

June 2011

We are pleased to provide this quarterly newsletter to keep you up to date on the recent activity of the Working Opportunity Fund's portfolio companies, industry news and other newsworthy information.



Portfolio Company Updates for the Venture Series



General Fusion www.generalfusion.com

General Fusion completed a US\$19.5 million Series B investment in early May 2011. WOF participated in the round by investing US\$1.8 million. New investors included Cenovus and Bezos Expeditions, the latter investor being the personal investment company owned by Jeff Bezos, the founder/CEO of Amazon. In its early stages of development General Fusion is designing 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. General Fusion's research, called magnetized target fusion, picks up on work first explored by the US Naval Research lab in the 1970's.

Fusion emits no greenhouse gases so General Fusion's technology is a green source of electricity.



D-Wave Systems www.dwavesys.com

D-Wave achieved an important milestone in May. In the May 12th edition of the prestigious British scientific journal Nature, D-Wave's scientists reported results of experiments that proved that D-Wave processors solved problems using quantum mechanics properties. Quantum computers will be able to solve complex problems more quickly than classical computers. This is the world's first working quantum computer and is a big leap forward in the realm of processor design. Quantum computers outperform classical computers in tasks such as software and hardware verification, bio-informatics, some financial analysis, scheduling, and logistics.



Tekmira Pharmaceuticals www.tekmirapharm.com

In March 2011, Tekmira (TKM:TSX) filed suit against its partner Alnylam Pharmaceuticals (ALNY:NASD). Tekmira alleges that Alnylam has harmed the company and its shareholders and is seeking significant damages. Among other claims, Tekmira alleges that Alnylam has: misappropriated Tekmira confidential information and used it in Alnylam patent filings, disclosed proprietary Tekmira



In the news...

General Fusion

[Read more...](#)

Tekmira Pharmaceuticals

[Read more...](#)

technology to a third party, and wilfully and knowingly using Tekmira's technology for Alnylam's enrichment. Tekmira has filed suit in the Business Litigation Section of the Massachusetts Superior Court. In June Tekmira filed an amended suit that added Alkana Technologies Inc, an Alnylam partner and founded by several ex-Tekmira employees, as a defendant. A \$5.1m public financing round of WOF investee Tekmira Pharmaceuticals was closed on June 16th, 2011.



Metafor Software
www.metaforsoftware.com

WOF seed funded Metafor Software in April. Metafor was founded by Dr. Toufic Boubez, whom WOF has backed in the past as the technical founder of Layer 7 Technologies. Metafor is currently working in stealth mode therefore not revealing product details for competitive purposes as it completes product development and market research.

Will High Profile IPOs Invigorate IPO Market?

Linked-In, the career oriented social marketing heavyweight, recently announced plans to raise US\$274 million in an initial public offering (IPO) at a US\$3 billion valuation. Compared to the heady days of the late 1990's, the number of technology IPOs are at much lower levels. In the US, Chinese issuers have recently played a large role and Canadian offerings have been virtually non-existent. In Canada, only one venture backed technology IPO has occurred per year since 2008. During the recent credit crisis, IPOs on both sides of the border were non-existent, which limits the exit opportunities for venture capital funds like WOF. Better news is on the horizon, as high profile technology companies like Zynga, Groupon, Facebook, and Twitter are all rumoured to be evaluating IPOs in the next 12-18 months. When high growth, high profile companies like Linked-In and the aforementioned companies go public it typically opens the door for other issuers as investors and advisers look for other growth opportunities. Healthy IPO markets create a virtuous cycle for venture capital investors with merger and acquisition markets, as acquiring companies are forced to pay a premium over IPO valuations.



Mixpo
www.mixpo.com

Mixpo, which is an online dynamic video advertising provider, was honoured by the American Association of Political Consultants in March 2011 with a Pollie award for excellence in

political advertising. Mixpo was awarded a Silver Pollie in the Internet Initiative, Online Advertising Campaign for its work during 2010 US congressional elections. Mixpo's online advertising technology was used to extend existing TV ads online, and used Mixpo's software tools to target specific demographics and tailored messages using Mixpo's analytical tools.

The above contains "forward looking statements", including statements based on management's current beliefs and assumptions in respect of the plans and prospects of, and results achieved by, portfolio companies, timing of venture portfolio investments and possible exits, general market conditions and information that was obtained from third parties. Actual results may differ from those implied by such statements or information as a result of numerous known and unknown risks affecting the Fund and current and future portfolio companies, including risks inherent in emerging businesses with unproven products or limited sales, general market and economic conditions, including IPO and M&A market conditions, and other risks referenced in the Fund's public disclosure record. Many of these risks are beyond the control of the Fund, its manager and the Fund's portfolio companies. Neither the Fund nor the manager assumes any obligation to update such statements or confirm the accuracy of such information. Commissions, trailing commissions, management fees and expenses all may be associated with investments in retail venture capital funds (RVCs). Please read the prospectus before investing. RVCs are not guaranteed, their values change frequently and past performance may not be repeated. GrowthWorks Capital Ltd. is the principal distributor and the manager of the Fund. Third party links are provided merely as a convenience to you, and the inclusion of any link does not imply endorsement or verification of third party information. Investments in the Fund have restrictions on resale and redemption. The Fund offers Venture Series and Commercialization Series Shares. The Venture Series and the Commercialization Series each have a separate venture investment portfolio which may or may not hold an investment in a particular company described in this report. See the prospectus for more information including income allocation rules for the Commercialization Series.