	2007 (3)	2006 (3)
Net assets per share, beginning of period(2)	$7.65	$8.74	$11.06	$11.26	$10.53	$10.04
Increase (decrease) from operations:						
Total revenue	$0.04	$0.11	$0.19	$0.23	$0.35	$0.23
Total expenses and amortization	($0.34)	($0.62)	($0.54)	($0.66)	($0.60)	($0.62)
Realized gains (losses) for the period	($0.37)	($0.31)	($0.48)	$0.74	($0.03)	$1.50
Unrealized gains (losses) for the period	$0.17	($0.25)	($0.94)	($0.72)	$1.03	($0.59)
Total increase (decrease) from operations (2)	($0.50)	($1.07)	($1.77)	($0.41)	$0.75	$0.52
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends / capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total annual distributions	-	-	-	-	-	-
Net assets per share at end of period shown (1)	$7.15	$7.65	$8.74	$11.06	$11.26	$10.53

Ratios and Supplemental Data						
Total net asset value (000's) (3)	$4,318	$4,502	$4,858	$3,640	$3,219	$2,605
Number of shares outstanding (000's) (3)	602	587	556	329	286	247
Operating management expense ratio before IPA and participation liability(4)	6.74%	6.05%	5.95%	5.84%	5.33%	5.49%
Trading expense ratio (5)	0.00%	0.01%	0.00%	0.00%	0.02%	0.03%
Portfolio turnover rate (6)	3%	19%	31%	26%	23%	67%
NAV per share at end of period	$7.17	$7.67	$8.74	$11.06	$11.26	$10.53

Additional Information on Ratios						
Operating management expense ratio before IPA and participation liability(4)	6.74%	6.05%	5.95%	5.84%	5.33%	5.49%
Earned IPA	0.27%	0.27%	0.00%	2.55%	1.10%	2.23%
Contingent IPA	(0.18%)	0.44%	0.18%	(2.51%)	1.11%	0.27%
Participation liability	3.28%	0.58%	-	-	-	-
Total MER before waivers or absorptions(4)	10.11%	7.34%	6.16%	6.06%	7.71%	7.99%

Operating MER means the MER for the Series from operations before waivers and absorptions, adjusted to remove elements related to the performance of the venture portfolio. Effective July 1, 2010 HST was implemented in Ontario increasing MER from prior periods. Earned IPA reflects the manager's participating interest on gains and income realized on successful exits from the Fund's venture investments. Contingent IPA is not an amount actually paid or payable; rather, it is an estimate of the IPA that would have been payable if the Fund's entire venture portfolio had been disposed of and this line reflects the change in the estimate from the previous period. The Participation liability reflects the accounting treatment accrual for the participation agreement which provided capital to the Fund aimed at preserving and enhancing value in the venture portfolio by enabling the Fund to participate in a number of follow-on investments opportunities in strong investee companies. Follow-on rounds of financing in strong investee companies often generate very high returns on subsequent divestments thereby increasing the performance and returns of the venture portfolio. See the Prospectus for further details.

FOF Growth Series

Net Assets per Share (1)

	Feb. 28, 2011(3)	2010 (3)	2009 (3)	2008 (3)	2007 (3)	2006 (3)
Net assets per share, beginning of period(2)	$7.57	$8.58	$10.71	$10.95	$10.17	$10.08
Increase (decrease) from operations:						
Total revenue	$0.04	$0.12	$0.21	$0.23	$0.34	$0.02
Total expenses and amortization	($0.33)	($0.55)	($0.49)	($0.95)	($0.62)	($0.10)
Realized gains (losses) for the period	($0.38)	($0.49)	($0.51)	$0.94	$0.01	$0.46
Unrealized gains (losses) for the period	$0.19	($0.02)	($1.44)	($0.76)	$1.01	($0.28)
Total increase (decrease) from operations (2)	($0.48)	($0.94)	($2.23)	($0.54)	$0.74	$0.10
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends / capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total annual distributions	-	-	-	-	-	-
Net assets per share at end of period shown (1)	$7.09	$7.57	$8.58	$10.71	$10.95	$10.17

Ratios and Supplemental Data						
Total net asset value (000's) (3)	$3,257	$3,787	$5,411	$7,728	$9,161	$8,698
Number of shares outstanding (000's) (3)	458	499	631	721	837	855
Operating management expense ratio before IPA and participation liability(4)	5.67%	5.37%	5.35%	8.54%	5.69%	5.48%
Trading expense ratio (5)	0.00%	0.01%	0.00%	0.00%	0.02%	0.03%
Portfolio turnover rate (6)	3%	19%	31%	26%	23%	67%
NAV per share at end of period	$7.11	$7.59	$8.58	$10.71	$11.28	$10.59

Additional Information on Ratios						
Operating management expense ratio before IPA and participation liability(4)	5.67%	5.37%	5.35%	8.54%	5.69%	5.48%
Earned IPA	0.27%	0.25%	0.00%	2.99%	1.03%	6.41%
Contingent IPA	(0.20%)	0.40%	0.31%	(2.58%)	1.03%	(5.54%)
Participation liability	3.27%	0.51%	-	-	-	-
Total MER before waivers or absorptions(4)	9.01%	6.53%	5.66%	8.95%	7.75%	6.35%

Operating MER means the MER for the Series from operations before waivers and absorptions, adjusted to remove elements related to the performance of the venture portfolio. Effective July 1, 2010 HST was implemented in Ontario increasing MER from prior periods. Earned IPA reflects the manager's participating interest on gains and income realized on successful exits from the Fund's venture investments. Contingent IPA is not an amount actually paid or payable; rather, it is an estimate of the IPA that would have been payable if the Fund's entire venture portfolio had been disposed of and this line reflects the change in the estimate from the previous period. The Participation liability reflects the accounting treatment accrual for the participation agreement which provided capital to the Fund aimed at preserving and enhancing value in the venture portfolio by enabling the Fund to participate in a number of follow-on investments opportunities in strong investee companies. Follow-on rounds of financing in strong investee companies often generate very high returns on subsequent divestments thereby increasing the performance and returns of the venture portfolio. See the Prospectus for further details.

Notes:

(1) *This information is derived from the Series' unaudited interim and audited annual financial statements.*

(2) *Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial period.*

(3) *This information is presented as of August 31 of the year shown and February 28 for the interim period.*

(4) *Operating management expense ratio ("MER") means the MER for the Series from operations before waivers and absorptions, adjusted to remove elements related to the performance of the venture portfolio. Effective July 1, 2010 HST was implemented in Ontario increasing MER from prior periods. Total MER is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of average weekly NAV during the period.*

(5) *The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average weekly net asset value during the period.*

(6) *A Series' portfolio turnover rate indicates how actively that Series' portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Series buying and selling all of the securities in its portfolio once in the course of the period. The higher a Series' portfolio turnover rate in a period, the greater the trading costs payable by the Series in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Series. This rate includes the turnover of venture and non-venture investments.*

Management Fees

The Manager provides management services (including day-to-day management and investment management) and administrative services (including administrative, sales and marketing) to the Fund under an amended and restated management agreement dated July 15, 2006. Under the terms of the agreement, the Manager is entitled to a management fee of 2.04% of average NAV and an annual base administration fee on a declining basis as follows: 1.95% of average NAV up to $300 million, 1.77% for the next $200 million and 1.58% beyond $500 million. The management and base administration fees are calculated and paid monthly on the average NAV of the Fund. There is also an annual capital retention administration fee of 0.75% of the original purchase price of Commission I Series and 1.1625% of the original purchase price of Commission II Series, in each case payable in respect of shares that remain issued and unredeemed. This fee is calculated and paid monthly for the Manager's efforts to retain capital within the Fund. This fee ceases in respect of shares outstanding for more than 8 years.

For the period, the aggregate amount of fees charged to these Series was $467,510, including $53,785 of GST/HST. The breakdown of those fees is as follows: management fees (net of abatement) of $185,178 (including $21,304 of GST/HST), representing 40% of fees paid to the Manager, annual base administration fees of $181,987 (including $20,937 of GST/HST), representing 39% of fees paid to the Manager, and annual capital retention administration fees of $100,345 (including $11,544 of GST/HST), representing 21% of fees paid to the Manager.

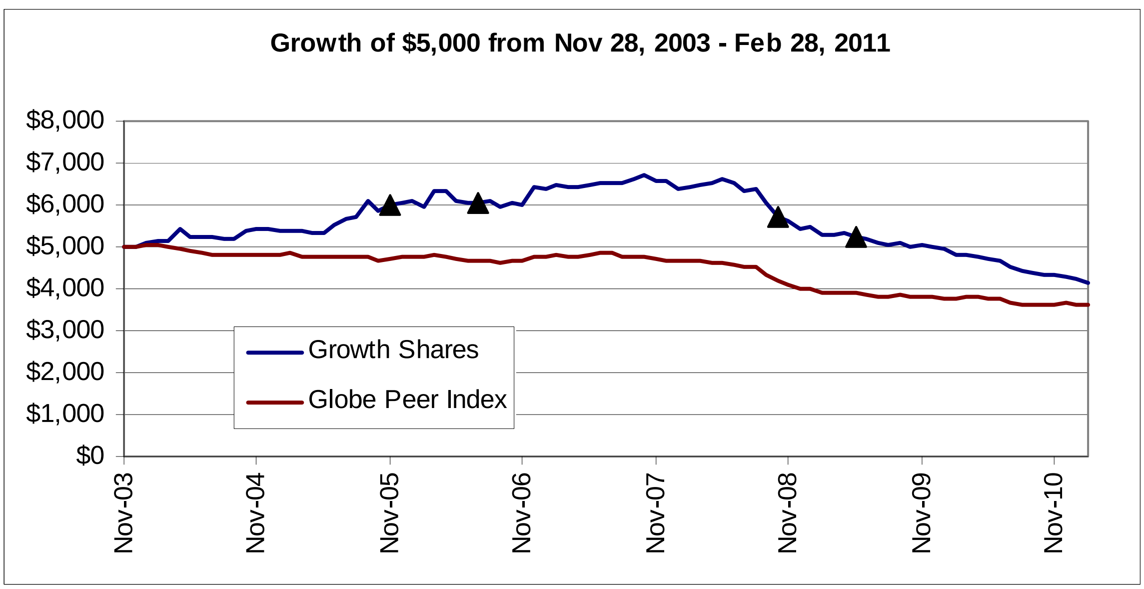
Service fees of 0.5% of NAV per year amounted to $30,223 for the period and were paid directly by these Series to dealers. Directors fees of $20,216 for the period were paid by these Series.

PAST PERFORMANCE

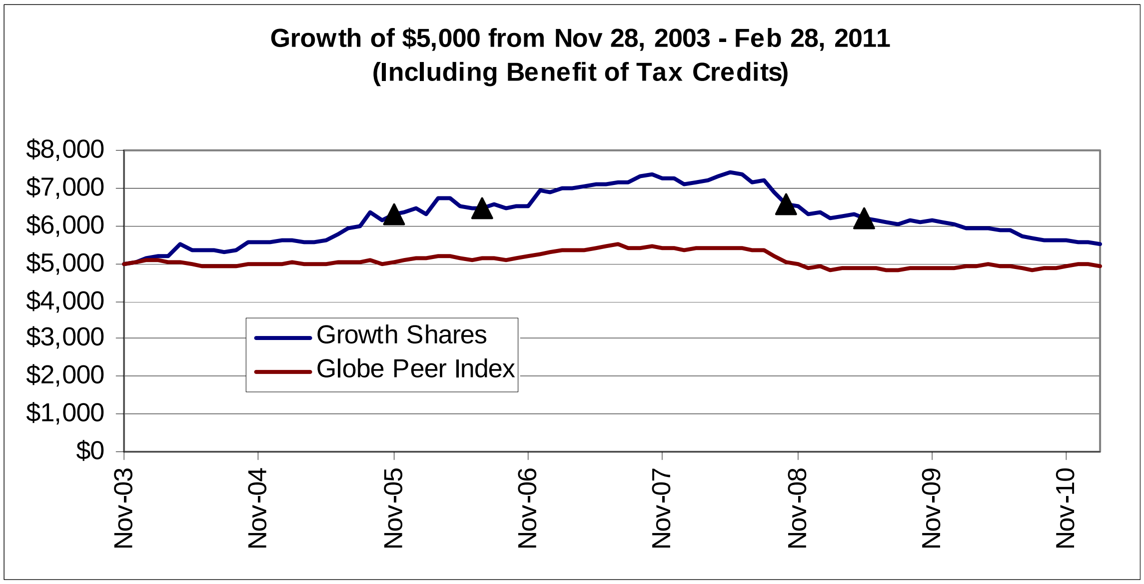
The performance data provided assumes reinvestment of distributions, if any, and does not take into account redemption or other charges directly payable by any shareholder that would have reduced returns. Past performance does not necessarily indicate how a Series will perform in the future. While it is assumed that distributions made by the Fund are reinvested, to date none of the Growth Series have made any distributions which could be re-invested. Return information may vary due to different cost and fee structures and different levels of share redemption activity among these Series.

The Fund completed material merger transactions with CAVI and CSTGF in 2005, with ENSIS in 2008 and with CMDF in 2009. In accordance with securities law requirements, historical performance under the headings "Year-by-Year Returns" is provided for each merged fund up to the date of the applicable merger and historical performance for the Series is provided before, between and after merger dates up to February 28, 2011, as applicable.

To provide additional material information for investors about the Fund's performance, we have included the following graphs which show the performance of a $5,000 investment made on November 28, 2003 (Growth Shares Commission I Series' inception date) to February 28, 2011 for the Growth Shares Commission I as compared to the Globe Retail Venture Capital Peer Index ("Globe Peer Index"). The Globe Peer Index is a mutual fund sector specific index that combines data from similar funds, in this case RVCs, to provide sector average return information. Performance data for Growth Shares Commission II Series will vary only slightly due to different commission structures. Performance data for FOF Growth since its inception would also be consistent with that of Growth Shares Commission I as all Series participate in the same investment portfolio. The second chart shows the performance of the Growth Shares Commission I after taking in to account the special retail venture capital fund tax credits that you do not receive when you invest in ordinary mutual funds. These tax credits represent a substantial financial benefit that you should take into account when looking at share returns. Merger dates are reflected in the graphs below.



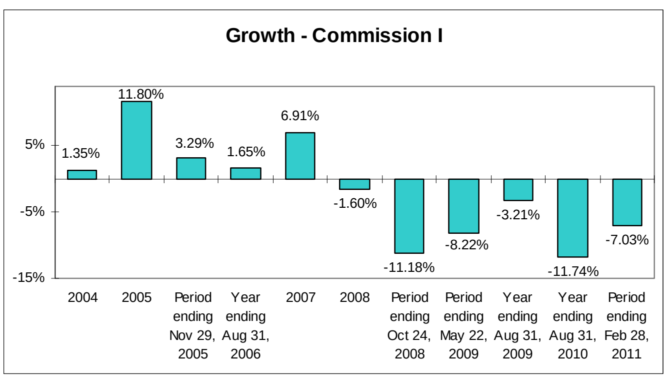
When comparing the performance of the Series with the Globe Peer Index Return, readers should be mindful of economic factors unique to venture capital investing. Venture capital funds employ a wide range of investment strategies. Some funds focus on businesses at earlier stages of development and others focus on later stage businesses that allow for shorter investment cycles. While the Fund has a diversified portfolio of investments, some venture investments made by the Fund are in earlier stage businesses that may take four to eight years or longer to mature. As a result, different investment portfolios may have vastly different investment cycles, and this can have a significant effect on relative performance. Venture capital funds also employ different non-venture investment strategies and are impacted in varying degrees by economic factors such as changing interest and foreign exchange rates. We believe these factors should be considered when comparing the returns of the Growth Series with the Globe Peer Index Return.

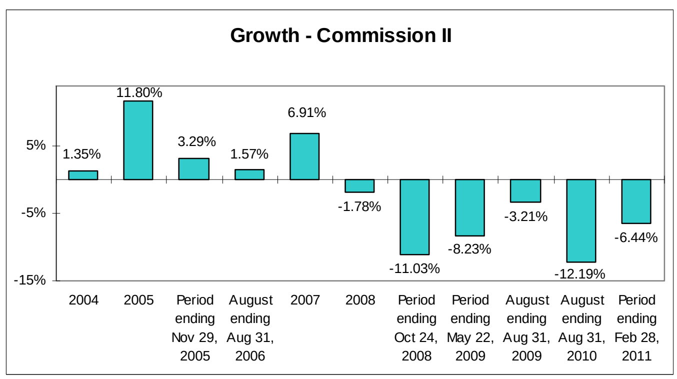


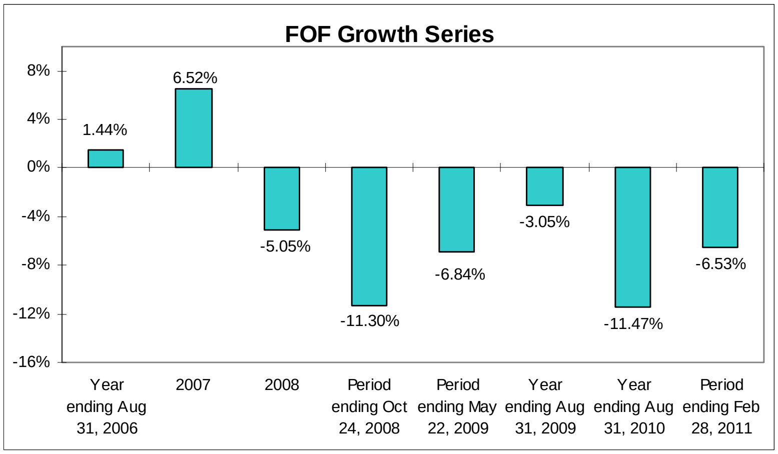
This second chart includes the annual, compounded rate of return related to the tax credits over the typical 8 year period during which shares must be held to retain the benefit of the tax credits (assumes tax credits were fully claimed and allowed at the same time as the purchase of Fund shares was made and are redeemed on the expiry of 8 years from the date of purchase). The tax credit rate for the 2010 taxation year for purchasers in Manitoba is 30% (15% federal and 15% provincial),in Saskatchewan is 35% (15% federal and 20% provincial) and in Ontario is 25% (15% federal and 10% provincial). The Ontario government has adopted legislation providing for the phase-out of the Ontario RVC tax credit. See "Recent Developments" above. The previous combined tax credit in Ontario was 30%. The rate of return related to the tax credits is illustrated by the following. If there was no growth at all in the NAV per share over time, the net capital invested would essentially grow to a redemption claim equal to the purchase price over 8 years. To simplify the math, a share is purchased for $1; the cost is reduced by, for example, 30 cents of tax credits, for net capital invested of 70 cents. At year 8, if NAV per share has not changed, the share can be redeemed for $1. Thus 70 cents growing to $1 over 8 years provides a 4.56% annual, compounded rate of growth over that period.

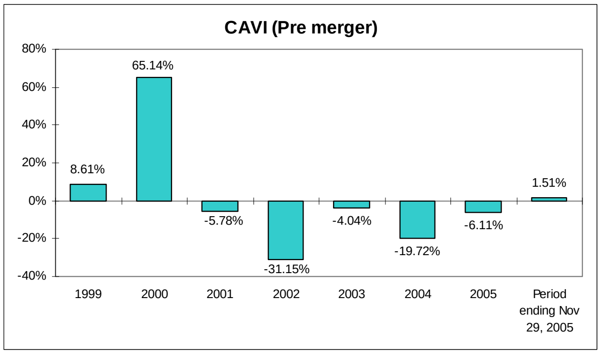
Year-by-Year Returns

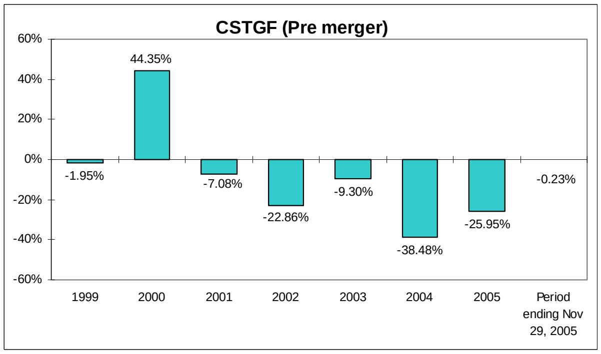
The bar charts below show each Series' performance for each of the periods shown, and illustrate how each Series' performance has changed from year to year. The bar charts show in percentage terms, how much an investment made on September 1 (or the applicable merger date) would have grown or decreased during the applicable year ended August 31, next merger date within the same year, and the interim period ended February 28, 2011, as applicable.

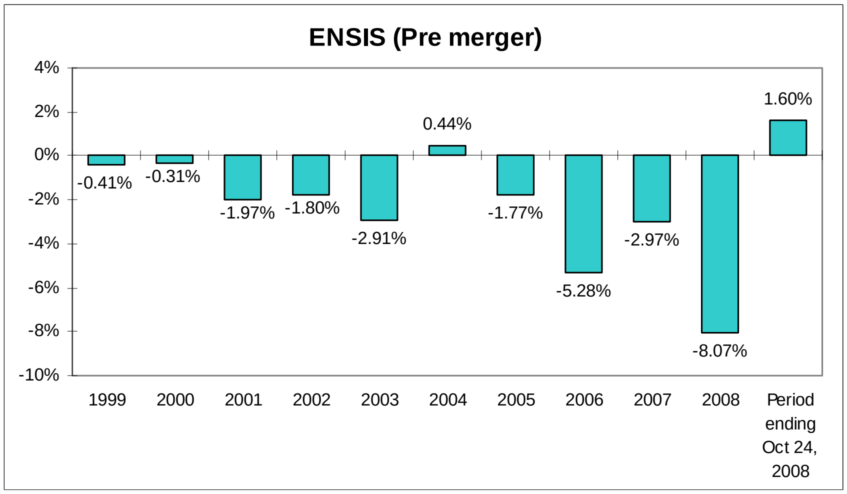


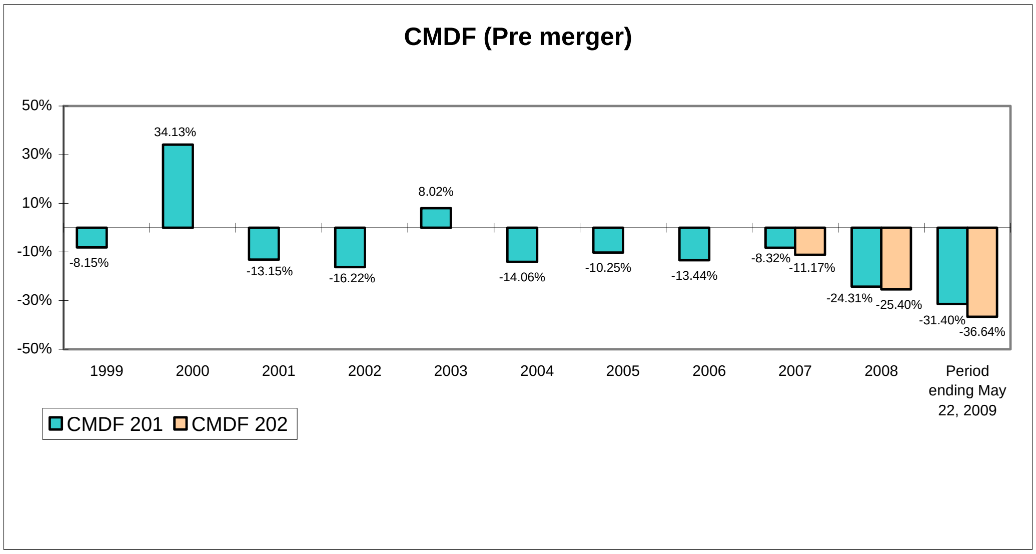



FOF Growth Series
8%
4%
0%
-4%
-8%
-12%
-16%
1.44%
6.52%
-5.05%
-11.30%
-6.84%
-3.05%
-11.47%
-6.53%
Year ending Aug 31, 2006
2007
2008
Period ending Oct 24, 2008
Period ending May 22, 2009
Year ending Aug 31, 2009
Year ending Aug 31, 2010
Period ending Feb 28, 2011


CAVI (Pre merger)
80%
60%
40%
20%
0%
-20%
-40%
8.61%
65.14%
-5.78%
-31.15%
-4.04%
-19.72%
-6.11%
1.51%
1999
2000
2001
2002
2003
2004
2005
Period ending Nov 29, 2005


CSTGF (Pre merger)
60%
40%
20%
0%
-20%
-40%
-60%
-1.95%
44.35%
-7.08%
-22.86%
-9.30%
-38.48%
-25.95%
-0.23%
1999
2000
2001
2002
2003
2004
2005
Period ending Nov 29, 2005


ENSIS (Pre merger)
4%
2%
0%
-2%
-4%
-6%
-8%
-10%
-0.41%
-0.31%
-1.97%
-1.80%
-2.91%
0.44%
-1.77%
-5.28%
-2.97%
-8.07%
1.60%
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
Period ending Oct 24, 2008


CMDF (Pre merger)
50%
30%
10%
-10%
-30%
-50%
-8.15%
34.13%
-13.15%
-16.22%
8.02%
-14.06%
-10.25%
-13.44%
-8.32%
-11.17%
-24.31%
-25.40%
-31.40%
-36.64%
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
Period ending May 22, 2009
CMDF 201
CMDF 202

GrowthWorks
Canadian Fund

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