GrowthWorks Atlantic Venture Fund

Management Report of Fund Performance

For the year ended August 31, 2011

GrowthWorks Atlantic Venture Fund Ltd.

Growth Series

Performance Diversification Know-How

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements for this series of GrowthWorks Atlantic Venture Fund Ltd. (the “Fund”) Class A Shares. You can get a copy of the annual financial statements at your request, and at no cost, by calling toll free 1-800-268-8244, by writing to us at 310 – 1801 Hollis Street, Halifax, Nova Scotia B3J 3N4 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 Atlantic Venture Fund Ltd., Growth Series (“Series” or “Growth 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 Atlantic Ltd. The Manager has engaged its affiliate GrowthWorks Capital Ltd. to perform investment fund management services and act as our principal distributor. Our Manager and GrowthWorks Capital Ltd. 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, portfolio companies’ 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.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

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 the NAV of the Fund's shares. The Fund invests in a mix of venture investments and non-venture investments.

Non-venture investments vary depending on the particular series of Class A Shares purchased and range from guaranteed investment certificates to investments linked to Canadian market equities. We call funds used to make non-venture investments "Directed Funds". The investment strategy for the Directed Funds of the Growth Series is generally to invest in securities which provide participation in a portfolio or index of publicly traded shares and equity securities.

Venture investments are made in businesses that operate in the Atlantic Provinces. As a RVC, the Fund is required to make certain venture investments in companies that meet eligibility requirements. Eligibility requirements are focused around company size, measured by assets value and number of employees, and company location. All of the Fund's "Venture Series" of Class A Shares, namely the GIC Series, Balanced Series, Growth Series and Financial Services Series, participate in a common venture investment portfolio. The previously offered "Commercialization Series" of Class A Shares had separate and distinct venture investment portfolios. All previously offered Commercialization Series have been converted into the Balanced Series. The primary venture investment strategy of the Venture Series is to diversify the venture portfolio by business sector, company development stage, and geography within New Brunswick, Nova Scotia and Newfoundland and Labrador. We seek out entrepreneurial companies with high growth potential capable of supporting our investment objectives. Our Manager performs a fundamental analysis of each investment opportunity, including analyzing business plans, market opportunities, financial statements, particular industries, products, services, and technologies and evaluating the abilities of management of the business.

The Fund may structure its investments as equity or debt instruments or a combination of both. Generally, venture investments will be structured to participate in an appreciation in value of the investee business and we will generally take active minority positions that are frequently larger than the positions other mutual funds would ordinarily take. 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. Pending investment of new capital raised, funds may be temporarily held in high quality, liquid debt instruments. Some level of on-going cash balances will be held as part of the Directed Funds of all series. For more information on the Growth Series, please see 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.

Growth Series may hold index notes in its Directed Funds portfolio ("Index Notes"). The Index Notes are linked to a portfolio of publicly traded shares and equity securities. The Index Notes carry similar market risk to equity securities that are traded on open exchanges. Past performance does not necessarily indicate how Index Notes will perform in the future. The proportion of funds available for allocation for all Series Directed Funds portfolios will decline due to, or be affected by, among other things, Class A Share redemptions, venture investment activity and the liquidity of the Fund's portfolio generally. See "Results of Operations – Investment Portfolio" below.

Results of Operations

Net Asset Value (NAV)

Total NAV for the Growth Series closed at $946,042 for the year compared to $881,089 at year end. The net increase in total NAV was primarily the result of new share subscription activity of $203,457 and unrealized appreciation of $13,872 on Index Notes in the non venture portfolio. These factors were partially offset by redemption activity of $11,882 and unrealized depreciation of $92,882 on venture investments.

Revenue, Expenses and Management Expense Ratio (“MER”)

Total investment income for the year was $17,169 (2010: $22,304). The decrease was primarily the result of lower interest income earned on venture investments as a result of a general downward trend in realizable market interest rates.

Total operating expenses for the year were $60,893 (2010: $51,604). The Fund’s primary expenses are management and administration fees. As management and administration fees 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 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 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 the Series over the course of the year. Additional expenses including trailer fees were also incurred by the Series. See “Management Fees” below.

The management expense ratio (“MER”) for the year was 6.34% (2010: 6.42%). Though management and administration fees were higher during the year, an increase in NAV during the year meant that the proportion of expenses in relation to average NAV was lower due to the timing of changes in NAV throughout certain parts of the year. The use of average NAV for fee calculations combined with the seasonal nature of the sales and redemption cycles of investment funds and resulting fluctuations in NAV throughout the year, may cause MER to decrease, as was the case in this instance. The decrease in expenses in relation to NAV was partially offset by an increase in HST expense due to an increase in the HST rate in Nova Scotia from 13% to 15% effective July 1, 2010.

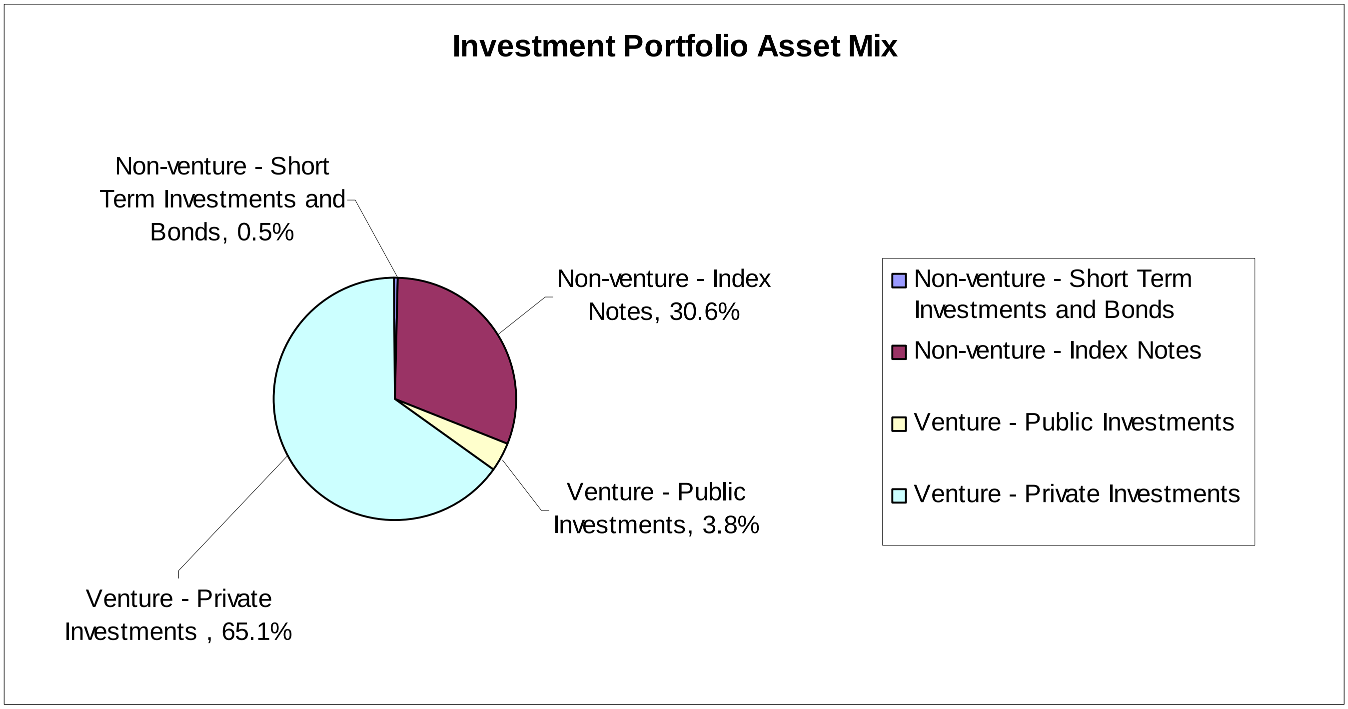
Liquidity

We monitor and manage liquidity at the Fund level based on activities that draw on liquidity, 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 and other commitments, and (3) redemptions of Class A Shares, in particular shares that may be redeemed without repayment of tax credits. Liquidity coverage at the Fund level is presently estimated to be sufficient to meet current and projected cash requirements.

Investment Portfolio

At the end of the year, the investment portfolio for the Series consisted of current venture investments, short-term investments (including capital required to be invested in eligible venture investments over time referred to as “Venture Pending Funds”), Directed Funds and cash/cash equivalents.

The overall asset mix of the Series' investments, as a percentage of the total value of the investment portfolio, is set out below:



All series of the Fund's Class A Shares participate in the same venture investment portfolio. Venture investments made during the year amounted to $3.50 million and, based on cost, bring the total current value of this portfolio, net of divestments and unrealized appreciation and depreciation, to $15.98 million. The following venture investments were made during the year:

ClearRisk Inc.	Impath Networks Canada Corporation
Lymbix Inc.	Origin Biomed Inc.
Virtual Marine Technology Inc.	

The Fund did not fully or partially divest any venture investment holdings during the year. The Fund's venture investment portfolio generated unrealized depreciation of $2.88 million over the year which was shared proportionately among all series of the Fund's Class A Shares.

The aggregate size of the Fund's venture investment portfolio increased by $597,743 during the year, a net increase of 3.9% from the prior year-end, and was largely derived from two new venture investments and three follow-on venture investments. These investments were partially offset by write-downs of the value of the Fund's investments in Anyware Group Inc., Origin Biomed Inc. and Virtual Expert Clinics Inc. and valuation declines in the publicly traded venture portfolio.

The year has seen a continuing decline in overall venture capital supply and continuing volatility of initial public offering ("IPO") and merger and acquisition ("M&A") activity for technology and life sciences based companies. However, the revenue growth and financial performance achieved by the investee companies in the Fund's venture portfolio was generally positive over the year 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 $3,835 in short term investments (which includes Venture Pending Funds). The portfolio of short term investments decreased by $41,457 during the year due primarily to divestments of short-term investments to meet operational commitments and to fund investments in the venture portfolio and Directed Funds investments in Index Notes.

The Series may invest in Index 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. During the period, Index Notes contributed $13,872 in unrealized appreciation.

Investment Pacing

The Fund is current with applicable investment pacing requirements. 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 15 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. 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 NAV. Also, see the “Results of Operations – Investment Portfolio” for portfolio composition as at the end of the year. 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.

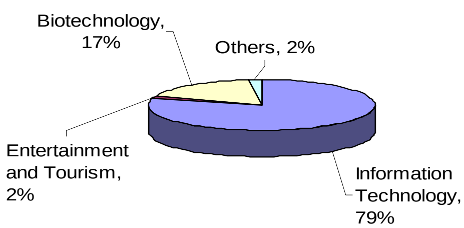
Top 25 Investments

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

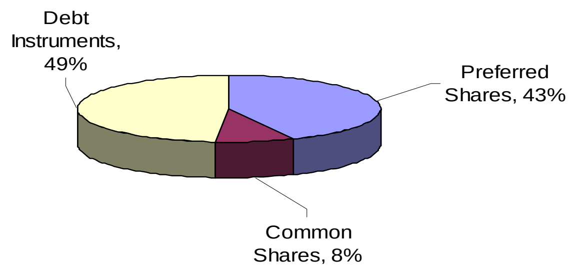
1	National Bank of Canada Index Notes - Capped 60	7	Anyware Group Inc.	
2	Azorus Inc.	8	Lymbix Inc.	
3	Origin Biomed Inc.	9	ClearRisk Inc.	
4	Sampling Technologies Inc.	10	Virtual Expert Clinics Inc.	
5	Virtual Marine Technology Inc.	11	Spectral Diagnostics Inc.	
6	Impath Networks Canada Corporation	12	DHX Media Ltd.	
			TOTAL % OF NAV	**82.00%**

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 Investments



Investment Holdings based on Cost of Venture Investments



Recent Developments

The world economy recorded positive growth for the year ended August 31, 2011, however not without significant challenges, in particular concerns surrounding sovereign debt levels in Europe and the United States. In Europe, politicians, bankers, and regulators are working to manage instability of the European banking system. In the United States, Democrats and Republicans disagree on remedies for the Federal Government's substantial budget deficit. Unemployment remains high in many industrialized nations and governments have limited flexibility to provide fiscal stimulus. World central banks are providing substantial monetary stimulus as interest rates are at historically low levels in many countries.

North American equity markets reacted negatively during the summer months of 2011 to economic concerns. The NASDAQ declined 7% and the TSX Composite declined 4% during July and August, with further substantial declines in September. The period was marked by substantial market volatility. The Fund's manager expects these market conditions will continue at least in the near term until the European banking system shows signs of stabilization.

The Fund's operating environment was healthy during the period. Merger and acquisition ("M&A") markets, a key exit path for the Fund's venture investments, registered reasonable levels of activity in the United States during the first half of 2011. While activity during Q1 2011 matched the record activity of Q1 2010, activity slowed during Q2 2011. Similar to the M&A market, activity in the initial public offering or "IPO" market in the United States during the first half of 2011 matched levels recorded during the first half of 2010. A total of 24 venture-backed companies went public in the United States during the first half of 2011, including companies such as LinkedIn and Pandora.

Compared to the United States, Canadian exit markets were slower. The Canadian IPO market has been very slow since 2007, with only a few filings for venture-backed companies. In Q1 2011, Canadian M&A markets slowed, with activity levels falling short of levels for Q1 2010. The Fund's Manager is optimistic that M&A markets in both countries will remain active in the second half of 2011 as large corporations continue to carry substantial levels of cash.

In December 2010, the Fund streamlined its Class A Share offering by consolidating outstanding Diversified Series shares into Balanced Series shares. The streamlining was aimed at achieving a more efficient process for compiling and reporting financial results and a more streamlined offering in light of the low level of sales of the Diversified Series. The consolidation was approved by shareholders and regulatory authorities. The consolidation was effected in accordance with the Fund's Articles through a conversion of Diversified Series shares into Balanced Series shares based on the relative NAV per series share of the two series on the date of conversion.

The Manager has obtained relief from the requirement to be registered as an investment fund manager on the basis that its affiliate, Growth Works Capital Ltd., a registered investment fund manager, directly or through its officers or personnel provides or arranges for the provision of substantially all of the management services to the Fund.

At the end of the year, the Fund was awaiting being prescribed as a registered labour-sponsored venture capital corporation for the 2011 tax year in the province of New Brunswick. The Fund expects that it will be prescribed before the end of 2011, with effect for purchases on or after January 1, 2011. The Fund has requested that it also be prescribed for the 2012 tax year. There can be no assurance as to whether the Fund will be granted prescribed status for any tax year after 2010.

IFRS

The Accounting Standards Board ("AcSB") published amendments to the Handbook on October 1, 2010 that provided a one-year deferral of the transition to IFRS for investment companies like the Fund. However, the AcSB issued subsequent amendments to the Handbook in March 2011, providing a two-year deferral of the changeover date to January 1, 2013. The deferral of the mandatory changeover from January 1, 2011 to January 1, 2013 is intended to allow the IASB's proposed exemption from consolidation (*Accounting Standard 27 Consolidated and Separate Financial Statements (IAS 27)*) for investment companies to be in place prior to adoption of IFRS by investment companies in Canada. If adopted, this would make *IAS 27* largely consistent with current Accounting Guideline 18 *Investment Companies*.

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 substantially complete.

As at August 31, 2011, the Manager expects that the impact of adopting IFRS will not impact measurement, but will be mainly in presentation and additional disclosure requirements in the financial statements of the Fund. Based upon the current deferral, the Fund would commence IFRS effective September 1, 2013 for its annual and interim financial statements, including comparative figures for the preceding year.

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 paid by the Growth Series to the Manager during the year were $54,420, including $7,098 of HST. The Fund also reimburses the Manager or other related entities any interest expense incurred in the financing of sales commissions. The Growth Series reimbursed the Manager $1,430 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 fund management 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.

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 year. In addition, no contingent IPA was recorded for the year. Contingent IPA is not an amount that would actually be paid or be payable, but is an estimate of IPA dividends that would be payable if the entire venture portfolio were 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 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 incurs 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.

During the year, the Fund's Diversified Series shares were converted into Balanced Series shares. See "Recent Developments" above.

FINANCIAL HIGHLIGHTS

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

Growth Series *Net Assets per Share* [(1)]				
	2011[(3)]	2010[(3)]	2009[(3)]	2008[(3)]
Net assets per share, beginning of year [(2)]	$8.21	$8.58	$9.31	$10.00
Increase (decrease) from operations:				
Total revenue	$0.14	$0.24	$0.32	$0.21
Total expenses and amortization	($0.54)	($0.39)	($0.45)	($0.24)
Realized gains (losses) for the year	-	($1.30)	$0.06	-
Unrealized gains (losses) for the year	($0.65)	$1.03	($0.73)	($0.84)
Total increase (decrease) from operations [(2)]	($1.05)	($0.43)	($0.80)	($0.87)
Distributions:				
From income (excluding dividends)	-	-	-	-
From dividends	-	-	-	-
From capital gains	-	-	-	-
Return of capital	-	-	-	-
Total annual distributions	-	-	-	-
Net assets per share at end of the year shown [(2)]	$7.24	$8.21	$8.58	$9.31

Ratios and Supplemental Data				
Total net asset value (000's) [(3)]	$946	$881	$674	$457
Number of shares outstanding (000's) [(3)]	131	107	79	49
Total management expense ratio (MER) [(4)]	6.34%	6.42%	5.83%	5.46%
Total MER before waivers or absorptions	6.34%	6.42%	5.83%	5.46%
Trading expense ratio[(5)]	0.01%	0.00%	0.00%	0.00%
Portfolio turnover rate [(6)]	0.91%	0.00%	0.00%	0.00%
Net asset value per share at the end of year[(3)]	$7.24	$8.21	$8.58	$9.31

Notes:

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

(2) *Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The inception date of the Growth Series is October 26, 2007. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial year..*

(3) *This information is presented as of August 31 of year shown.*

(4) *Total management expense ratio 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 net asset value during the year. Effective September 1, 2009, the administration fee charged by the Manager to the Fund increased from 1.25% to 2.0%. Effective July 1,2010, HST increased from 13% to 15% in Nova Scotia impacting MER.*

(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

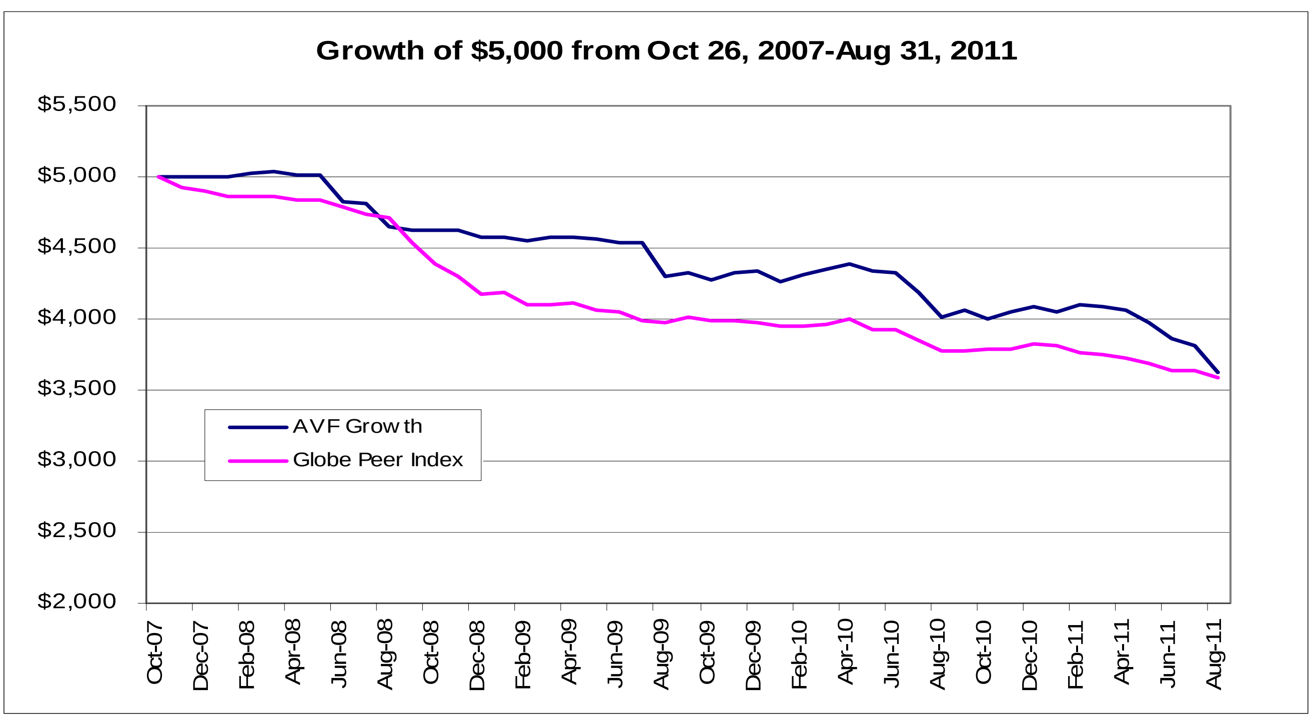
The Manager provides management services (including day-to-day management and investment management) and administration services (including administrative, sales and marketing) to the Fund under a management agreement dated December 24, 2004. Under the terms of the agreement, the Manager is entitled to a management fee of 2.0% of average NAV and an annual base administration fee of 2.0% of average NAV. 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 year, the aggregate amount of fees charged to the Growth Series was $54,420, including $7,098 of HST. The breakdown of those fees is as follows: management fee of $22,331 (including $2,913 of HST), representing 41.03% of fees paid to the Manager; base administration fee of $22,331 (including $2,913 of HST), representing 41.03% of fees paid to the Manager; and additional administration fee of $9,758 (including $1,272 of HST), representing 17.94% of fees paid to the Manager. Service fees of 0.5% per year amounted to $4,850 for the year and were paid directly by the Growth Series to dealers.

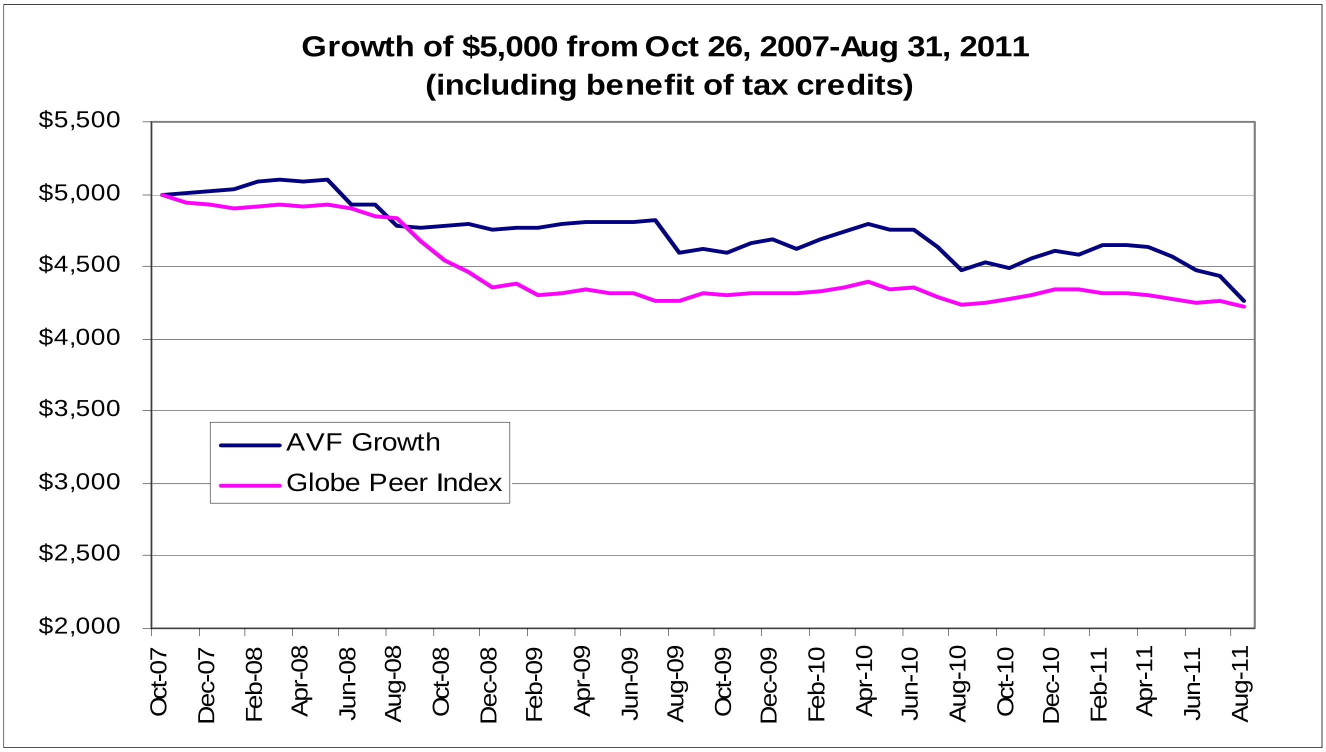
PAST PERFORMANCE

The performance data provided assumes 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. Past performance does not necessarily indicate how the Series will perform in the future. While it is assumed that distributions made by the Fund are re-invested, to date the Growth Series has not made any distributions which could be re-invested.

To provide additional 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 October 26, 2007 (the inception date) to August 31, 2011 for the 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. The second chart shows the performance of the Series after taking into 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 the Fund believes should be taken into account when looking at share returns.



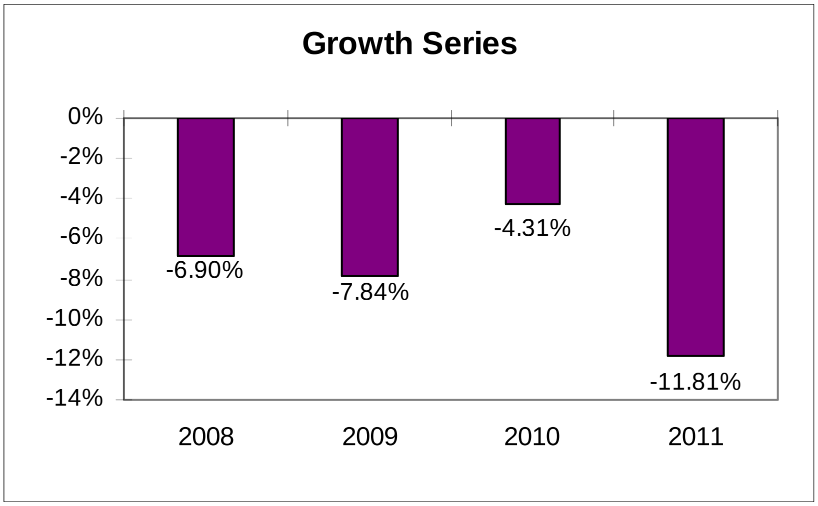
When comparing the performance of the Series with the Globe Peer Index, readers should be mindful of economic factors unique to venture capital investing. Venture capital funds employ a wide range of investment strategies. Some funds focus on businesses at earlier stages of development and others focus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



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 at a combined rate of 35% 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). This 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. The tax credit rate is 35% (15% Federal and 20% Nova Scotia (NS), New Brunswick (NB) and Newfoundland (NL)). The provincial tax credit rate for purchasers in NB and NL increased from 15% to 20% effective March 17, 2009 and April 1, 2009, respectively. The maximum purchase amounts in respect of which tax credits may be claimed are $5,000 federal and $10,000 NS, NB and NL (previously $5,000 for NB and NL). Returns for investments which exceed the maximum purchase amounts will vary. After tax credit compound returns do not apply to purchasers resident in Prince Edward Island as they are not eligible for a provincial RVC tax credit.

Year-by-Year Returns

The following bar chart shows the Growth Series' performance for each of the periods shown, and illustrates how the Series' performance has changed from year to year. The bar chart shows in percentage terms, how much an investment (exluding the benefit of the tax credit) made on September 1 (or the inception date) would have grown or decreased during the applicable year ended August 31.



Annual Compound Returns

The table below shows the Series' annual compounded performance as at the end of the year for the previous one-year, three-year and five-year periods and since the WIF Merger, compared with the Globe Peer Index. As clarified by the Ontario Securities Commission, an investment fund is required to include comparative information for a broad-based market index. The Fund has selected the NASDAQ Composite Index denominated in Canadian dollars. As the chart reveals, the Growth Series has underperformed the NASDAQ Composite Index during the given periods and there is a positive correlation with the performance of the Globe Peer Index during the given periods. The performance of the NASDAQ Composite Index can be an indicator of the M&A and IPO activity within the sectors represented by the Index, including the technology and life sciences sectors. To the extent that the Fund has investments within those sectors, changes in M&A and IPO activity can impact the value of the Fund's venture investments, opportunities for the Fund to dispose of such investments and, potentially, Fund returns. For instance, increasing performance of the Index may increase the number of potential acquirers for the Fund's venture investments since stock compensation is often the acquisition currency used in M&A transactions. This can positively influence the value of the Fund's venture investments, thereby increasing returns. By contrast, declining performance of the Index may be an indicator of decreased M&A and IPO activity, which may in turn negatively impact the value of the Fund's venture investments, thereby reducing returns.

Compound Returns	1 Year	3 Year	Since Inception (1)
Growth Series Return	-11.81%	-8.04%	-8.05%
Benchmark – Globe Peer Index Return	-4.94%	-8.72%	-7.48%
Benchmark – NASDAQ Composite Index Return (C$)	12.21%	0.11%	16.57%

Note:

(1) *Since Inception Compound Return for Globe Peer Index Return and NASDAQ Composite Index Return shown from October 26, 2007, the date on which sales of Growth Series commenced.*

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 Series with the Globe Peer Index Return.

After Tax Credit Annual Compound Return to Shareholders

Investing in a RVC such as the Fund provides tax credits that you do not receive when you invest in ordinary mutual funds. These tax credits represent a substantial financial benefit that the Fund believes should be taken into account when looking at share returns. For Nova Scotia (NS), New Brunswick (NB) and Newfoundland and Labrador (NL), an investor's since merger returns to the end of the year on a $5,000 investment in the Series, after taking into account the special tax credits were:

35% FEDERAL AND PROVINCIAL TAX CREDITS **NS – all purchases** **NB – purchases on or after March 17, 2009** **NL – purchases on or after April 1, 2009**			
	1 Year	**3 Year**	**Since Inception[4]**
- After Tax Credit Return [1]	-6.28%	-2.51%	-2.52%
- Tax Credit Return [2][3]	5.53%	5.53%	5.53%
- Annual Compound Return	-11.81%	-8.04%	-8.05%

30% FEDERAL AND PROVINCIAL TAX CREDITS **NB – purchases before March 17, 2009** **NL – purchases before April 1, 2009**			
	1 Year	**3 Year**	**Since Inception[4]**
- After Tax Credit Return [1]	-7.26%	-3.48%	-3.49%
- Tax Credit Return [2][3]	4.56%	4.56%	4.56%
- Annual Compound Return	-11.81%	-8.04%	-8.05%

Notes:

(1) *This return is the sum of the Tax Credit Return and the Annual Compound Return for the Growth Series.*

(2) *This is the annual, compounded rate of return related to investment of 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 at the combined rate noted in the applicable table and allowed at the same time as the purchase was made). This 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. The NB and NL tax credits were increased from 15% to 20%, effective March 17, 2009 and April 1, 2009, respectively, increasing the combined federal and provincial tax credit to 35%.*

(3) *At present, the combined tax credit rate is 35% (15% Federal and 20% NS, NB and NL). The provincial tax credit rate for purchasers in NB and NL increased from 15% to 20% effective March 17, 2009 and April 1, 2009, respectively. The maximum purchase amounts in respect of which tax credits may be claimed are $5,000 federal and $10,000 NS, NB and NL (previously $5,000 for NB and NL). Returns for investments which exceed the maximum purchase amounts will vary. After tax credit compound returns do not apply to purchasers resident in Prince Edward Island as they are not eligible for a provincial RVC tax credit.*

(4) *The inception date for the Growth Series is October 26, 2007*

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