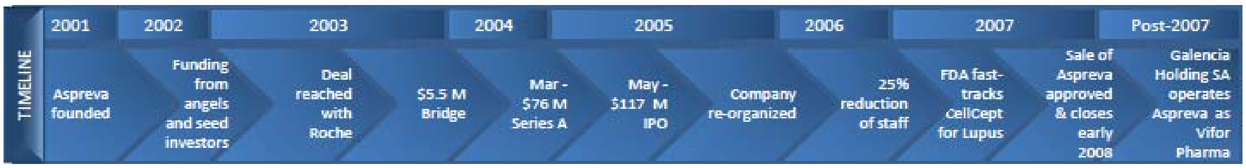
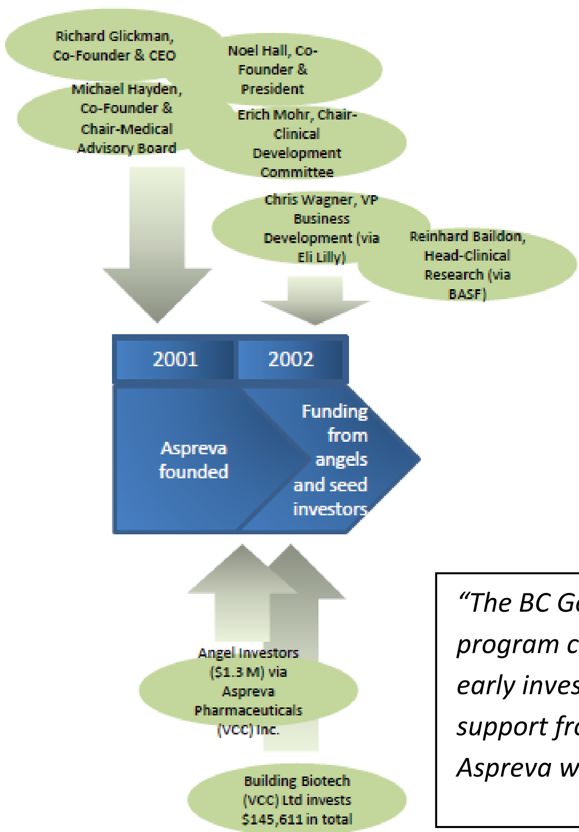
Case Study: Aspreva Pharmaceuticals Corp.



Aspreva Pharmaceuticals Corporation ("Aspreva") was founded in 2001 by life science veterans Richard Glickman (StressGen Biotechnologies Corp.), Michael Hayden (Xenon Pharmaceuticals Inc.) and Noel Hall (Hill & Knowlton) to develop and commercialize drugs of high therapeutic value for uncommon diseases that were underserved.

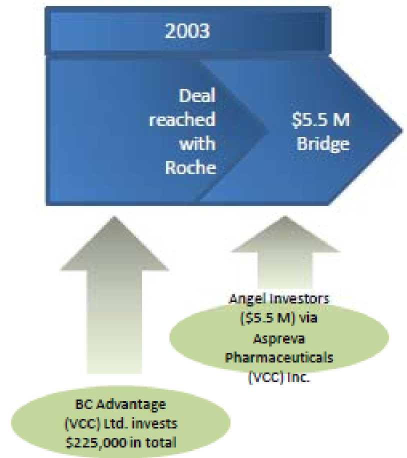


The Founders called on their networks to attract and convince early investors to invest into Aspreva's VCC (Venture Capital Corporation) fund which gave these investors a 30% tax credit on their investment. Presentations by the founders to angel groups convinced another VCC fund – Building Biotech (VCC) Ltd. – to make an investment in Aspreva itself; bringing the total amount of funds raised by 2002 to about $1.3 million.

> *"The BC Government's tax credit program certainly helped us get the early investments. Without the support from these angel investors, Aspreva would not have existed."*

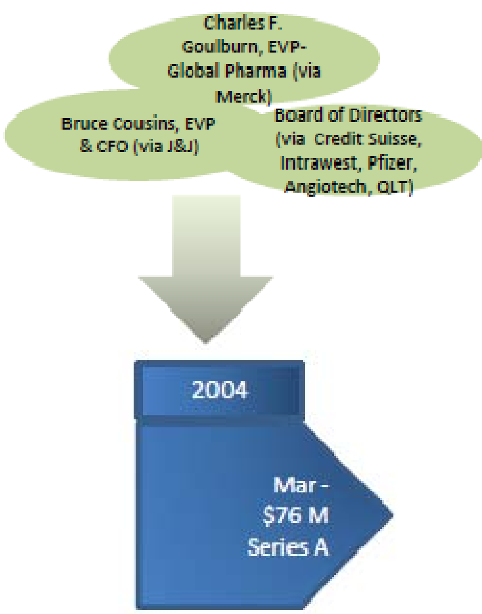
During Aspreva's fund raising activities, the team also negotiated with F. Hoffmann-LaRoche Ltd. ("Roche") for Aspreva to license the global development and commercial rights to CellCept for auto-immune diseases. CellCept was already being sold by Roche to the transplant market since 1995; and while there was promising data that CellCept could serve other markets – including the auto-immune disease markets targeted by Aspreva – Roche had little motivation to develop CellCept for these markets.

After almost one year of market studies and negotiations, Aspreva and Roche signed their deal in 2003 whereby the two companies would equally share in the incremental revenues of CellCept to the auto-immune markets not addressed by Roche.



Concurrently, the company was in discussions with venture capital firms for their Series A round. During this period, BC Advantage (VCC) Inc. ("Quest Life Sciences VCC") made its investment in Aspreva. In addition, the company raised another $5.5 million from angel investors as bridge financing at a discount to the hoped-for Series A funding.

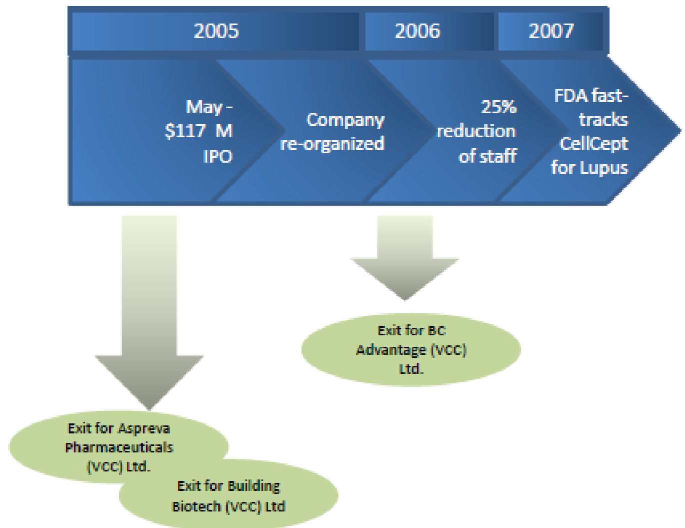
"The Aspreva model was new. Angel investors were our only way to raise money in the Canadian environment; and this is where the government programs were so effective and helpful to us."



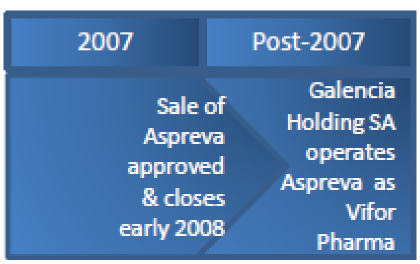
The deal with Roche was instrumental to helping the company close its Series A round for US$57 million (CAD$76 million) which was the largest ever for a Canadian healthcare company at the time. The venture capital firm affiliate of CS First Boston – Sprout Group – led the funding with InterWest Partners, HBM BioVentures (US$6 million), Thomas Weisel Healthcare Ventures, BioAsia Investments LLC and Axiom Venture Partners which comprised of US$53 million venture equity and US$4.2 million convertible debt. With this funding, a number of high profile directors from the life science industry – including Pfizer, Angiotech, and QLT – joined Credit Suisse and Intrawest on the Aspreva board.

On May 17, 2005, Aspreva went public with an issue of 7.2 million shares at US$11. Underwritten by Merrill Lynch and BMO Nesbitt Burns, the Aspreva initial public offering (IPO) raised US$100 million ($117 million CAD); this was the largest IPO ever by a Canadian biotechnology company at the time.

By this time, Aspreva employed over 150 people with half of its employees engaged in clinical research and the remainder involved in regulatory matters, business development, marketing and finance. However, by the year's end, Aspreva announced it was cutting its staff by 25% as part of its company re-organization as numerous clinical programs were winding up. The share price declined despite having the US Food and Drug Administration (FDA) give CellCept fast-track status for the treatment the rare condition lupus nephritis in 2007.

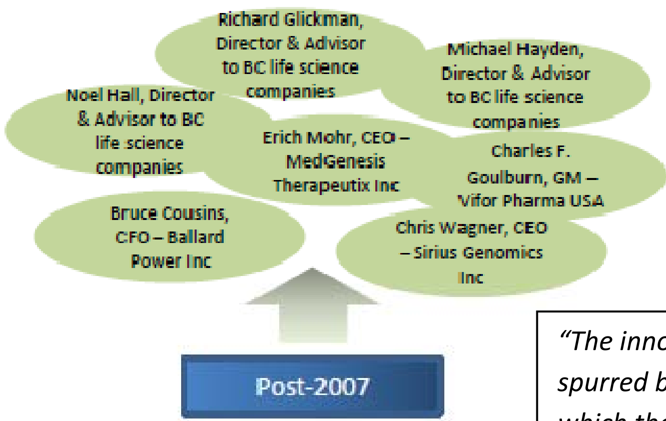


Aspreva and Roche reported that the preliminary results for CellCept to treat lupus didn't meet its primary goal of demonstrating the superiority of CellCept to induce treatment response compared with the current unapproved standard of care. Recently, the completed Aspreva Lupus Maintenance study was released which showed that CellCept demonstrated significant superiority to the standard of care.



Aspreva was eventually sold to Galenica Holding SA (Galenica) – a drug wholesaler based in Switzerland – for $980 million USD in an all-cash transaction at a 24% premium over its 30-day average share price in October 2007.

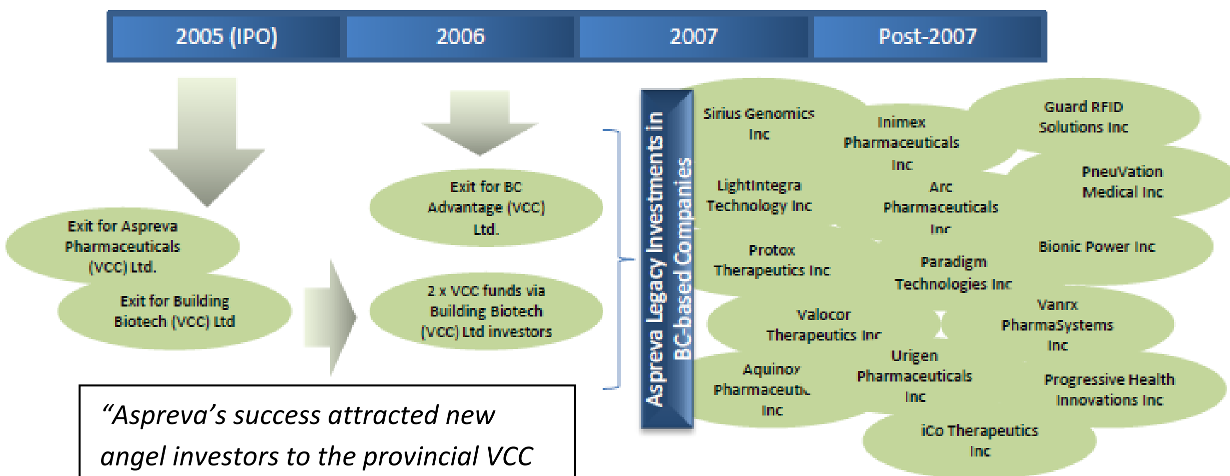
From its inception, Aspreva was supported by angel investors and early-stage venture funds that were the beneficiaries of the BC government's tax credit program. These investment dollars were used to attract top-notch management and scientific talent to the company. The legacy of Aspreva continues after its acquisition. Galenica still maintains a sizeable presence in BC – retaining the core commercial and clinical staff from Aspreva to build out their North American operations as it evolves to become a more integrated pharmaceutical company.



Aspreva management alumni have founded and/or are working in key executive positions in many of BC's life sciences companies such as MedGenesis Therapeutix Inc. and Sirius Genomics Inc.

> *"The innovation environment in BC is spurred by these early investments; which then encourages new generations of entrepreneurs."*

The investors in Aspreva have re-circulated their investments in subsequent angel deals and other early-stage life science ventures.



> *"Aspreva's success attracted new angel investors to the provincial VCC program; which led to investments in more BC companies."*

> *"The Aspreva 'win' enabled us to invest in other BC companies."*

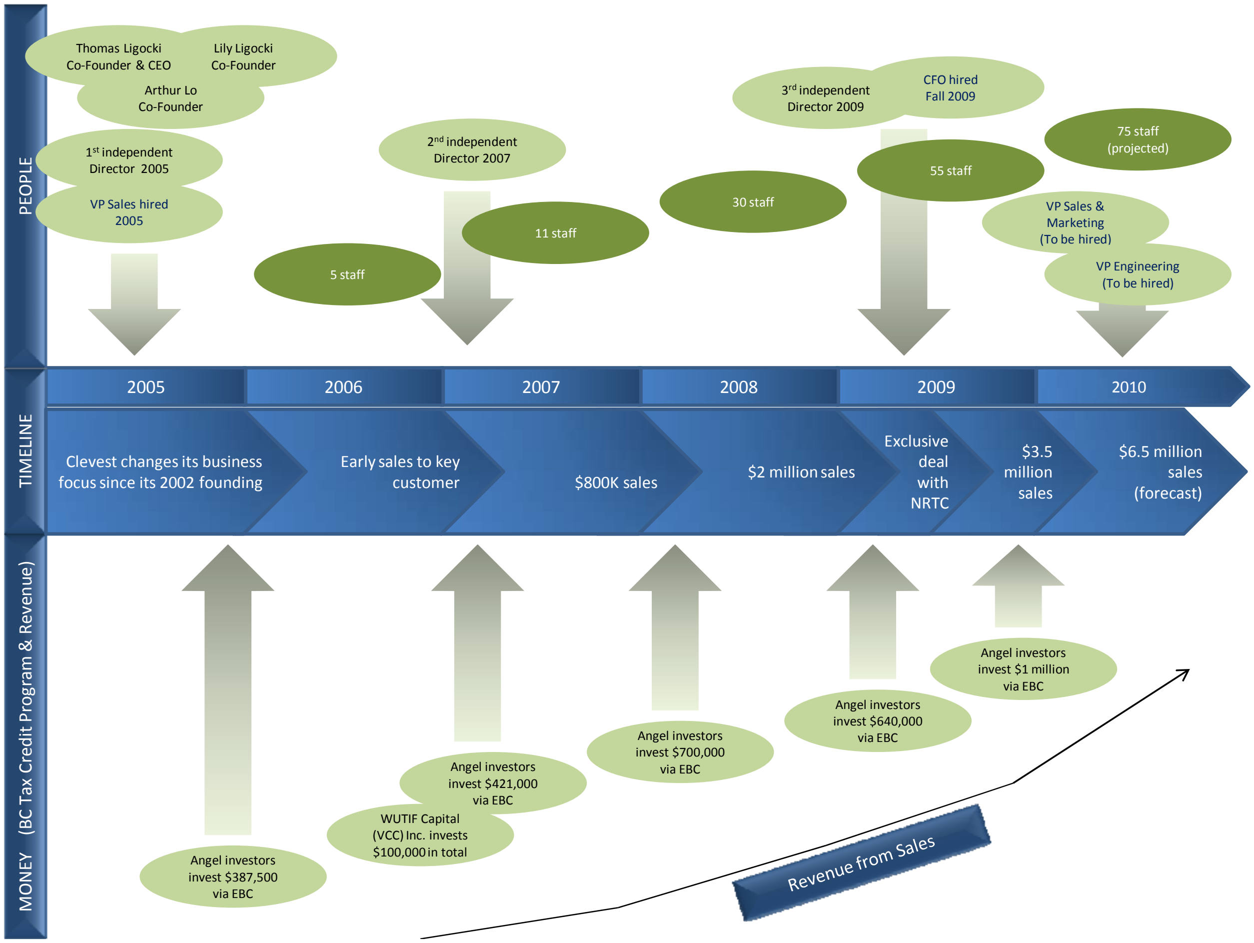
Case Study: Clevest Solutions Inc.

Clevest Solutions Inc. ("Clevest") was founded in 2002 by Tom Ligocki, Lily Ligocki and Arthur Lo to develop and operate online ordering systems with automated fax capabilities. In 2005, the company was exploring potential solutions in mobile workforce management for Utilities which was a field that the founding management team all had extensive experience and had maintained many contacts.

Supported by early investors, the shift in the business vision resulted in early sales to Scope Services ("Scope") in 2006 – a deployment vendor that was an outsource provider to the Utilities. Clevest provided an early Mobile Field Force management system that had its meter exchange application on a Motorola phone with bar code scanning capabilities that could scan both the old and new meters. The sales to Scope boosted the credibility of Clevest products and enabled Clevest to penetrate the Utilities market with additional sales.

> *"Our investors stuck with us through the transition of our business model in 2006. The tax credit reduced their risk, and was an important factor in their willingness to invest."*

Clevest's business model now provides complete end-to-end Mobile Field Force management solution that helps increase efficiency for its customers through fleet visibility, optimized scheduling and routing, dispatching for critical incidence response, and analytics for insights into operations. Sales of the company's Smart Grid deployment and Operations Support System ("OSS") software – and its staff – have almost doubled year over year since 2006.



In 2009, Clevest signed an exclusive agreement with the National Rural Telecommunications Cooperative ("NRTC") which represented the interests of over 1,500 rural utilities and affiliates throughout North America. With this agreement, Clevest has become the de facto standard for mobile workforce management in the electric cooperative space, and is well-positioned to expand to larger public and private electric, gas, and water utilities worldwide.

Throughout this period of startup operations and subsequent rapid growth, Clevest raised investment funds of $3.6 million CAD almost entirely from angel investors using the BC government's tax credit program as an Eligible Business Corporation ("EBC").

> *"Virtually 100% of the funding raised for Clevest was through the province's tax credit program."*

With leveraged funding with non-dilutive funds from the federal Scientific Research and Experimental Development (“SRED”) and NRC-Industrial Research Assistance Program (“IRAP”) programs, Clevest was able to achieve significant milestones: First product sales (2006), Employ 50 people (2009), Grew annual revenues by 84% to $3.5 million CAD (2009) and a partnership agreement with the NRTC (2009).

> “Without the province’s tax credit program, Clevest would not be the company it is today – in fact, there would not be a Clevest employing 60 people to deliver world-class software.”

Clevest intends to triple its revenues and almost double its workforce by 2011. To support its continued sales growth and develop its channel and technical partner relationships, Clevest depends upon the provincial tax credit program to raise investment capital to fund its growth.

Case Study: Endurance Windpower Inc.

Endurance Wind Power Inc. (“Endurance”) manufactures advanced wind turbines designed specifically for distributed wind power applications. The company’s line of modern, induction based wind turbines bring efficient, reliable, safe and quiet, renewable energy within reach of homeowners, businesses and institutions across the North American continent and beyond.

The company was founded in 2006 by successful entrepreneurs with extensive technical expertise and experience in the wind turbine sector: Glenn Johnson (Comsource Broadband Technologies Corp.), Dave Rankin (RFPA Management), Doug Hicks (Netscape Communications), Dean Davis (Windward Engineering), Dr. David Laino (Windward Engineering) and Cal Murrison (Koenders Windmills).

The Founders called on their networks to attract and convince early investors to invest in Endurance. As an Eligible Business Corporation (“EBC”) under the British Columbia government’s Equity Capital Program, Endurance could give these investors a 30% tax credit on their investment. The company raised three equity rounds using the Equity Capital Program in British Columbia:

January 2008 - $ 1.1M

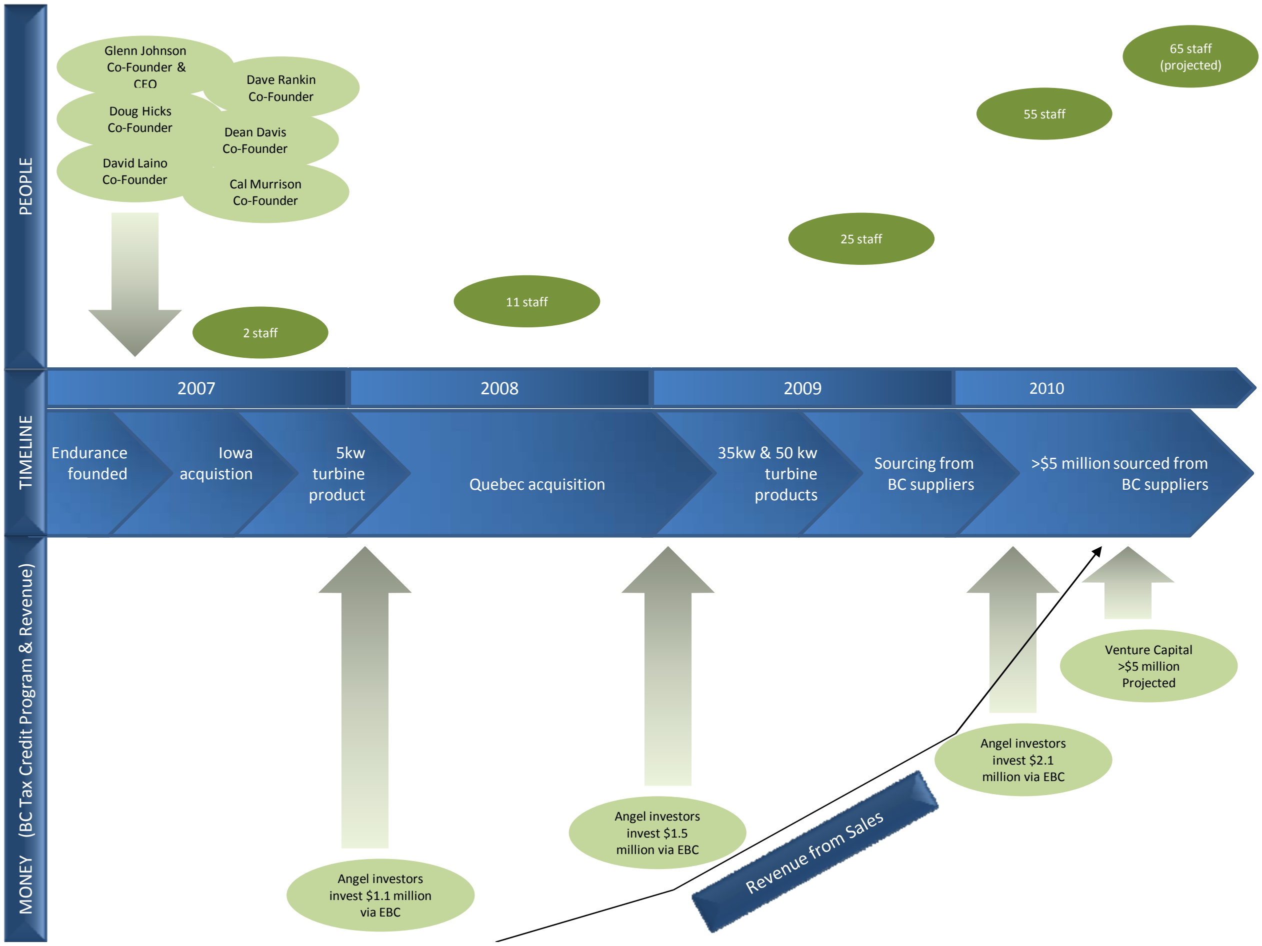
January 2009 - $ 1.5M

June 2010 - $ 2.1M

Furthermore, twenty-nine employees have invested in the company to date encouraged by the company’s employee participation plan under the EBC program. An additional $240K is reserved for future employee participation.

> *"The EBC program supported our business model and enabled us to offer our investors an extra incentive to invest in Endurance. As a new company in a relatively new market - the 30% tax credit was something that reduced our investors’ risk and helped to raise capital much quicker than might normally be possible.”*

These early investments have enabled Endurance to target a larger institutional capital round in late 2010.



The equity raised enabled Endurance to grow from 2 employees in 2007 to 55 by June 2010. The company has acquired two technology companies, one in Quebec and another in Iowa. Endurance is committed to the US market and has retained and expanded its office in Iowa. Further growth to 65 employees by the end of 2010 is anticipated as Endurance expands its manufacturing and distribution of its 5kw, 35kw and 50kw turbines.

Endurance designs, builds and sells 5kw, 35kw and 50kw turbines in BC with over 90% of its sales outside of Canada. The company forecasts greater than 95% of its future sales will come from foreign markets.

> *“Our business expanded very rapidly, and like all new fast growing businesses', operating capital was always an issue. We were able to strategically grow our product line (by acquisition) develop a world class manufacturing and supply chain process, roll out our distribution network and enter some targeted global markets much quicker - and ultimately, have positioned ourselves well to enter our next level of VC fund raising."*

The company is committed to growing the local economy as it sub-contracts to a number of BC-based suppliers for the components that are part of each turbine. The company sources main frames, discs, shafts, brakes, switches, generators and gear boxes from local suppliers for its 23,000 sq. ft. manufacturing facility; and plans to source over $40K per turbine or $5 million worth of components from its local partners by 2011.

> *"Overlanders is pleased to have been involved with Endurance Wind Power since the beginning. We do custom contract manufacturing for them and have also collaborated on some engineering and design work for their products. Their wind turbines look great and are very functional, a great combination for an emerging market." Randy Lowry, Overlander Manufacturing*

From its inception, Endurance Wind Power has been supported by angel investors and early-stage venture funds that are the beneficiaries of the BC government's tax credit program. These investment dollars were used to attract top-notch management and technical talent to the company. The company has utilized the investment to target an attractive world-wide wind power market while firmly establishing itself in the BC economy.