



TRUSTEE UPDATE TO FORMER SHAREHOLDERS OF B.C. ADVANTAGE FUNDS

Vancouver, May 5, 2017 – 1085273 B.C. Ltd. (the “Trust”) provided today an update to the former shareholders of B.C. Advantage Funds Ltd. (the “Company”). This update is further to the voluntary dissolution of B.C. Advantage Funds which was completed pursuant to Division 2 of Part 10 of the *Business Corporations Act (British Columbia)* on October 20, 2016.

Administration

With the dissolution of the Company, the shareholders of B.C. Advantage Funds ceased to be shareholders of the Company and are now beneficiaries of the Trust. Any and all distributions of the Trust will be made rateably to prior Company shareholders in satisfaction of their interests in the Trust. As per the Trust Agreement between B.C. Advantage Funds and the Trust, the trustee assumes responsibility to dispose of all portfolio investments and other assets it received from the Company, and distribute the remaining assets rateably to prior Company shareholders.

Disposition Plans for Remaining Portfolio Investments

The trustee has undertaken to dispose of all assets, being principally the remaining B.C.-based private company investments of the Company. Updates on these investment holdings and their disposition plans are discussed below.

Agreement Express – Agreement Express is a Software-as-a-Service company that markets a web-based platform for rapid customer onboarding. The company continues to grow its software services business rapidly and achieved its 2016 revenue forecast of \$8 million. Continued strong revenue growth is forecast for 2017.

Endurance Wind Power – Endurance filed for bankruptcy in November 2016. The trustee does not expect that there will be any recovery to the Trust from the Receiver’s sale of the company’s assets.

Methylation Sciences – MSI is a biopharmaceutical company developing a novel drug treatment (MSI-195) for depression. The Company has to date been unable to arrange further financing to develop MSI-195.

MTI LP – MTI LP is a limited partnership which was established when the original investment of the Company in Mobidia Technologies Inc. was sold in 2015 to App Annie, a US-based analytics and market intelligence company. App Anne is growing well and has completed a number of successful financings and acquisitions.

Redlen Technologies – Redlen Technologies is a leading manufacturer of high resolution radiation detectors which are enabling the next generation of high performance imaging equipment for medical and security applications. The company is growing rapidly and achieved revenues of \$13 million for 2016, an increase of more than 60% over 2015 actual revenues. Continued strong revenue growth is

forecast for 2017. Redlen is currently in discussions with existing and new investors to complete a large financing.

The principal objectives of the trustee are to achieve the disposition of assets and distribution of capital and income of the Trust to beneficiaries in a timely manner, and to maximize the disposition proceeds. The trustee has been in communication with the remaining portfolio companies and certain of their directors, officers and shareholders regarding the purchase of the Trust's share positions. The trustee has also had discussions with a number of potential third party buyers. While we have received interest and enquiries for information, we have to date not received any serious purchase proposals. We have advised potential buyers that we are not prepared to "fire sale" these positions as the Trust is no longer incurring significant administration costs. Furthermore, we believe these remaining positions to be mature venture investments that may be close to natural liquidity events (IPOs, mergers and acquisitions, etc.) that will fairly value the Trust's assets.

A further quarterly update to Trust beneficiaries will be provided in early August 2017.

About the Trustee

1085273 B.C. Ltd. is a special, single purpose corporation formed to dispose of the remaining portfolio investments and other assets of B.C. Advantage Funds (VCC) Ltd (the "Company"). The Company was a venture capital corporation, formed under the *Small Business Venture Capital Act (British Columbia)*, to invest in emerging technology companies in the Province. For more information about the Trust and the Company, please visit www.bcadvantagefunds.com.

For more information, please contact:

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