

BACKGROUNDER GO CAPITAL FUND, L.P.

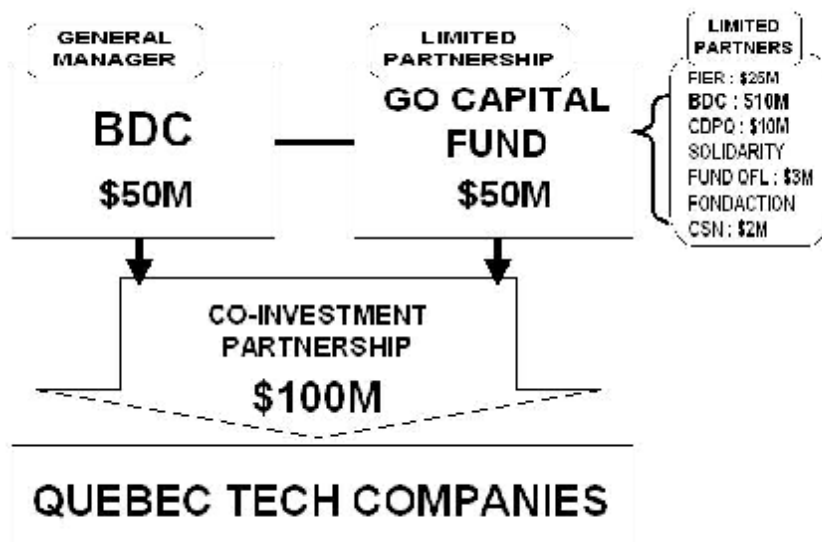
THE FUND

- The \$50-million GO Capital venture capital fund supports the creation of companies in all sectors of science and technology in Quebec, including natural sciences, life sciences and information technology.
- The Fund will invest in companies emerging as the result of research and development efforts undertaken in universities, public-sector laboratories and private-sector initiatives.
- The GO Capital Fund is the outcome of a partnership between five organizations: FIER Partners (\$25 million), BDC (\$10 million) the Caisse de dépôt et placement du Québec (\$10 million), the Solidarity Fund QFL (\$3 million) and Fondation CSN (\$2 million).

BDC'S INVOLVEMENT

- BDC will be responsible for managing the partnership's investments.
- BDC will ensure that the GO Capital Fund contributes one dollar for each dollar that BDC invests in companies, bringing to \$100 million the total funding given to businesses at the seed stage.
- The total capital provided by BDC is \$60 million.
- BDC is in discussions to develop the same strategy in other Canadian provinces.

GO CAPITAL FUND INVESTMENT STRUCTURE



POSITIONING OF THE GO CAPITAL FUND IN THE VENTURE CAPITAL INDUSTRY

- The GO Capital Fund will advance the creation of Quebec technology firms, which have seen investment fall heavily from the peaks reached in 2000 and 2001.
- The GO Capital Fund will be particularly active in pre-seed financing for companies — that is, at the time a company is established. Among other things it will help in the protection of intellectual property, forming management teams, technical and commercial product demonstration, and prototype development.
- Offering investments from a single fund makes it possible to better coordinate the role of the investor in companies, from their creation to their growth phase.
- Through GO Capital, BDC and its partners seek to stimulate the marketing of research results in Quebec.

BDC AND TECHNOLOGY SEEDING

- Since BDC's Technology Seed Investment Group was created in 2002 to respond to market needs, the group has invested in 37 businesses at the seed stage in Canada. Of these companies, 21 emerged from the context of universities or research laboratories.
- To date, BDC has provided \$72 million to these firms. In total, including subsequent investments, the companies have received \$225 million in venture capital financing.
- While activity at the seed stage attracts little in the way of investments, BDC's Technology Seed Investments Group has established a portfolio of 14 businesses in Quebec.
- The objective of BDC's Technology Seed Investments Group is to guide the businesses in its portfolio toward marketing of their intellectual property and the next phase of venture capital financing. To date, more than 1000 investment opportunities have been examined by the Group in Canada, testifying to a clear market need.