

Portfolio Report

November 2010

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



Tekmira Pharmaceuticals
www.tekmirapharm.com

In July, 2010, Tekmira (TKM:TSX) announced that it had been awarded a US \$140 million contract to develop a treatment for ebola virus infections. The ebola virus is one of the most lethal viruses known to exist, as average lifespan post infection is measured in days, with mortality rates reaching 90%. The U.S. Department of Defence is funding Tekmira's development work out of concern that ebola could be used as a biological weapon. In May, 2010, Tekmira published a study in the Lancet, one of the world's most respected medical journals, that revealed its SNALP technology showed promise as an Ebola treatment. Working jointly with the U.S. Army Medical Research

Institute of Infectious Diseases, 100% protection was provided by Tekmira's SNALP technology to non-human primates that had previously been dosed with the Ebola virus.



Copperleaf Technologies
www.copperleafgroup.com

In June, 2010, the Working Opportunity Fund invested \$2 million as part of a \$7.34 million investment round in Copperleaf Technologies - a new investment in WOF's portfolio. Copperleaf is a Burnaby based asset management software provider for large institutions such as utilities. Copperleaf's software allows its customers to optimize asset value, improving life-cycle planning and capital budgeting. A majority of Copperleaf's senior management team worked together at Creo Inc., which is one of BC's most successful technology companies. Creo was acquired by Kodak for US \$980 million in 2005.



Mixpo
www.mixpo.com

Mixpo, which sells dynamic internet video advertising technology, is having a great year. Google recently predicted that by the year 2015, 50% of internet advertising will be done with video ads, which bodes well for Mixpo. The company has found success in 2010 by selling political advertising in the US, where it is a mid-term election year.



In the news...

D-Wave Systems

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Tekmira Pharmaceuticals

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Mixpo has found clients in political campaigns and advertising agencies that specialize in political advertising. The interactivity and ease of editing of Mixpo's internet ads are well suited to political campaigns. The emergence of hot-button election issues can be reflected in Mixpo ads at a moment's notice.



Valocor Therapeutics www.valocor.com

Valocor Therapeutics is new to the WOF portfolio. The Fund recently made a \$450,000 seed investment in the company, which is developing treatments for moderate to severe acne. The existing standard of care for severe acne is a drug called Accutane, which has risks of serious side effects including the possibility of birth defects. The possible side effects and threat of expensive lawsuits have been reasons for the pharmaceutical industry to look for safer alternatives. Valocor believes its treatment has a much better safety profile than Accutane, so dermatologists can prescribe it in significantly more cases. Valocor licensed its technology from QLT Inc., where a majority

Ranking BC's VC Industry in North America

During the first six months of 2010, \$143 million of venture capital was invested in British Columbia placing it 14th in activity across North America and third in Canada. On a North American level, Ontario placed 10th at \$219 million and Quebec was 12th at \$202 million during the period. The runaway leader in North American venture capital investing is California, home to Silicon Valley, the birth place of companies like Google and Apple. An astonishing \$6.19 billion was invested in California during the first six months compared to \$643 million in total in Canada. Since California and Canada's economy are roughly equal in size, it appears that Canada has some catching up to do! California's venture capital community is the envy of governments around the world. Just across BC's border in the state of Washington there is also a vibrant technology community. Washington comes in at \$386 million which is the fourth highest total across North America. Companies like Microsoft and Amazon call Washington home, which has seeded that technology community with rich angels, mentors, technical expertise, and talented executives. BC's venture capital community has spawned a number of notable technology companies, however not yet in the league of Washington. BC needs big anchor technology companies to match the vibrancy of the venture capital communities south of the border.

of its management worked together for a number of years developing the recently in-licensed technology.



QuIC www.quic.com

As a result of QuIC's record growth over the past two

years, the company opened a larger office in London located at the historic Old Stock Exchange building. The move helps QuIC meet global demand for its risk management solutions. The credit crisis has increased the burden of large financial institutions to measure and manage risk. Faced with this burden, they are increasingly turning to QuIC's proprietary software called QuIC Engine™ to solve their risk management challenges.

This report contains forward-looking statements that are not based on historical or current fact, including statements in respect of the plans and prospects of, and results achieved by, portfolio companies. Actual results may differ materially from those expressed or implied by such forward-looking statements 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 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 its manager assumes any obligation to update any of the forward-looking statements made in this report. 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 by GrowthWorks Capital Ltd. or Working Opportunity Fund. 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. *GrowthWorks refers to GrowthWorks Ltd. and its related companies providing services to GrowthWorks managed RVCs including GrowthWorks Capital Ltd.