

Covington Fund II - Post Merger Portfolio Overview*

Fund

Post-Merger, Covington Fund II will be one of the largest retail venture capital funds in Canada housing diverse investments across a number of key economic sectors. Further diversification will be achieved through a well-balanced mix of mid to later stage holdings that are expected to provide improved return potential in both the near and long term.

Advantages of Investment

S cale	→	Over \$300 million in assets and 49 companies provides for synergies in operational and portfolio management; reducing operating costs and MERs
L iquidity	→	20% in cash + a mix of public and later-stage private holdings support near and long-term liquidity
B alance	→	Balanced investments over the near and long-term maturity cycles and investment sectors provide the ability to more consistently realize exit opportunities
M anagement	→	One of the most experienced and successful venture capital managers in Canada, Covington has consistently delivered successful exits for close to two decades

Sector Overview

Portfolio Composition & Notable Investments

Technology

- Embotics Corp.
- WireE Holdings Inc.
- BTI Systems
- BelAir Networks Inc.
- MMIST

Traditional Industries

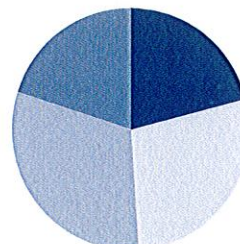
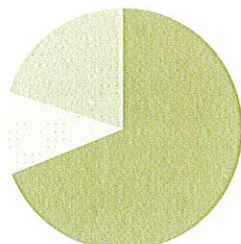
- Fidelity Stainless Inc.
- TNR Doors Inc.
- Greenfield Ethanol Inc.
- Starburst
- Active Exhaust

Life Sciences

- Interface Biologics Inc.
- Epocal Inc.
- Affinium Pharmaceutical Inc.
- Axela Biosensors
- Cytochroma Inc.

Asset Mix

	Cash	20%
	Public	11%
	Private	69%



Sector Mix

	Technology	28%
	Traditional Industries	21%
	Life Sciences	31%
	Cash	20%

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Investee Profiles - Enterprises To Watch

EGI Financial Holdings Inc.



Traditional Industries

Public (EFH:TSX)

A speciality insurer focused on non-standard auto insurance and niche insurance products.

Fidelity Stainless Ltd. Traditional Industries



Private

Canada's leading Master Distributor of stainless steel and aluminum products, Fidelity consolidates the purchase and sale of goods to provide their clients with high quality products at competitive prices.

BelAir Networks Technology



Private

Provider of Wi-Fi and small-cell solutions for blue-chip mobile carriers and cable operators.

Interface Biologics Inc. Life Sciences



Private

Developer of transformative biomedical technology to improve the safety and effectiveness of medical devices.

Covington Investment Philosophy & Management

Covington's focus on diversification among key Canadian economic sectors as well as within the portfolio itself has positioned Covington Fund II as one of the top performers in the retail venture fund asset class. Covington further distinguishes itself with their choice to structure investments with a significant equity component, an approach we believe does not limit return potential and aligns the long-term growth interests of both Covington funds (and investors) directly with the success of the underlying investment; providing for what we believe the greatest investment return potential.

Covington's active management approach has resulted in the realization of consistent exit events throughout varied economic cycles. Covington Fund II has been the recipient of the Canadian Venture Capital Association "Deal of the Year Award" in 2008 and 2010. Covington Capital Corporation manages a number of venture capital pools on behalf of both retail and institutional clients.



CVCA Deal of The Year Award 2010



CVCA Deal of The Year Award 2008



2008 Lipper Award

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*Assumes Fund II acquisition of the five VenGrowth Funds and NBGE (the "Transaction"). Important information about Covington Fund II is contained in its prospectus and the management information circular relating to the Transaction. Please obtain these documents from your financial advisor and read them carefully before investing. This investment may not be suitable for all investors. Some conditions apply. Commissions, trailing commissions, management fees and expenses all may be associated with this investment. Covington's Funds are not guaranteed, their value changes frequently and past performance may not be repeated. The indicated rates of return are the historical annual compounded total returns, including changes in value and do not take into account sales, redemption or optional charges or income taxes payable by any shareholder that would have reduced returns. Tax credits subject to certain conditions and units must be held for eight years in order to keep the tax credits.