



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

Vancouver, May 11, 2018 – 1085273 B.C. Ltd. (the “Trust”) provided an update today to the former shareholders of B.C. Advantage Funds Ltd. (the “Company”) for the month of April 2018.

Administration

Upon dissolution of the Company, the shareholders of B.C. Advantage Funds ceased to be shareholders and are now beneficiaries of the Trust. Distributions of the Trust will be made rateably to prior Company shareholders in satisfaction of their respective interests in the Trust.

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. On April 12, US-based Frontier Capital announced a definitive agreement to acquire a majority stake in Agreement Express (AEX) for approximately \$65 million. About 94% of the equity in AEX is being purchased by Frontier at a price of approximately \$1.00 per share. This represents a return of about 7.7 times invested capital by B.C. Advantage Funds and demonstrates the importance of exiting as part of an IPO or M&A liquidity event.

Unfortunately, our investment in AEX was modest (the smallest in the portfolio at \$250,000) but nevertheless yielded gross proceeds of approximately \$1.9 million. Were we to be able to achieve a similar result with either App Annie (via our holdings of MTI LP) or Redlen Technologies, where our invested capital is much more substantial (\$1.7 million and \$4.5 million, respectively), the gross proceeds would be much larger. There were no material updates with respect to App Annie or Redlen in April, although both, to the knowledge of the trustee, continue to experience strong revenue growth. A further update to Trust beneficiaries will be provided in early June relating to the month of May 2018.

It is the aim of the trustee to complete the disposition of the remaining assets, and distribute proceeds to Trust beneficiaries by year-end 2018.

Trust Expenses & Cash Balance

In April 2018, operating expenses of \$3,545 were incurred, primarily on transfer agency fees, professional fees and administrative support. Cash balance at April 30, 2018 was \$0.37 million which is being held in a Trust chequing account. During the month, the Trust distributed an aggregate amount of \$6,574 to the estates of deceased beneficiaries of the Trust.

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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