

B.C. ADVANTAGE FUNDS (VCC) LTD.

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
To Be Held On July 29, 2016**

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the shareholders of B.C. Advantage Funds (VCC) Ltd. (the “**Company**”) will be held on Friday, July 29, 2016 at 3:00 p.m. (Pacific Daylight Time) at the offices of the Company’s counsel, Fasken Martineau DuMoulin LLP, 2900 – 550 Burrard Street, Vancouver, British Columbia for the following purposes:

1. To receive the Report of the Directors of the Company;
2. To receive the audited financial statements of the Company for the financial year ended December 31, 2015 and the report of the auditors thereon;
3. To appoint auditors for the ensuing year at remuneration to be fixed by the directors;
4. To fix the number of directors of the Company for the ensuing year at three (3);
5. To elect three (3) directors to hold office until the close of the next annual general meeting of shareholders of the Company;
6. To approve a special resolution, as required by the *Small Business Venture Capital Act* and the Company’s Articles, approving the payment to BC Advantage Fund Management Inc. (the Company’s management company) and to the Company’s directors, officers and employees who are shareholders, or to any affiliate or associate of such persons, of any and all fees, expenses or other remuneration of any kind, as determined in the sole discretion of the board of directors, for the provision of management services to the Company for the financial year ended December 31, 2017;
7. To approve, with or without modification, an ordinary resolution and special resolution, as more particularly set forth in Schedule “A” of the accompanying information circular authorizing (i) the voluntary dissolution of the Company under Division 2 of Part 10 of the *Business Corporations Act* (British Columbia) (“**BCBCA**”) **or** in the alternative and in the circumstances set out in the form of resolution, the voluntary liquidation and dissolution of the Company under Division 3 of Part 10 of the BCBCA, (ii) the settlement of all of the assets of the Company on the Liquidation Trustee (as defined in the accompanying information circular) on trust that the Liquidation Trustee assume and pay all of the liabilities of the Company, and distribute any remaining assets of such trust rateably to the shareholders of record as of the date of dissolution of the Company, (iii) the disposition of all or substantially all of the undertaking of the Company, and (iv) the reduction of the capital of the Company on the winding-up of the business and affairs of the Company (the “**Dissolution Resolution**”);
8. To approve a special resolution to submit an application to the administrator under the *Small Business Venture Capital Act* (British Columbia) for revocation of the Company’s registration under such act and the payment of certain tax credit liabilities;
9. To approve an ordinary resolution to amend the Company’s articles of incorporation to change its name from “B.C. Advantage Funds (VCC) Ltd.” to “B.C. Advantage Funds Ltd.” or such other name that is determined by the board of directors in their sole discretion;

10. To approve a special resolution to amend the Articles of the Company as described further in the accompanying information circular; and
11. To transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Meeting are: (1) an information circular, which provides additional information relating to the matters to be dealt with at the Meeting; (2) a form of proxy and notes to proxy to be used for the Meeting; (3) a financial statement request form; and (4) an e-mail address collection form.

The Board of Directors of the Company have fixed June 15, 2016 as the record date for the determination of shareholders of the Company entitled to receive this Notice of Meeting and to attend and vote at the Meeting.

Registered shareholders who validly dissent in respect of the Dissolution Resolution pursuant to and in the manner set forth in Section 237 to 247 of the BCBCA, will be entitled to the fair value of their shares. The dissent rights are described in the accompanying information circular (and specifically in Schedule "B"). Failure to strictly comply with the required procedure may result in the loss of any right of dissent.

If you are a registered shareholder and are unable to attend the Meeting in person, please complete, sign, date and return the enclosed form of proxy. A proxy will not be valid unless the completed, dated and signed form of proxy is received by the Company at Suite 410 – 221 West Esplanade, North Vancouver, British Columbia, V7M 3J3, by 3:00 p.m. (Pacific Daylight Time) on Wednesday, July 27, 2016 or at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting. The Company's fax number is 604 688 6166.

DATED at Vancouver, British Columbia, this 7th day of July, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

"Frank Holler"

Frank Holler
Chairman and CEO