GrowthWorks Commercialization Fund

Management Report of Fund Performance

For the period ended February 28, 2011

GrowthWorks Commercialization Fund Ltd.

05 Series

09 Series

10 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 the 05 Series, the 09 Series and the 10 Series (each or together, as the context requires, “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.

Results of Operations

Net Asset Value (NAV)

Total NAV for these Series closed at $22.20 million for the period compared to $23.20 million at year end. This decrease in total NAV was primarily the result of redemption activity of $124,191 and unrealized depreciation on venture investments of $119,533. These factors were partially offset by unrealized appreciation of $195,389 on Income Trust Notes.

Distributions of 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 each Series equal in total to approximately 25% of the purchase price of the shares during the three year period after the Series was offered for sale.

In accordance with these dividend policies, the 05 Series paid a total of $1.73 million ($2.50/share) during the period 2005 to 2008. To date, the 09 Series has paid $435,987 ($1.50/share) and expects to complete its dividend payments in February 2012. The 10 Series made its first dividend payment during the period and paid $149,508 ($0.50/share) and expects to complete its dividend payments in February 2013. The Fund completed the dividend policy on the previously issued 06 Series in February 2009, paying a total of $675,640 in dividends ($2.50/share) and completed the dividend policy on the previously issued 07 Series in February 2010, paying a total of $544,043 in dividends ($2.50/share). The 08 Series completed its dividend payments during the period and has paid a total of $738,518 ($2.50/share). On completion of its dividend policy, each of the 06 Series, the 07 Series and the 08 Series was converted into the 05 Series in accordance with the Fund's investment allocation rules. Dividends are not guaranteed.

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

Total investment income for the period was $493,495 (February 28, 2010: $469,687). The increase was primarily the result of interest income earned on short term investments compared to the previous period as the size of the portfolio increased from February 28, 2010. The Fund expects the size of its short term investment portfolio to decrease in the next 12 months as it deploys more capital into venture investments.

Total operating expenses for the period were $755,095 (February 28, 2010: $441,162). The Series' primary expenses are management and administration fees. As management fee and administration fee expenses are based on fixed percentages 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 year. 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 year than the NAV at the end of the year. As a result, changes in expenses may not change relative to the change in NAV at the end of the year. The reported changes in expenses are consistent with the changes in NAV for each Series over the course of the 12 months from the comparative period. The increase in expenses was a direct result of a $5.24 million increase in NAV from February 28, 2010. Additional expenses including trailer (service) fees were also incurred by each Series. See "Management Fees" below.

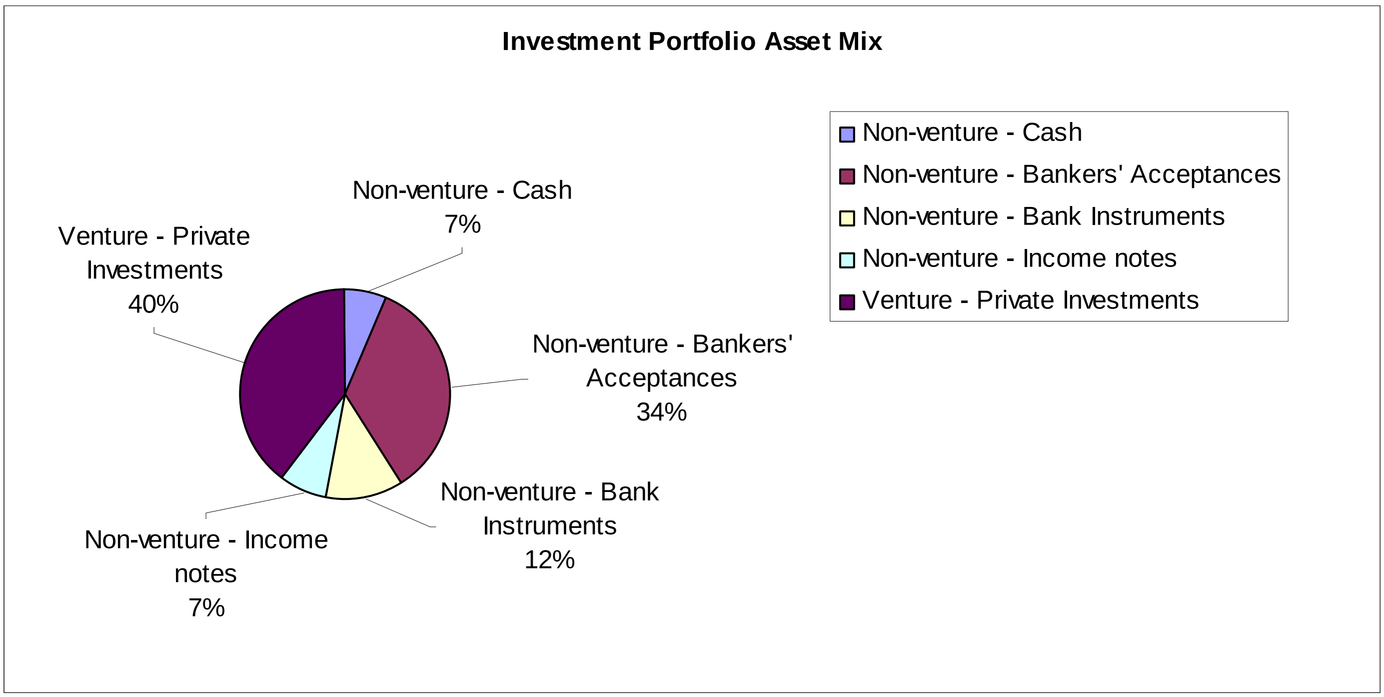
Operating MER (before performance amounts) for the period was 6.67% for 05 Series and 6.52% for 09 Series (Feb 28, 2010: 6.78% and 6.38% respectively). Although expenses such as management fees have a direct relationship to NAV as they are based on a fixed percentage of NAV, other expenses included in the MER calculation are not based on NAV and therefore may cause fluctuations in MER. The decrease in MER for 05 series was primarily the result of a $4,465 decrease in capital tax expense which was greater than the increase in expenses due to the initiation of the Harmonized Sales Tax ("HST") on July 1, 2010 by the Ontario government on management and administration fees. The slight increase in MER for the 09 Series primarily was the result of the HST. The 10 Series operating MER (before performance amounts) was 6.75% (Feb 28, 2010: 1.09% as the 10 Series was newly offered for the 2010 RRSP season).

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



Venture investments made during the year amounted to $1.3 million and bring the total current value of this portfolio to $8.1 million. The following new or follow-on venture investments were made during the year:

Greencore Composites Inc.
Verold Inc.
Kibboko Inc.
Peerset Inc.
PerspecSys Inc.

The Series did not realize any divestitures during the period. The aggregate size of the Series' venture investment portfolio increased by $1.2 million during the period, a net increase of 17.5% from the prior year-end, and was largely as a result of new and follow-on investment activity. Valuation changes within the venture portfolio and exchange rate fluctuations resulted in little change to the NAV from the start of the year to the end. Management feels this trend will continue throughout 2011: the value of the underlying venture debt investments will remain strong, and income component of the Series' investments will support the adopted dividend policies.

As the portfolio matures, some of the additional features in our investments focused on capital appreciation, such as the conversion of debt into shares in the company to whom a loan has been made, may result in an increase in value for the venture investment portfolio. This was the case in the prior fiscal period with the conversion of debt in three companies that were divested at significant gains in value relative to the conversion price.

Short term investments are comprised of investments in bonds and deposits, which may include high quality debt instruments. The Series' short term investments (which includes Venture Pending Funds) decreased by $1.35 million from August 31, 2010 due primarily to divestments of short-term investments to meet operational commitments and to fund investments in the venture portfolio and Directed Funds portfolio.

In keeping with the Directed Funds investment strategy, the Series may invest in income notes ("Income Notes"). These investments contribute in two ways to the returns of the Series: (1) income paid to the holder of the notes and (2) capital appreciation or depreciation of the notes based on market fluctuations or a combination of both. During the year, Income Notes contributed income of $195,389 in unrealized appreciation to the Series.

The Income Notes carry similar market risk to equity securities that are traded on open exchanges. Past performance does not necessarily indicate how Income Notes will perform in the future. The proportion of funds available for allocation for the Series Directed Funds portfolio will decline due to, or be affected by, among other things, venture investment activity, Class A redemptions and the liquidity of the Series' portfolio generally.

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

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 portfolio of young, entrepreneurial companies with high growth potential for its managed funds' venture investments 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 plan. The Series holds active venture investments in 12 portfolio companies.

The tables and pie charts below provide information about the Series' investment portfolio. 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 and "Results of Operations – Investment Portfolio" for portfolio composition as at the end of the period. The following tables and pie charts contain mandated regulatory disclosure. We note that for the purposes of the Top 25 Investments table, the Series may have less than 25 holdings as at the year end.

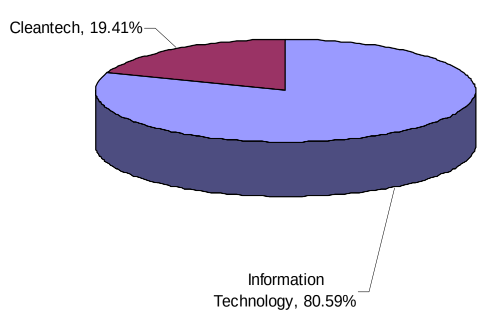
Top 25 Investments

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

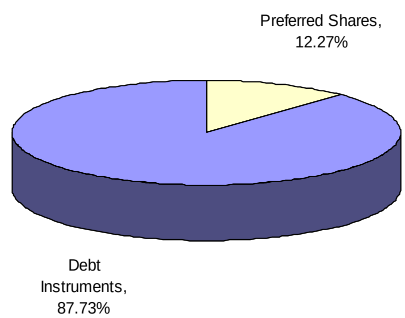
1	TD Bank Bankers Acceptance	10	Greencore Composites Inc.	
2	National Bank of Canada Income Note	11	iStopOver Inc.	
3	Kibboko Inc.(formerly Pinpoint Selling Inc.)	12	Ascentify Learning Media Inc. (formerly neuroLanguage Inc.)	
4	PerspecSys Inc.	13	Wired Sun Inc. (formerly "The Solar Venture")	
5	National Bank Bank Instrument	14	Verold Inc.	
6	Bank of Nova Scotia Bank Instrument	15	Octopz Inc. (formerly Diginiche Inc.)	
7	Peerset Inc. (formerly Ontogenix Inc.)	16	MCN BioProducts Inc.	
8	Bering Media Inc.			
9	Paymentus Inc.		**TOTAL % OF NAV**	**84.75%**

The following charts show the venture investment portfolio for these Series as represented by sector and type of investment holding based on cost as a percentage of the total cost of the venture portfolio. The Fund's venture investments may consist of equity and debt instruments. Debt investments are generally structured so that they are capable of generating income during the first three years and are generally subordinated and in most cases are structured to be converted into shares of the portfolio company after completion of the income generating period.

Sector Composition based on Cost of Venture Investments



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 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. Management fees paid by the Series to the Manager during the year were $255,409, including $29,383 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 Series reimbursed the Manager $13,732 during the year for interest expense incurred in financing sales commissions.

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 during the period by the Series. In addition, no contingent IPA was recorded for the period. 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 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 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.

Net Assets per Share (1)	**05 Series**					
	February 28, 2011 (4)	2010 (4)	2009 (4)	2008 (4)	2007 (4)	2006 (4)
Net assets per share, beginning of period(2)	$10.19	$7.07	$8.40	$9.51	$9.89	$9.85
Increase (decrease) from operations:						
Total revenue	$0.22	$0.28	$0.30	$0.42	$1.61	$1.06
Total expenses and amortization	($0.30)	($0.57)	($0.42)	($0.54)	($0.96)	($0.61)
Realized gains (losses) for the period	$0.00	$3.23	($0.07)	($0.04)	-	$0.20
Unrealized gains (losses) for the period	$0.02	$0.23	($1.35)	$0.05	($0.03)	($0.11)
Total increase (decrease) from operations (2)	($0.06)	$3.17	($1.54)	($0.11)	$0.62	$0.54
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	($1.00)	($1.00)	($0.50)
From Capital Gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total annual distributions	-	-	-	($1.00)	($1.00)	($0.50)
Net assets per share at end of period shown (1)	$10.12	$10.19	$7.07	$8.40	$9.51	$9.89

Ratios and Supplemental Data						
Total net asset value (000's) (3)	$15,141	$11,828	$6,740	$5,783	$6,582	$6,874
Number of shares outstanding (000's) (3)	1,496	1,161	953	689	692	695
Operating management expense ratio before IPA(5)	6.67%	6.83%	6.29%	7.05%	6.73%	7.00%
Earned IPA	-	12.83%	-	-	-	-
Total MER before waivers or absorptions	6.67%	19.66%	6.29%	7.37%	10.68%	7.87%
Trading expense ratio (6)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate (7)	53.03%	111.37%	3.25%	0.00%	0.00%	0.00%
Net assets per share at end of period	$10.12	$10.19	$7.07	$8.40	$9.51	$9.89

Net Assets per Share (1)	**09 Series**		
	February 28, 2011 (4)	2010 (4)	2009 (4)
Net assets per share, beginning of period (2)	$12.91	$9.87	$10.00
Increase (decrease) from operations:			
Total revenue	$0.25	$1.59	$0.05
Total expenses and amortization	($0.32)	($0.96)	($0.29)
Realized gains (losses) for the period	$0.00	$2.90	-
Unrealized gains (losses) for the period	$0.02	($0.00)	$0.03
Total increase (decrease) from operations (2)	($0.05)	$3.53	($0.21)
Distributions: (3)			
From income (excluding dividends)	-	-	-
From dividends	$1.00	$0.50	-
From capital gains	-	-	-
Return of capital	-	-	-
Total annual distributions (3)	$1.00	$0.50	-
Net assets per share at end of period (2)	$11.86	$12.91	$9.87

Ratios and Supplemental Data			
Total net asset value (000's) (4)	$3,435	$3,747	$2,894
Number of shares outstanding (000's) (4)	290	290	293
Operating management expense ratio before IPA(5)	6.52%	6.52%	5.67%
Earned IPA	-	8.98	-
Total MER before waivers or absorptions	6.52%	15.49%	5.67%
Trading expense ratio(6)	0.00%	0.00%	0.00%
Portfolio turnover rate (7)	53.03%	111.37%	0.00%
Net asset value per share end of period (4)	$ 11.86	$12.91	$9.87

Net Assets per Share **(1)**	**10 Series**	
	February 28, 2011 (4)	2010 (4)
Net assets per share, beginning of period/at inception(2)	$12.68	$10.00
Increase (decrease) from operations:		
Total revenue	$0.25	$1.02
Total expenses and amortization	($0.33)	($0.81)
Realized gains (losses) for the period	$0.00	$5.41
Unrealized gains (losses) for the period	($0.02)	($1.06)
Total increase (decrease) from operations (2)	($0.06)	$4.56
Distributions: (3)		
From income (excluding dividends)	-	-
From dividends	$0.50	-
From capital gains	-	-
Return of capital	-	-
Total annual distributions (3)	$0.50	-
Net asset per share at end of period (2)	$12.12	$12.68

Ratios and Supplemental Data		
Total net asset value (000's) (4)	$3,623	$3,805
Number of shares outstanding (000's) (4)	299	300
Operating management expense ratio before IPA(5)	6.75%	6.06%
Earned IPA	-	15.60%
Total MER before waivers or absorptions	6.75%	21.66%
Trading expense ratio(6)	0.00%	0.00%
Portfolio turnover rate (7)	53.03%	111.37%
Net assets per share end of period (4)	$12.12	$12.68

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. The inception date for the 05 Series, 09 Series and 10 Series are January 21, 2005, September 8, 2008, and September 4, 2009 respectively.*

(3) *Distributions were paid in cash.*

(4) *This information is presented as of August 31 of year shown and 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. Securities regulators have directed that performance based IPA dividends earned from realized gains and income on successful exits in the Fund's venture portfolio are to be included in the Total MER.*

(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

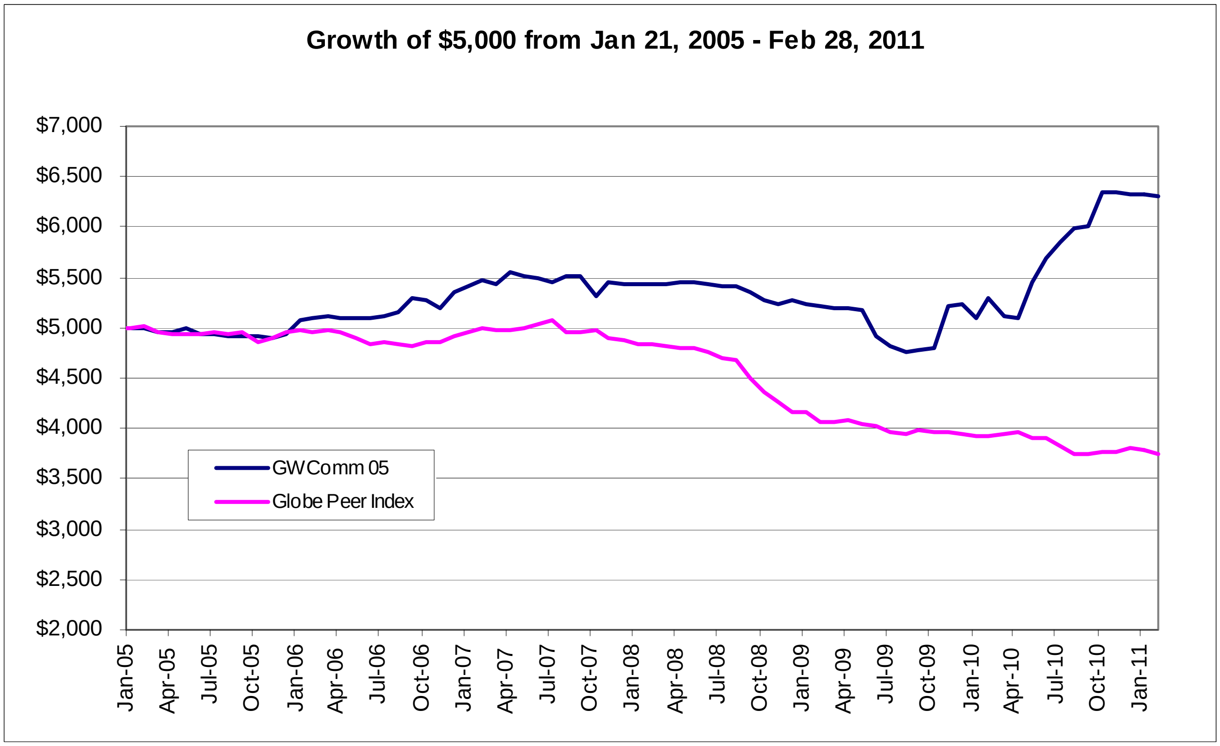
The Manager provides management services (including day-to-day management and investment management) and administrative services (including administrative, sales and marketing) to the Fund under an amended and restated management agreement dated June 28, 2005. Under the terms of the agreement, the Manager 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 $585,476, including $67,355 of HST. The breakdown of those fees is as follows: management fee of $255,409 (including $29,383 of HST), representing 44% of fees paid to the Manager; base administration fee of $243,916 (including $28,061 of HST), representing 42% of fees paid to the Manager; and additional administration fee of $86,151 (including $9,911 of HST), representing 14% of fees paid to the Manager. Service fees of 0.5% per year amounted to $53,946 for the year and were paid directly by the Series to dealers.

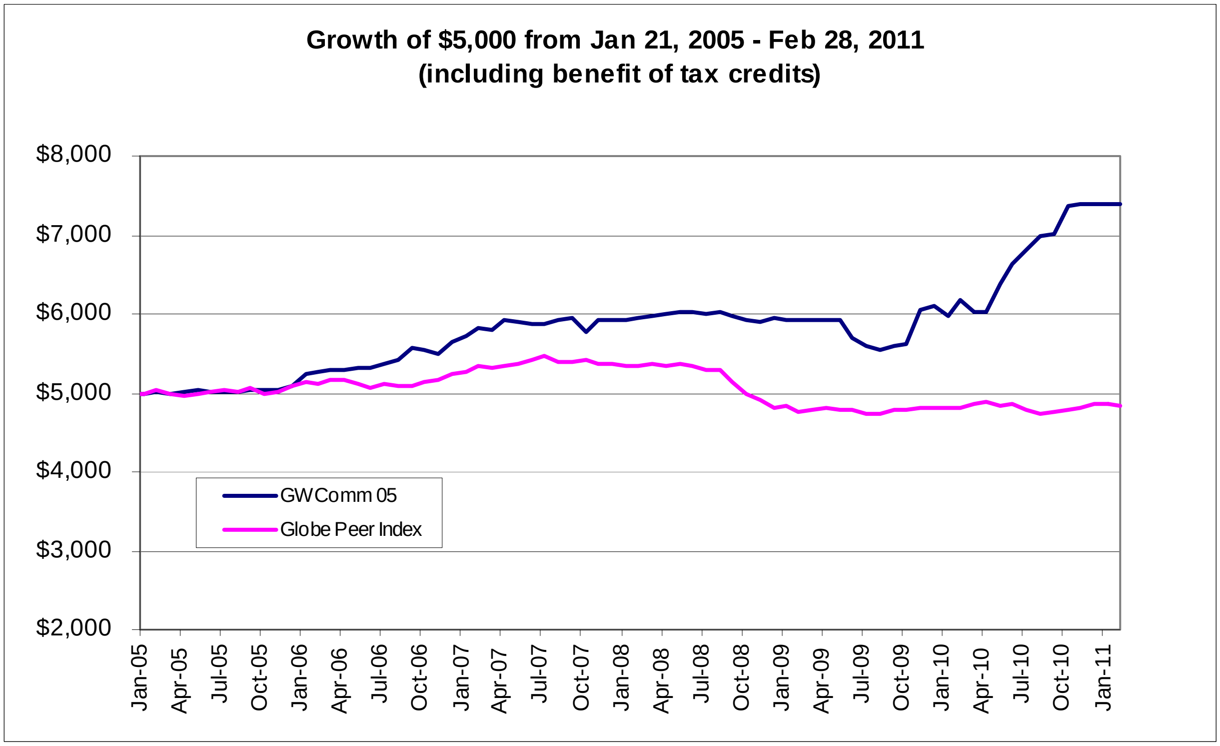
PAST PERFORMANCE

The performance data provided does not assume re-investment of distributions, if any, and does not take into account redemption or other charges directly payable by any shareholder that would have reduced returns. In calculating standard performance data, distributions are included and furthermore, it is generally assumed that distributions by an investment fund are reinvested in shares of that investment fund. Performance data for these Series includes the distributions paid but does not assume reinvestments of distributions, as the particular Series was not available for sale when distributions of the dividends paid in accordance with the dividend policy (see "Results of Operations – Distribution of Dividends Payments") were made. Past performance does not necessarily indicate how a series will perform in the future.

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 January 21, 2005 (05 Series inception date) to February 28, 2011 for the 05 Series 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 09 Series and 10 Series since their inception dates will vary as the Series did not participate in the same venture portfolio until February 5, 2010 and March 22, 2010, respectively. The second chart shows the performance of the 05 Series 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.



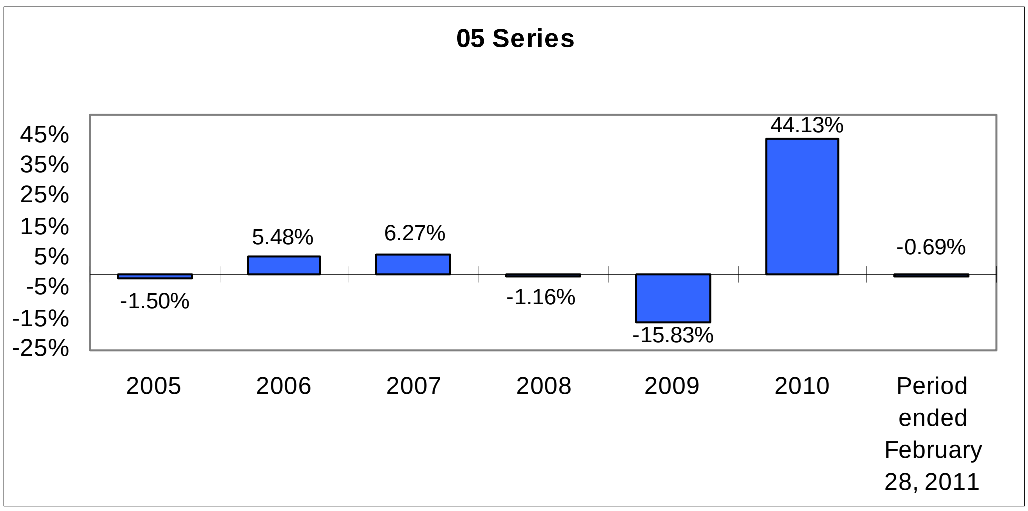
When comparing the performance of the 05 Series with the Globe Peer Index Return, readers should be mindful of economic factors unique to venture capital investing. Venture capital funds employ a wide range of investment strategies. Some funds focus on businesses at earlier stages of development and 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 Series with the Globe Peer Index Return.

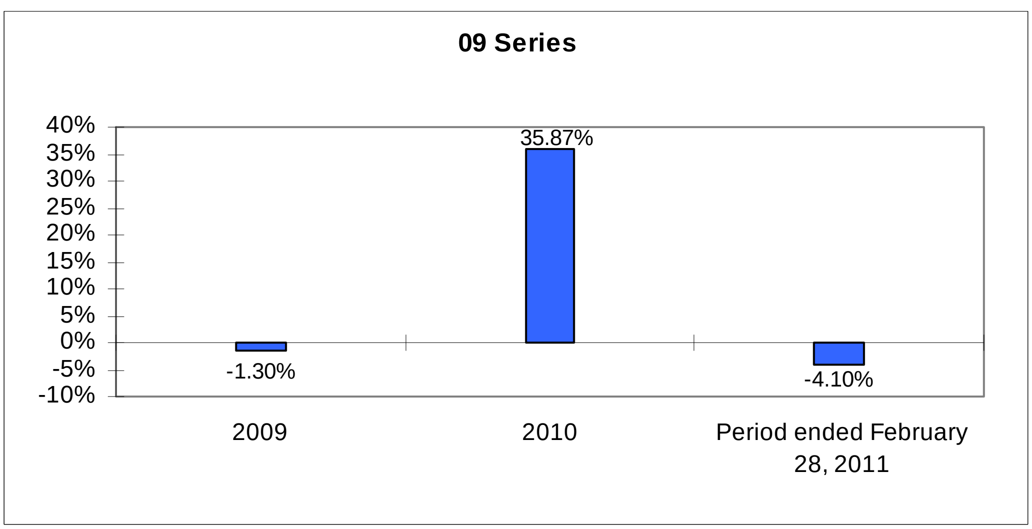


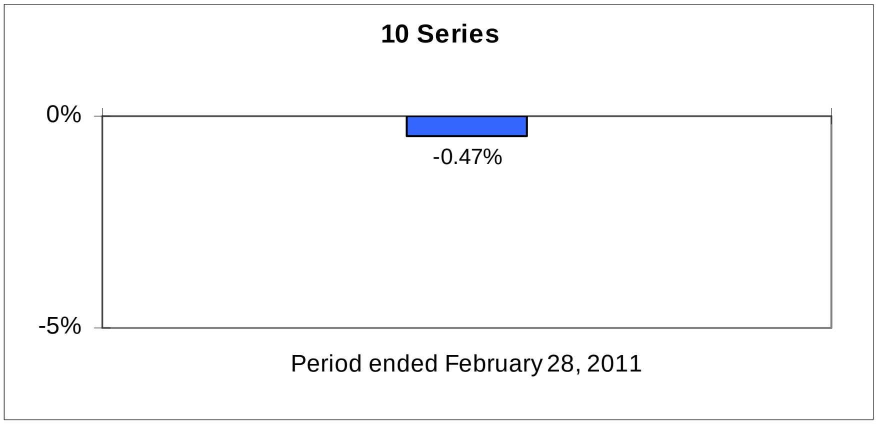
This second chart includes the annual, compounded rate of return related to the tax credits over the typical 8 year period during which shares must be held to retain the benefit of the tax credits (assumes tax credits were fully claimed and allowed at the same time as the purchase of Fund shares was 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 Ontario and Manitoba is 30% (15% federal and 15% provincial) and in Saskatchewan is 35% (15% federal and 20% provincial). The previous combined tax credit in Ontario was 35%. The Ontario government has adopted legislation providing for the phase-out of the Ontario RVC tax credit. See "Recent Developments" above. 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 35 cents of tax credits (30 cents with 30% tax credits), for net capital invested of 65 cents (70 cents with 30% tax credits). At year 8 if NAV per share has not changed, the share can be redeemed for $1. Thus, 65 cents (70 cents with 30% tax credits) growing to $1 over 8 years provides a 5.53% (4.56 % with 30% tax credits) annual, compounded rate of growth over that period..

Year-by-Year Returns

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






10 Series
0%
-0.47%
-5%
Period ended February 28, 2011

GrowthWorks
Commercialization Fund

www.growthworks.ca/commercialization

Suite 2200 Exchange Tower, 130 King St West,
PO Box 422 Toronto, Ontario M5X 1E3
416.934.7777 or 1.800.463.1652 info@growthworks.ca