

FUND INSIGHTS ~ Venture Series

Who Is This Investment Designed For?

Investors who are willing to stay invested for at least 8 years, and are looking for:

- Long-term capital appreciation
- Up to 30% in additional tax savings beyond an RRSP deduction
- Exposure to BC's private companies with high growth potential

Save \$3,000 on your taxes

One of the most experienced venture capital teams in Western Canada invites you to share in the growth of some of BC's emerging businesses while saving up to \$3,000 on your taxes¹.

Save	15¢	Federal tax credit ²
Plus	15¢	Provincial tax credit ²
Plus	30¢	Approximate tax savings with RRSP contribution ³
Total	60¢	Savings on your taxes¹



For every dollar you invest in the Working Opportunity Fund, you can save up to 60 cents¹ on your taxes.

How an Investment in the Fund Fits into a Portfolio

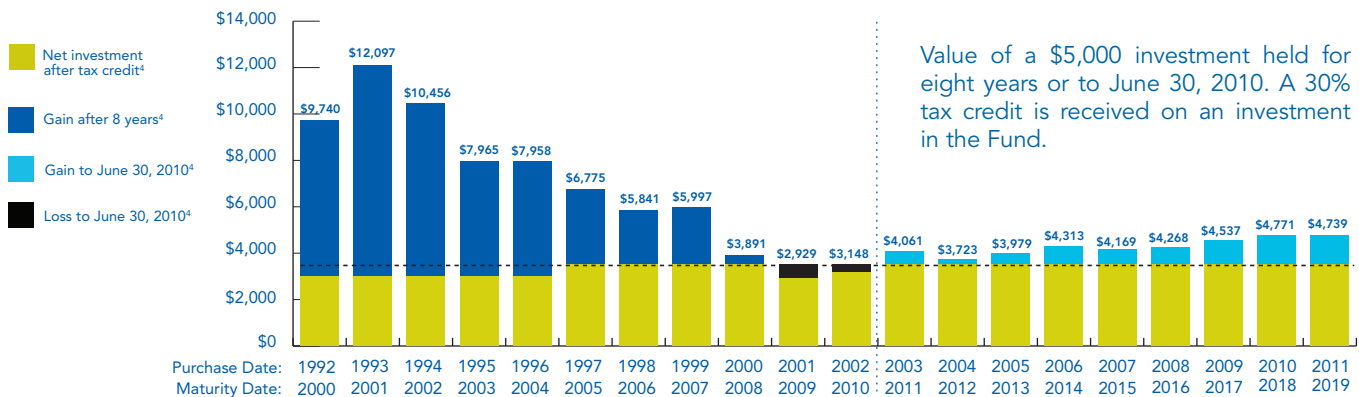
- **Asset allocation in venture capital.** Depending on risk tolerance, venture capital may make up 5-15% of a client's portfolio.
- **Growth potential.** Investments in private companies with high growth potential.
- **Reduction of income tax.** Tax credits reduce income tax payable.¹

Consult your investment advisor to determine suitability.

About GrowthWorks*

- GrowthWorks is the venture capital division of Matrix Asset Management Inc. (TSX:MTA), a diversified asset management company with approximately \$1.8 billion in assets under management, including \$436 million in venture capital fund assets
- Manager of five venture capital funds across Canada
- Recognized leader in the Canadian venture capital industry
- Specializing in the management and growth of regionally based VC funds
- A primary focus on Canada's high growth potential sectors: information technology, life sciences, advanced manufacturing and cleantech
- Specialized investment teams in core sectors
- Adding value through board participation, providing strategic advice and expertise

Shareholders who have completed their 8 year hold have seen positive growth.



Value of a \$5,000 investment held for eight years or to June 30, 2010. A 30% tax credit is received on an investment in the Fund.

Market Commentary - as at January 31, 2012

Joe Timlin - Vice President, Investments

We are pleased to report several positive developments in the portfolio over the course of 2011 as well as some macro and market challenges. The past year features a healthy amount of both investment and exit activity for the Venture Series. We would like to take this opportunity to summarize key developments within the portfolio as well as take a look ahead at the upcoming year.

During 2011, the Venture Series completed \$10.8M of investments in 11 companies. Two of the companies are new to the portfolio: **GrowLab Ventures Inc.** and **Metafor Software Inc.** Metafor Software is focused on application migration cloud computing and is the second company we've funded founded by Dr. Toufic Boubez. Previously, the Venture Series backed Layer 7 Technologies Inc., which is performing extremely well, so we were excited to work with Toufic on another promising venture. GrowLab is led by a second-time entrepreneur from our portfolio, Leonard Brody, who founded Now Public, a company we exited in 2009.

Nine follow-on investments were completed in 2011 across our three core focus industries: Information Technology, Cleantech and Life Sciences. Follow-ons included investments in **Teradici Corp.** and **GenoLogics Life Sciences Software Inc.** Teradici, is a Burnaby based company that develops innovative technology for next-generation computer form factors, focusing on an emerging market called VDI. Teradici has grown from four employees in 2004 when the Venture Series first invested to a recognized leader in virtualized computing. We encourage you to visit their website and learn more at www.teradici.com! Based in Victoria, GenoLogics develops next-generation laboratory information management system software for genomics labs. In 2011, GenoLogics completed an \$8 million round of financing led by its strategic partner Illumina, Inc. (NASDAQ: ILMN), a global leader in next-generation DNA purification and sequencing instruments.

During 2011, The Venture Series completed several exits. These included the acquisition of **QuIC Financial Technologies Inc.** by Markit, a large financial data provider. WOF also exited its positions in publicly traded life sciences companies **Zalicus Inc.** and **OncoGenex Pharmaceuticals Inc.**, Very recently we sold Angstrom Power Inc. to the BIC Group. BIC plans to use Angstrom's technology to commercialize a replaceable hydrogen fuel cartridge and Angstrom will continue on in British Columbia as a technology innovation centre within BIC.

While many of Venture Series portfolio companies are performing according to expectations, there have been some challenges. **Tekmira Pharmaceuticals Inc.** is involved in a legal dispute with its partner Alnylam over ownership and use of Tekmira's intellectual property. The dispute has put downward pressure on the value of Tekmira's publicly traded stock pending the outcome of the dispute, however, it is our expectation that this situation is temporary and will be resolved in the next 12 months. **NxtGen Emission Controls Inc.**, a cleantech company that was developing technology to improve diesel engine performance, was unable to raise capital in the current economic environment that it required to continue operations. As a result, the company is winding down and selling its assets. Regrettably, the Venture Series was required to write down its investment in NxtGen in 2011.

The Venture Series continues the natural progression for a maturing venture capital portfolio with over a third of the value of the Venture Series portfolio comprised of profitable companies and the majority of its value invested in companies which we do not anticipate require further venture capital financing from the Fund. We continue to closely monitor the economic situation in the United States and internationally, and, we remain optimistic for continued interest in mergers and acquisitions (M&As) for our mature and profitable investee companies. We believe the portfolio remains well positioned to increase in value and provide exits.

Returns⁵ (as at March 31, 2012)

	1 year	3 year	5 year	10 year	Since Inception ⁶
Including Tax Credits					
WOF Growth-1	4.11%	4.71%	0.36%	1.20%	1.48%
WOF Growth-2	3.46%	4.14%	-0.37%	n/a	2.32%
WOF Balanced-1	3.02%	2.18%	0.29%	-0.17%	5.79%
WOF Balanced-2	2.26%	1.31%	-0.76%	n/a	0.08%
WOF Financial	0.20%	1.10%	-1.63%	n/a	0.82%
WOF GIC	1.25%	0.26%	n/a	n/a	4.22%
Benchmark: NASDAQ Composite Index	14.29%	17.04%	2.04%	0.49%	various ⁶
Excluding Tax Credits					
WOF Growth-1	-0.45%	0.15%	-4.20%	-3.36%	-3.08%
WOF Growth-2	-1.10%	-0.42%	-4.93%	n/a	-2.24%
WOF Balanced-1	-1.54%	-2.38%	-4.27%	-4.73%	1.23%
WOF Balanced-2	-2.30%	-3.25%	-5.32%	n/a	-4.48%
WOF Financial	-4.36%	-3.46%	-6.19%	n/a	-3.74%
WOF GIC	-3.31%	-4.30%	n/a	n/a	-0.34%
Benchmark: Globe Peer Index	-7.70%	-5.48%	-7.08%	-5.15%	various ⁶

Portfolio Characteristics

Venture

- On average, 35-45 companies in the portfolio
- Focus on IT, life sciences, advanced manufacturing and cleantech
- Investing in entrepreneurial companies with high growth potential
- Companies located in BC, mostly private
- Ranging from early-stage investing to supporting companies through to maturity and exit generally by Merger & Acquisition (M&A) or Initial Public Offering (IPO)
- Portfolio companies are a diversified mix of industries and stages of development

Non-Venture⁷

- Choice of four series: Balanced, Growth, Financial, GIC
- Invested in securities with investment focus indicated by series name¹ (see current prospectus for details)
- Series 2 shares can be split and switched up to four times a year between series (no switch out of GIC series)

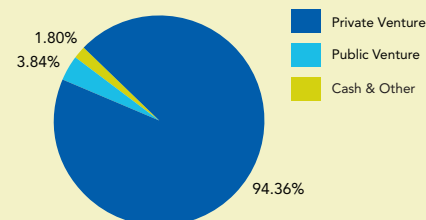
Fund Facts

- Start date: January 1992
- Pricing net assets: \$161 million
- Management fee⁸: 2.00%
- Venture holdings (# of companies): Private: 27; Public: 2
- RRSP eligibility: 100%
- Tax credits: 15% provincial (BC) 15% federal (BC)
- Best completed 8 year period (Jan 1993–Jan 2001): Value of \$5,000 investment taking into account tax credits² (Balanced Series 1): \$12,217
- Worst completed 8 year period (Jan 2001–Jan 2009): Value of \$5,000 investment taking into account tax credits² (Balanced Series 1): \$4,397

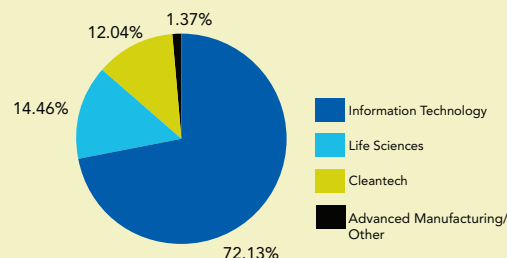
Portfolio Composition*

(as at March 31, 2012)

Asset Class Weighting⁵ Balanced Series² (by Market Value)



Venture Industry Weighting (by Market Value)



Top 10 Venture Holdings ~ Venture Series (by Market Value) as at March 31, 2012

- 1 **Teradici Corp.** www.teradici.com
Teradici Corp. is a fabless semiconductor company developing innovative technology for next-generation computer form factors.
- 2 **Layer 7 Technologies** www.layer7tech.com
Layer 7 builds technology to secure and integrate web services applications across business boundaries, enabling them to share richer, more complex and more flexible customer service opportunities.
- 3 **D-Wave System Inc.** www.dwavesys.com
D-Wave designs computers that would solve complicated logistical problems in seconds instead of hours or days.
- 4 **ResponseTek** www.responsetek.com
ResponseTek offers Customer Experience Management software solutions that measure and report on customer experiences by capturing insights on customer experiences when and where they occur and delivering them continuously and in real-time.
- 5 **LightHaus Logic Inc.** www.lighthauslogic.com
LightHaus Logic develops and deploys a new class of high-performance video analytics for security and business intelligence applications in retail, hospitality, banking and critical infrastructure.
- 6 **Mixpo** www.mixpo.com
Mixpo is an internet video advertising technology provider that enables publishers, ad networks, and agencies to easily deliver dynamically tailored, interactive video ads that are customized in real-time for unique audience segments.
- 7 **Sutus** www.sutus.com
Sutus is a technology company which has created a complete "all-in-one" communications solution providing enterprise quality data, voice and networking services to multi-franchise owners.
- 8 **Xenon Pharmaceuticals Inc.** www.xenon-pharma.com
Xenon is a genetics-based, clinical-stage pharmaceutical company. Xenon focuses on innovative drugs for treatments for pain, arrhythmia, obesity, and iron overload disorders.
- 9 **General Fusion** www.generalfusion.com
General Fusion designs utility grade power plants utilizing fusion, which is the process that powers the sun. Fusion emits tremendous amounts of power and has long been viewed as having tremendous potential as an energy source.
- 10 **Redlen Technologies** www.redlen.com
Redlen Technologies is a leading manufacturer of high resolution Cadmium Zinc Telluride (CZT) semiconductor radiation detectors which are enabling a new generation of high performance detection and imaging equipment.

Throughout this "Fund Insight – Venture Series": All data is as of March 31, 2012, unless otherwise noted and all information relates solely to the Fund's Venture Series; All percentages and proportions may vary and are subject to change as conditions and portfolio composition change; Tax credits are subject to certain conditions, see note 2 below; GrowthWorks refers to GrowthWorks Ltd. and its related companies providing services to GrowthWorks managed venture capital funds including GrowthWorks Capital Ltd., the Fund's manager and principal distributor; This document contains "forward-looking statements" and information obtained from third parties, including statements in respect of the plans and prospects of, and results achieved by, portfolio companies, actual results may differ from those implied by such statements or information and we assume no obligation to update such statements or confirm the accuracy of such information; Series 1 shares are not available; for Series available for purchase, see WOF's current prospectus; The indicated gains and rates of return are the historical annual compounded total returns and gains including changes in share value and reinvestment of all dividends and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced gains and returns; Commissions, trailing commissions, management fees and expenses all may be associated with retail venture capital funds (RVC); Please read the prospectus before investing; RVCs are not guaranteed, their values change frequently and past performance may not be repeated. Notes: ¹Tax savings per dollar invested on a \$5,000 purchase by a BC resident are approximately 60¢ with a 2010 taxable income of \$40,971 or 62¢ with a taxable income of \$71,720 for total tax savings of approximately \$3,000. ²Tax credits are subject to certain conditions, including repayment if shares are not held for five years (shares must generally be held for eight years), federal and provincial maximum credits and having tax payable against which to claim the credits. ³RSP contributions tax savings are subject to certain conditions, are not unique to WOF and amounts are taxable when withdrawn. ⁴Net investment is \$5,000 less tax credits. Combined federal and provincial tax credit rates were 40% from 1992 to March 6, 1996 and 30% thereafter. Gain reflects the value of the net investment resulting from a \$5,000 investment in Balanced 1 of WOF made in January of the year stated. Gains are over 8 years (referred to as "maturity") to 1998 and to June 30, 2008 for 1999 purchases and beyond. For performance data on the Fund's other series, please email info@growthworks.ca. ⁵This includes the annual, compounded rate of return of 4.56% related to investment of the tax credits over the typical 8 year hold period on shares (assumes that the tax credits were fully claimed and allowed at the same time as the purchase was made). In simple terms, a share is purchased for \$1; the cost is reduced by 30 cents of tax credit, for net capital invested of 70 cents. At year 8 if Pricing NAV has not changed, the share can be redeemed for \$1. Thus, 70 cents growing to \$1 over 8 years provides a 4.56% annual, compounded growth over that period. For Balanced Shares (series 1) only, the 10 year return period calculation assumes that 70 cents grows to \$1 over 10 years providing 3.63% annual, compounded growth over that period. As well, for Balanced Shares (series 1) only, the since inception return calculation assumes that a share is purchased for \$1 and the cost is reduced by 40 cents of tax credit, for net capital invested of 60 cents. Thus, 60 cents grows to \$1 over that period, providing 2.83% annual, compounded growth. ⁶Since inception returns relate to the inception date of the particular series. The relevant inception dates and returns for the NASDAQ Composite Index Return (CS) and Globe Peer Index Return are as follows: Balanced 1 (January 8, 1992) 6.7%, -0.9%; Growth 1 (June 5, 2000) -4.3%, -7.0%; Balanced 2 and Growth 2 (January 5, 2004) -4.8%, -0.3%; Income, Financial, Resource and Diversified (January 3, 2006) -5.7%, -0.3%; GIC (November 7, 2007) -8.4%, -1.9%. ⁷All venture series participate in the same diversified portfolio of venture investments on a pro rata basis. Each venture series invests its non-venture funds in securities with the investment focus indicated by its name. ⁸% is of Pricing NAV on Series 2 Shares. See prospectus for details on fees. ⁹As % of Pricing NAV.