



## **BC Advantage Funds Temporarily Suspends Redemptions**

### **Funds Merged To Achieve Greater Operational Efficiencies and Reduce Costs**

*Vancouver, May 3, 2010* - BC Advantage Funds (VCC) Ltd. announced today that it is temporarily suspending redemptions of shares of the Advantage Venture Fund (AVF) and the Advantage Growth Fund (AGF). Under the Small Business Venture Capital Act (SBVCA) only monies from investment income, capital gains and the proceeds of disposition of investments held for five years or more may be used to finance redemptions. The AVF and AGF do not currently have sufficient funds allowable under the SBVCA to meet their redemptions. Upon achieving sufficient liquidity, the AVF and AGF will notify their shareholders when redemptions have been reinstated and will process redemption requests in the chronological order the shares became redeemable under the SBVCA.

Frank Holler, CEO of BC Advantage states "Over the past six years we have built what we believe to be a strong portfolio of emerging technology, life science and clean technology companies and have met all redemption requests to date. Many of our portfolio companies are now achieving or approaching material milestones; however, continuing adverse financial markets for emerging companies have made it difficult for us to achieve liquidity on our investments at reasonable valuations. We believe it is in the best interests of our shareholders to temporarily suspend redemptions until exits can be achieved at prices more reflective of true enterprise values".

In order to achieve greater operational efficiencies and reduce costs, the AGF and AVF are being merged under the name Advantage Venture Fund, and the Advantage Structured Fund I and Advantage Structured Fund II are being merged under the name Advantage Structured Fund I (ASFI), with both mergers being carried out at their respective pricing Net Asset Value per share. Further, the merged Advantage Venture Fund is being closed to any further investment and all future fundraising will be directed to the merged ASFI.

Jim Heppell, President of BC Advantage comments "We have closed the merged Advantage Venture Fund to ensure that its existing shareholders receive the full benefit of future dispositions of its portfolio investments. We will continue to raise funds for the merged ASFI as we have structured this fund to better serve the interests of our investors while continuing to comply with the SBVCA. Most importantly, as ASFI provides dividends to its shareholders as it achieves realized gains, its shareholders will receive monies on an ongoing basis and not solely at the end of the legislated hold period."

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Advantage offers everyone in BC the opportunity to invest in some of the Province's most promising life science, technology and clean technology companies. Advantage investors receive a 30% refundable tax credit from the BC government on investments of up to \$200,000 per year.

For more information about the temporary suspension of redemptions of AVF and AGF, the merging of the funds and the closing of the merged AVF, please visit our website at [www.bcadvantagefunds.com](http://www.bcadvantagefunds.com) and access our FAQ sheet regarding these issues.

For more information about Advantage, please review our prospectus, visit our website at [www.bcadvantagefunds.com](http://www.bcadvantagefunds.com) or contact our Vice President, Sales and Marketing, Ray Matthews at [rmatthews@lionscapital.com](mailto:rmatthews@lionscapital.com) or 604.818.7778.

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