



FOR IMMEDIATE RELEASE

GrowthWorks Canadian Fund enters into a Participation Agreement with Roseway Capital

Toronto, Ontario, May 28, 2010 – GrowthWorks Canadian Fund Ltd. (“**Canadian Fund**”) is pleased to announce that it has entered into a Participation Agreement with Roseway Capital L.P. (“**Roseway**”) whereby Roseway completed a \$20 million investment in Canadian Fund. The Roseway investment provides additional capital for follow-on investments and is intended to enhance the fund’s operating and financial flexibility. Roseway is a venture capital investor funded by entities advised by UK-based Headway Capital Partners LLP.

Under the Participation Agreement, Roseway agreed to invest \$20 million in exchange for a participating interest in Canadian Fund’s holdings in 15 portfolio companies (the “**Participation Holdings**”), with a total current carrying value of approximately \$100 million. The participating interest entitles Roseway to receive 20% of the proceeds (cash or shares) earned on or generated from the sale or divestment (“**Participation Payments**”) of the Participation Holdings. Canadian Fund will repay the investment made by Roseway in full on the third anniversary of closing. Most of the Participation Holdings are expected to be divested over the three-year term of the investment. The agreement provides for minimum Participation Payments of \$5,700,000 per year during the three-year term.

“This transaction provides Canadian Fund with additional capital to make follow-on investments in its portfolio companies at a time when there is a shortage of venture capital, particularly in Ontario. In a venture portfolio, it is important to continue to back those companies making exceptional progress,” said David Levi, President and CEO of Canadian Fund. In addition, under the agreement, Roseway may provide up to \$3 million in additional follow-on funding for the companies in the Participation Holdings.

Mr. Levi also observed that “more than half of the over 100 companies in Canadian Fund’s venture investment portfolio are expansion or mature stage companies, many of which are well-positioned for exit opportunities. That makes a transaction of this kind possible”.

Canadian Fund has net assets of approximately \$300 million and is one of the best capitalized venture funds in Ontario.

“We are delighted with this investment and to support this promising investment portfolio,” said Christiaan de Lint, Partner at Headway Capital Partners. “The Canadian Fund has a number of exciting portfolio companies and we believe the availability of additional follow-on capital for portfolio company growth will enhance the fund’s ability to drive significant investment returns for all stakeholders in the medium term. Also, the Roseway and GrowthWorks teams are very complimentary, and we believe will help support portfolio companies to achieve their business milestones and deliver positive returns to investors.”

The investment was made by Roseway, funded by entities advised by Headway Capital Partners LLP, an independent private equity firm based in London, UK. In support of Canadian Fund’s obligations under the Participation Agreement, Canadian Fund granted Roseway a security interest

over certain of its assets. Concurrent with closing, GrowthWorks WV Management Ltd., Manager of Canadian Fund, entered into a services agreement with Roseway to assist with managing Roseway's participating interest. The investment by Roseway and the services agreement will not result in a net increase in the compensation payable by Canadian Fund to its Manager.

Forward-looking Statements Warning: This press release contains forward-looking statements that are not based on historical or current fact, including statements about the investment in Canadian Fund and the prospects of, and expectations for divesting and generating returns from, investments in Canadian Fund's venture portfolio. 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 Canadian Fund and its portfolio companies, including risks inherent in emerging businesses with unproven technologies or products or limited sales, market risks that may significantly limit divestment opportunities, proceeds realized from divestments and sources of capital for portfolio companies, levels of Class A Share redemptions within Canadian Fund, which in turn may impact the availability of funds to undertake follow-on investments, and other risks referenced in Canadian Fund's public disclosure record. Many of these risks are beyond the control of Canadian Fund, its manager and the fund's portfolio companies. Neither Canadian Fund nor its manager assumes any obligation to update any of the forward-looking statements made in this release.

About GrowthWorks* (www.growthworks.ca) GrowthWorks™ managed funds provide investment capital for Canadian companies and tax-advantaged investment opportunities for Canadian investors. GrowthWorks is part of the Matrix Asset Management Inc. group of companies and manages over \$600 million in assets through the Working Opportunity Fund (EVCC) Ltd., GrowthWorks Atlantic Venture Fund Ltd., GrowthWorks Commercialization Fund Ltd. and GrowthWorks Canadian Fund Ltd. GrowthWorks identifies, analyzes and structures investments in companies with high growth potential. Particular emphasis is placed on IT, Life Sciences and Cleantech sectors. Building on more than 17 years of investment expertise, GrowthWorks is a leader in Canadian venture capital management. GrowthWorks is a registered trademark of GrowthWorks Capital Ltd.

About Roseway Capital Roseway Capital L.P. is a venture capital investor funded by entities advised by Headway Capital Partners LLP, an independent private equity firm based in London, UK (www.headwaycap.com). Roseway Capital L.P. is managed by Rosetta Capital Limited, a venture capital firm based in London, UK (www.rosettacapital.com).

*GrowthWorks refers to GrowthWorks Ltd. and other companies within the venture capital operating division of Matrix Asset Management Inc., including: GrowthWorks Capital Ltd., manager of the Working Opportunity Fund (EVCC) Ltd.; GrowthWorks WV Management Ltd., manager of GrowthWorks Canadian Fund Ltd. and GrowthWorks Commercialization Fund Ltd.; and GrowthWorks Atlantic Ltd., manager of GrowthWorks Atlantic Venture Fund Ltd. GrowthWorks is a registered trademark of GrowthWorks Capital Ltd.

Commissions, trailing commissions, management fees and expenses all may be associated with investment fund purchases. Please read the Fund's prospectus before investing. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The Fund purchased the assets of Canadian Science and Technology Growth Fund and Capital Alliance Ventures in 2005, of ENSIS Growth Fund in 2008 and of Canadian Medical Discoveries Fund in 2009, in each case in exchange for Class A shares. ENSIS is a registered trademark of ENSIS Capital Corporation.

Reference:

Murray Munro

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