GrowthWorks
Commercialization Fund

Management Report of Fund Performance

For the period ended February 28, 2011

GrowthWorks Commercialization Fund Ltd.

11 Series

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 11 Series (the "Series") of GrowthWorks Commercialization 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 the Series.

"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. 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.

This report contains forward looking statements. These statements primarily relate to future economic and market conditions, including mergers and acquisitions (" M&A") and initial public offering (" IPO") market conditions, portfolio company development and the adoption of International Financial Reporting Standards ("IFRS"). Such information has been included to assist readers with assessing 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. 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. 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, access to needed financing 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.

Investment Objectives and Strategies

The Fund's investment objective for all series of Class A Shares is to achieve long-term capital appreciation for shareholders. Long-term capital appreciation, typically measured after the passage of more than six years, means increasing NAV.

As a RVC, the Fund is required to invest the majority of the money it raises by the sale of its shares in companies that meet eligibility requirements. Eligibility requirements are focused around company size, measured by asset value and number of employees, and company location. In addition, as a research oriented investment fund ("ROIF"), the Fund primarily makes venture investments in early stage research oriented companies in Canada seeking to commercialize their technologies or discoveries. Our Manager performs a fundamental analysis of venture investment opportunities, including analysing business plans, market opportunities, financial statements, particular industries, products, services and technologies, and evaluating the abilities of management of the business. Under the Fund's allocation rules, the Series will begin to participate in the Fund's venture portfolio in March, 2011. See the Fund's current prospectus for further details regarding these allocation rules.

To help enhance potential returns, we seek to generally structure venture investments so that they are capable of generating both income (such as interest, royalties or dividends) and capital appreciation. Given this income component, which generally exists during the first three years of an investment, the Board of Directors of the Fund adopted a dividend policy to pay dividends on the 11 Series, equal in total to approximately 25% of the purchase price of the shares, during the period from 2011 through 2014.

We call funds used to make non-venture investments "Directed Funds". Directed Funds investments for the Series may include investments linked to high quality debt instruments, high yield investments and bank investments, which may include shares and/or debt instruments. Given the dividend policy for the Series, a higher proportion of funds may be invested in income generating venture investments and therefore capital available for Directed Funds investments will vary. Our portfolio adviser may change the selection of non-venture investments within the area of focus for Directed Funds based on its investment outlook from time to time. Some level of on-going cash balances may also be held as part of the Directed Funds of the Series. For more information, please refer to the Fund's current prospectus.

Risks

There are risks associated with investing in the Fund. A detailed discussion of those risks can be found in the Fund's prospectus (as amended, updated and renewed from time to time). Over the year, no material changes occurred that affected the risks described in the Fund's prospectus.

As part of the non-venture portfolio, the Series may hold income notes linked to a basket of income trust units ("Income Notes"), and what we refer to as "Bank Instruments" which offer participation in bank investments, including debt instruments and/or shares of Canadian banks. The Income Notes and Bank Instruments that offer participation in bank shares carry similar market risk to equity securities that are traded on open exchanges. Past performance does not necessarily indicate how Income Notes or Bank Instruments will perform in the future. See "Results of Operations – Investment Portfolio" below.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

Net Asset Value (NAV)

The Fund began offering the 11 Series on September 3, 2010 at a price of $10.00 per share. Total NAV for the 11 Series closed at $3.35 million for the period.

Dividend Payments

The Fund generally structures venture investments so that they are capable of generating both income (such as interest, royalties or dividends) and capital appreciation. Given this income component, which generally exists during the first three years of an investment, the Board of Directors of the Fund adopted a dividend policy to pay dividends on the 11 Series equal in total to approximately 25% of the purchase price of the shares during the three year period from 2011 through 2014. The Fund expects to make its first dividend payment on the 11 Series in February 2012. Dividends are not guaranteed.

Revenue and Expenses

Total investment income for the period was $35 for the 11 Series. The current period income was earned entirely on cash and cash equivalents as the 11 Series does not yet participate in the Fund's pooled investment portfolios but is expected to do so on or before March 31, 2011. Income in future periods is anticipated to be significantly higher as the venture investment portfolio includes venture debt instruments which are designed to generate higher revenues.

Total operating expenses for the period were $2,885 for the 11 Series reflecting additional administration fee and trailer (service) fees charged to the series. Generally, no management fees or administration fees are charged with respect to a series during its initial offering period other than additional administration fees and trailer (service) fees. See "Management Fees" below.

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, (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, and (4) distributions. 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 first significant sales of the 11 Series did not occur till the final few weeks of the 2011 RRSP selling season. As a result, as at the end of the period, the investment portfolio for the 11 Series consisted entirely of cash/cash equivalents.

The investment strategy for Directed Funds of the 11 Series is generally to invest in high quality debt instruments, high yield investments and bank securities. Some level of on-going cash balances may also be held as part of the Directed Funds of the Series.

On or before March 31, 2011, the 11 Series will pool its venture and non-venture investments with the other Series currently issued by the Fund, and thereafter, will participate in the pooled investment portfolios. See "Recent Developments".

Investment Pacing

As at the end of the period, the Fund is current with its investment pacing requirements. Investment pacing requirements are described in detail in the Fund's prospectus. Under the investment pacing requirements, the Fund has certain periods in which to re-deploy a portion of capital received on divestments of venture holdings into other venture investments. The Manager expects the Fund to re-deploy such funds into new venture investments within required time periods.

SUMMARY OF INVESTMENT PORTFOLIO

The significant sale of the 11 Series occurred during the final few weeks of the 2011 RRSP selling season. As at the end of the period, the investment portfolio consisted entirely of cash. On or before March 31, 2011, the 11 Series will pool its venture and non-venture investments with the other Series currently issued by the Fund, and thereafter, will participate in the pooled investment portfolios. See "Recent Developments". See the Statement of Investment Portfolio in the Fund's financial statements for additional investment details of the pooled investment portfolios and a breakdown of the portfolio by subgroup as a percentage of net assets and "Results of Operations – Investment Portfolio" for portfolio composition as at the end of the period.

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 will remain in place.

M&A markets for technology companies, a key exit path for the Fund's venture investments as the Fund's portfolio matures, 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 its follow-on and new investee company investments.

Effective December 15, 2010, the Fund was registered as a labour sponsored venture capital corporation in Manitoba. As a result, investors resident in Manitoba are eligible to receive a provincial tax credit of 15% of the purchase price of Class A Shares of the Fund, up to a maximum credit per year of $1,800.

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 10% 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 $750 for the 2011 taxation year. The federal tax credit remains at 15% subject to an annual maximum of $750.

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 to hold its annual general meeting at the same time as GrowthWorks Canadian Fund Ltd., another RVC managed by the Fund's manager.

In accordance with the Fund's investment allocation rules, the Fund's 08 Series shares were converted into 05 Series shares based on the relative NAV per share of the two series on February 25, 2011. NAV per share was $10.09 per 05 Series share and $11.79 per 08 Series share, and therefore each 08 Series share was converted into 1.17 05 Series shares.

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. Total fees paid by the Series to the Manager during the year were $1,916, including $220 of HST. The Fund also reimburses the Manager or other related entities any interest expense incurred in the financing of sales commissions and operating expenses incurred on behalf of the Fund up to a cap of 0.75% of NAV, and thereafter, the Manager pays all of the Fund's operating expenses.

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 by resolution of the Board if the termination 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 accrued or paid by the Series during the period. In addition, no contingent IPA was recorded for the year. 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 year.

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 income allocation rules and other policies described in the Fund's prospectus 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, for example when a newly created series of Class A Shares like the Series begins to participate with the Series in the Fund's shared venture investment portfolio. All inter-series allocations occur at fair value. All inter-series balances are non-interest bearing, unsecured and have no specific repayment terms.

During the period, the Fund's 08 Series shares were converted into 05 Series shares based on the relative NAV per share of the two series on February 25, 2011. See "Recent Developments" above.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Series and are intended to help you understand the Series' financial performance since inception. This information is derived from the Fund's unaudited interim financial statements.

11 Series ***Net Assets per Share*** (1)	
	Feb 28, 2011 (4)
Net assets per share, at inception (2)	$10.00
Increase (decrease) from operations:	
Total revenue	$0.00
Total expenses and amortization	($0.03)
Realized gains (losses) for the period	-
Unrealized gains (losses) for the period	-
Total increase (decrease) from operations (2)	($0.03)
Distributions:	
From income (excluding dividends) (3)	-
From dividends	-
From capital gains	-
Return of capital	-
Total annual distributions (3)	-
Net assets per share at end of period (2)	$10.00

Ratios and Supplemental Data	
Total net asset value (000's) (4)	$3,347
Number of shares outstanding (000's) (4)	335
Operating management expense ratio (MER) (5)	1.17%
Total MER before waivers or absorptions	1.17%
Trading expense ratio (6)	0.00%
Portfolio turnover rate (7)	0.00%
Net assets per share end of period (4)	$10.00

Notes:

(1) *This information is derived from the Series' unaudited interim 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. The inception date for the Series is September 3, 2010.*

(3) *Distributions were paid in cash.*

(4) *This information is presented as of February 28 for the interim period.*

(5) *Operating management expense ratio ("MER") means the total MER for the Series before taking into account amortization of share issue commissions and fees. 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 net asset value during the period. Contingent IPA is not an amount that was actually paid or is payable. Rather it is an estimate of the Earned IPA that would have been payable if the Fund's entire venture portfolio had been disposed of at the estimated fair market value. See the Prospectus for further details.*

(6) *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.*

(7) *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 June 28, 2005. Under the terms of the agreement, the Manager is entitled to a management fee of 2.0% of average NAV and an annual base administration fee on a declining basis as follows: 1.91% of average NAV up to $300 million, 1.74% of the next $200 million, 1.55% 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 additional capital retention administration fee of 0.75% of the original purchase price of Class A Shares that remain issued and unredeemed that 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 the Series was $1,916, including $220 of HST. The breakdown of those fees is as follows: management fee of $0 (including $0 of HST), representing 0% of fees paid to the Manager; base administration fee of $0 (including $0 of HST), representing 0% of fees paid to the Manager; and additional administration fee of $1,916 (including $220 of HST), representing 100% of fees paid to the Manager. Service fees of 0.5% per year amounted to $969 for the year and were paid directly by the Series to dealers.

PAST PERFORMANCE

As the 11 Series was first offered for sale as of September 3, 2010, no past performance or comparative data is available at this time.

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