

Financial Statements of

**PENDER NDI LIFE SCIENCES FUND (VCC) INC. D.B.A.
ADVANTAGE LIFE SCIENCE FUND II**

Six months ended June 30, 2008 and 2007

NOTICE PURSUANT TO NATIONAL INSTRUMENT 81-106

The accompanying interim financial statements of Pender NDI Life Sciences Fund (VCC) Inc. d.b.a. Advantage Life Sciences Fund II as at and for the period ended June 30, 2008 have not been reviewed by an auditor.

PENDER NDI LIFE SCIENCES FUND (VCC) INC. D.B.A.

ADVANTAGE LIFE SCIENCE FUND II

Statements of Net Assets

June 30, 2008 and December 31, 2007

	2008	2007
Assets		
Venture investments, at fair value	\$ 8,934,463	\$ 7,985,649
Cash and cash equivalents	4,816,677	2,678,151
Restricted cash (note 5)	2,488,820	1,041,574
Other receivable	5,077	37,145
Total assets	16,245,037	11,742,519
Liabilities		
Accounts payable and accrued liabilities	42,447	10,671
Due to related party (note 8)	173,692	226,258
Total liabilities	216,139	236,929
Net assets , representing shareholders' equity	\$ 16,028,898	\$ 11,505,590
Number of common shares outstanding (note 6)	2,571,101	1,831,940
Net asset value per common share (note 6(c))	\$ 6.23	\$ 6.28

Commitment (note 9)

Contingency (note 10)

See accompanying notes to financial statements.

On behalf of the Board of Directors:

"Randy Buchamer" _____ Director

"David Shore" _____ Director

PENDER NDI LIFE SCIENCES FUND (VCC) INC. D.B.A.

ADVANTAGE LIFE SCIENCE FUND II

Statements of Operations

Six Months ended June 30, 2008 and 2007

	2008	2007
Investment income:		
Interest	\$ 69,041	\$ 62,340
Other income	-	37,192
	69,041	99,532
Expenses (notes 4 and 8):		
Management fees	240,995	212,086
Administration	47,378	35,292
Legal fees	27,634	8,122
Directors' fees and expenses	21,518	21,500
Trailer fees	18,988	-
Shareholder communication	16,072	27,044
Transfer agency and regulatory fees	14,976	26,920
Audit fees, tax, and advisory fees	9,809	2,179
Sales and marketing	-	103,012
	397,370	436,155
Net investment loss	(328,329)	(336,623)
Realized loss on sale of venture investments (see below)	-	(69,828)
Change in unrealized appreciation/depreciation of venture investments	(47,711)	1,990,503
Loss from operations	\$ (376,040)	\$ 1,584,052
Loss from operations per common share	\$ (0.15)	\$ 1.01

See accompanying notes to financial statements.

PENDER NDI LIFE SCIENCES FUND (VCC) INC. D.B.A.

ADVANTAGE LIFE SCIENCE FUND II

Statements of Changes in Net Assets

Six Months ended June 30, 2008 and 2007

	2008	2007
Net assets, beginning of year	\$ 11,505,590	\$ 9,748,767
Transitional adjustment resulting from valuing the Fund's publicly-traded investments using bid quotations rather than last sale prices (note 3 (a))	-	(153,750)
	11,505,590	9,595,017
Loss from operations	(376,040)	1,584,052
Capital transactions (note 6):		
Issuance of common shares	5,311,338	3,267,338
Share issuance costs including sales commissions	(373,058)	(231,925)
Redemption of common shares	(38,932)	-
	4,899,348	3,035,413
Increase in net assets	4,523,308	4,465,715
Net assets, end of period	\$ 16,028,898	\$ 14,214,482

See accompanying notes to financial statements.

PENDER NDI LIFE SCIENCES FUND (VCC) INC. D.B.A.

ADVANTAGE LIFE SCIENCE FUND II

Statements of Cash Flows

Six Months ended June 30, 2008 and 2007

	2008	2007
Cash provided by (used in):		
Operations:		
Loss from operations	\$ (376,040)	\$ 1,584,052
Amortization	-	220
Realized loss on sale on venture investments	-	69,828
Change in unrealized depreciation of venture investments	47,711	(1,990,503)
Net change in non-cash operating accounts	11,278	(60,874)
	<u>(317,051)</u>	<u>(397,277)</u>
Investments:		
Proceeds from sale of venture investments	-	75,000
Purchase of venture investments	(996,525)	(2,922,399)
Restricted cash	(1,447,246)	865,698
	<u>(2,443,771)</u>	<u>(1,981,701)</u>
Financing (note 6):		
Issuance of common shares	5,311,338	3,267,338
Share issuance costs including sales commissions	(373,058)	-
Redemption of common shares	(38,932)	(231,925)
	<u>4,899,348</u>	<u>3,035,413</u>
Increase (decrease) in cash and cash equivalents	2,138,526	656,435
Cash and cash equivalents, beginning of year	2,678,151	811,464
Cash and cash equivalents, end of period	<u>\$ 4,816,677</u>	<u>\$ 1,467,899</u>

See accompanying notes to financial statements.

PENDER NDI LIFE SCIENCES FUND (VCC) INC. D.B.A.

ADVANTAGE LIFE SCIENCE FUND II

Statement of Investment Portfolio

June 30, 2008

	Cost	Fair value	Unrealized gain or (loss)	Percentage of total portfolio at fair value
Publicly-traded investments:				
Allon Therapeutics Inc. 3,080,000 common shares 1,040,000 purchase warrants	\$ 3,046,000	\$ 2,895,200	\$ (150,800)	32%
Chromos Molecular Systems Inc. 7,017,857 common shares	1,355,172	-	(1,355,172)	-
Medical Ventures Corp. 2,625,000 common shares	750,000	275,625	(474,375)	3
Protox Therapeutics Inc. 4,714,286 common shares 1,000,000 purchase warrants	2,650,000 -	3,205,714 30,000	555,714 30,000	36 -
Total publicly-traded investments	7,801,172	6,406,539	(1,394,633)	71
Privately-held investments:				
Inimex Pharmaceuticals Inc. 190,172 preferred shares	496,525	496,525	-	6
Methylation Sciences Inc. 105,000 common shares	105,000	105,000	-	1
NeuroMed Technologies Ltd. 1,738 preferred shares	1,926,399	1,926,399	-	22
Total privately-held investments	2,527,924	2,527,924	-	29
Total investment portfolio	\$10,329,096	\$ 8,934,463	\$(1,394,633)	100%

See accompanying notes to financial statements.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

1. Organization:

Pender NDI Life Sciences Fund (VCC) Inc. doing business as Advantage Life Science Fund II (the Fund) was incorporated under the Company Act of British Columbia on July 4, 2003 and is registered as a venture capital corporation (VCC) under the Small Business Venture Capital Act (the SBVCA). The Fund is a venture capital business that focuses its investment activities on early stage life sciences companies that are eligible under the SBVCA.

Effective October 1, 2007, Lions Capital Corp. (the Fund Manager) acquired the management agreement from the previous manager of the Fund, Pender Fund Capital Management Ltd. and entered into a new management agreement dated November 20, 2007 (the Management Agreement), which replaced the previous management agreement dated July 1, 2004. As of October 1, 2007, the Fund Manager is responsible for all day-to-day operations of the Fund.

2. Significant accounting policies:

(a) Basis of presentation:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP).

(b) Venture investments:

Venture investments are recorded at estimated fair value. Fair value is the value that would be agreed upon between knowledgeable and willing parties dealing at arm's length without constraint. Investment transactions are accounted for on a trade date basis. The resulting gains or losses on such transactions are recorded in operations at that time, and are determined based on the average cost of the respective investment. Changes in unrealized appreciation or depreciation of investments are also recorded in results of operations.

(i) Publicly-traded:

The fair values of the Fund's investments in portfolio companies that have quoted market values and that are publicly-traded on a recognized stock exchange are based on the closing bid quotations (2006 – closing sale prices) at the date of the financial statements.

(ii) Privately-owned:

The fair values of the Fund's investments in portfolio companies for which no published market exists are recorded at estimated fair values. Fair value of these investments is determined on the basis of the expected realizable value of the investments if they were disposed of in an orderly manner over a reasonable period of time.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

2. Significant accounting policies (continued):

(b) Venture investments (continued):

(ii) Privately-owned (continued):

Investments are initially recorded at cost until either there is a substantial arm's length transaction or there is objective evidence that establishes a different fair value. Where there is evidence of a decline in value of an investment as indicated by an assessment of the financial condition of an investee, the carrying value of the investment is adjusted to estimated realizable value. For investments in more mature companies, fair value may be determined through the use of established valuation models.

The process of valuing investments for which no published market exists is inevitably based on inherent uncertainties, and the resulting values may differ from values that would have been used had a ready market existed for the investments. These differences could be material.

(c) Cash and cash equivalents:

Cash and cash equivalents consists of cash and highly liquid short-term interest-bearing securities with maturity dates of less than 90 days at inception.

(d) Sales commissions and share issue costs:

Sales commissions and other costs directly related to the issuing of common shares are recorded as a reduction in net assets when the shares are issued.

(e) Income taxes:

Income taxes are accounted for under the asset and liability method of accounting for income taxes. Under the asset and liability method, future income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future income tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. A valuation allowance is recorded against any future income tax asset if it is more likely than not that the asset will not be realized. The effect on future income tax assets and liabilities of a change in tax rates is recognized in operations in the period that enactment or substantive enactment occurs.

(f) Per common share values:

Net asset value per common share is calculated based on the number of common shares outstanding at the year end. Income (loss) from operations per common share is calculated based on the weighted-average number of common shares outstanding during the year.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

2. Significant accounting policies (continued):

(g) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Fund Manager to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Significant areas requiring the use of management estimates include estimations of the fair value of investments and assessments of the financial condition of investees that might indicate a change in value of a particular investee. Assumptions underlying investment valuations are limited by the availability of reliable data and the uncertainty of predictions concerning future events. Accordingly, by their nature, investment valuations include a subjective element. Financial results as determined by actual events could differ from those estimates and assumptions, and the difference could be material.

(h) Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

3. Changes in accounting standards:

(a) Section 3855, Financial Instruments - Recognition and Measurement:

The Canadian Institute of Chartered Accountants (CICA) has issued Handbook Section 3855, *Financial Instruments - Recognition and Measurement* (S3855) which applies to fiscal years beginning on or after October 1, 2006. The adoption of S3855 impacts the calculation of the net asset value of the Fund for financial reporting purposes because it requires publicly-traded investments to be valued using bid quotations rather than the last sale prices as was the accounting policy of the Funds prior to January 1, 2007.

S3855 also requires that transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund, be charged to income from operations in the period incurred. There was no impact on opening net assets as a result of this change in accounting policy.

(b) Section 3862, Financial Instruments - Disclosures and Section 3863, Financial Instruments - Presentation:

Section 3862, *Financial Instruments - Disclosures* and Section 3963 *Financial Instruments - Presentation* of the CICA Handbook will be applicable to the Fund for its fiscal year beginning January 1, 2008. These new sections enhance existing disclosure and presentation of the nature and scope of the risks associated with financial instruments as well as the way these risks are managed. These standards were adopted by the Fund effective January 1, 2008 and have no impact on the recognition or measurement of financial instruments. See note 12.

3. Changes in accounting standards (continued):

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

(c) Section 1535, Capital Disclosures:

Section 1535, *Capital Disclosures*, requires the disclosure of both qualitative and quantitative information that provides users of financial statements with information to evaluate the entity's objectives, policies, and processes for managing capital. This standard was adopted by the Fund effective January 1, 2008 and has no impact on the recognition or measurement of any financial statement items. See note 13.

4. Fees and expenses:

In accordance with the Management Agreement, the Fund Manager is entitled to receive management fees equal to 2.75% of the pricing net asset value of the Fund calculated and paid monthly. Also in accordance with the Manager Agreement, separate from the management fee, the Fund reimburses the Fund Manager for expenses incurred by the Fund Manager in connection with its obligations pursuant to the Management Agreement. In practice, the Fund Manager may pay expenses on behalf of the Fund and then seeks reimbursement for expenses that are the direct responsibility of the Fund. Expenses that are the direct responsibility of the Fund include, but are not limited to, fund administration costs, transfer agency fees, shareholder communications, director's fees and expenses, accounting fees, audit fees, tax preparation and advisory fees, legal fees, valuation fees, brokerage commissions related to investments, and other miscellaneous costs related to the operations of the Fund.

Pursuant to the Management Agreement, the Fund Manager is entitled to equity participation equal to 20% of the amount of a realized gain (before income taxes) on an investment if the investment returns all of the capital invested plus a compound rate of return that equals or exceeds 10% per year, and the total realized gains, unrealized gains and net investment income from the Fund's portfolio of venture investments have generated a compound rate of return equal to or exceeding 8% per year. Since inception, no equity participation has been earned.

5. Restricted cash:

Pursuant to the requirements of the SBVCA, a VCC that does not have 80% of its raised equity capital invested in eligible businesses is required to maintain an investment protection account in an amount equal to 30% of the funds raised. As investments in eligible businesses are subsequently made, a drawdown from the investment protection account, equal to 37.5% of the investment amount, is available subject to the consent of the administrator of the SBVCA. At such time as a Fund is fully invested in eligible businesses it will have no balance in its investment protection account.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

6. Share capital:

(a) Authorized:

200,000,000 common shares without par value issuable in series, of which the first series is limited to a maximum of 20,000,000 common shares.

(b) Issued:

Series 1 common shares:

Balance, December 31, 2006	1,330,943
Issued for cash	500,997
Balance, December 31, 2007	1,831,940
Issued for cash	744,766
Redemption	(5,605)
Balance, June 30, 2008	2,571,101

(c) Pricing net asset value per common share:

Subscriptions and redemptions of the Fund are transacted at the pricing net asset value per share of the Fund. The pricing net asset value per share is a non-GAAP financial measure that is comprised of the net asset value per share as determined under GAAP plus any unamortized sales commissions and share issuance costs, plus an adjustment to value publicly traded investments using the last sale prices rather than closing bid quotations. Because pricing net asset value per share is a non-GAAP financial measure that does not have any standardized meaning prescribed by GAAP, it may not be comparable to similar measures presented by other Funds.

The following is a reconciliation of net asset value and net asset value per common share determined in accordance with GAAP to Pricing net asset value and pricing net asset value per share:

	2008	2007
GAAP net asset value per statements of net assets	\$ 16,028,898	\$ 11,505,590
Add:		
Unamortized deferred sales commissions and share issuance costs ⁽¹⁾	1,365,287	1,223,376
Adjustment from bid quotations to last sale prices	404,364	167,125
Pricing net asset value	\$ 17,798,549	\$ 12,896,091
Common shares outstanding at period end (note 6(b))	2,571,101	1,831,940
GAAP net asset value per common share	\$ 6.23	\$ 6.28
Pricing net asset value per common share	\$ 6.92	\$ 7.04

⁽¹⁾ Deferred sales commissions and share issuance costs are amortized on a straight-line basis over the minimum expected holding period of the related shares of five years.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

6. Share capital (continued):

(c) Pricing net asset value per common share (continued):

In accordance with the Fund's prospectus, subscriptions and redemptions are transacted weekly by the Fund at the pricing net asset value per share calculated on Friday of each week. As the last transaction date for subscriptions and redemptions for the first six months ended in 2008 was June 27, 2008, the pricing net asset value per share at which common shares were actually transacted differs from those presented above, which are as at June 30, 2008, due to the recording of certain tax, accounting and valuation adjustments for GAAP purposes as outlined in the Fund's prospectus.

7. Income taxes:

(a) The components of future income tax balances are as follows:

	June 30, 2008	2007
Future income tax assets related to:		
Tax loss carryforwards	\$ 1,719,865	\$ 1,486,671
Share issuance costs	435,845	343,826
Unrealized losses on venture investments	325,647	314,506
	2,481,357	2,145,003
Valuation allowance	(2,481,357)	(2,145,003)
Net future income tax asset	\$ -	\$ -

(b) The provision for income taxes shown in the Fund's statement of operations is different than that obtained by applying statutory tax rates to the income (loss) from operations before income taxes due to amortization of share issue costs, payment of equity participation fees, the non-taxable portion of capital gains, and adjustments for applicable rate changes and changes in valuation allowances.

(c) The Fund has non-capital tax-loss carryforwards available for utilization against taxable income in future years. The Fund has net capital tax-loss carryforwards of \$652,092. See the audited financial statements of the Fund for details regarding expiration of non-capital tax-loss carryforwards.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

8. Related party transactions:

The Fund Manager pays certain expenses on behalf of the Fund and is subsequently reimbursed by the Fund. See note 4 for additional discussion.

The following tables summarize the Fund's related party transactions not otherwise disclosed in the financial statements:

	Six months ended		Amount payable as at	
	June 30		June 30	December 31
	2008	2007	2008	2007
Fund Manager ⁽¹⁾				
Management fees	\$ 240,995	\$ 212,086	\$ 86,593	\$ 60,381
Reimbursement of administration expenses	224,061	38,817	87,099	165,877
Total related party expenses	\$ 465,056	\$ 250,903		
Due to related parties			\$ 173,692	\$ 226,258

⁽¹⁾ Certain officers of the Fund have an ownership interest in the Fund Manager. From October 1, 2007 onward, the Fund Manager was Lions Capital Corp. From January 1, 2007 to September 1, 2007, the manager of the Fund was Pender Fund Capital Management Ltd.9. Commitment:

The Fund has an Investment Administration Agreement with The Investment Administration Solution Inc. to provide certain transfer agency and back office administration services. The agreement specifies a minimum fee per month of \$10,000 (plus GST thereon) for three years, which commenced January 1, 2007. The Fund's remaining minimum future payments in accordance with this agreement are:

2008	\$ 60,000
2009	120,000
	\$ 180,000

10. Contingency:

As a VCC, the Fund has to comply with the legislative requirements of the SBVCA, including investing appropriately in eligible businesses and maintaining certain levels of investment for at least five years. The Fund has a contingent liability to repay the tax credits granted to its shareholders by the Government of British Columbia if it does not comply with these requirements. As at June 30, 2008, management is not aware of any circumstances where the Fund is not in compliance with the requirements of the SBVCA.

11. Fair values of financial assets and liabilities:

The Fund's venture investments are carried at fair value. The fair values of other financial instruments (cash and cash equivalents, restricted cash, subscription and other receivables, accounts payable and accrued liabilities and due to related party are considered by the Fund Manager to approximate their carrying values due to their short-term nature.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

12. Financial instruments:

(a) Overview:

The Funds has exposure to credits risk, liquidity risk and market risk. The Fund Manager has overall responsibility for the establishment and oversight of the Funds' risk management framework.

(b) Credit risk:

Credit risk is the risk associated with the inability of a third party to fulfill payment obligations. As at June 30, 2008, the Fund has minimal exposure to the risk that third parties that owe it money or securities will not perform their underlying obligations. The Fund limits its exposure to credit risk for its cash and cash equivalents by only investing in money market units with high credit quality financial institutions. Also, the Fund has minimal exposure to the risk of non-payment for securities issued as all transactions are settled or paid upon delivery of payment by brokers to our back office provider. The securities are delivered only when payment has been received. However, the Fund does have moderate credit risk in the form of other receivable with a carrying value of \$5,077 at June 30, 2008.

(c) Liquidity risk:

Liquidity risk is the risk that the Funds will not be able to meet its financial obligations as they fall due. The Funds' ability to meet its financial obligations depends on the success of its investment in portfolio companies. As the Funds invests in early stage technology and/or life science companies which generally have a limited history of operations and revenue, if any, the success of its investments is not assured. There is no assurance that any portfolio company will be able to successfully complete its development plan or sustain operations over the short term or an extended period. The Funds manage the liquidity risk by becoming actively involve in its portfolio companies and continually monitoring the values of its investments.

(d) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk.

(i) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Funds invest primarily in Canadian securities and therefore does not have any significant exposure to currency risk.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

12. Financial instruments (continued):

(d) Market risk (continued):

(ii) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. The Funds invests primarily in equity securities and in the event that it invests in debt instruments, the Fund only invests in fixed interest-bearing instruments. The Funds invests the cash in money market funds which have minimal sensitivity to interest rate fluctuations since securities in a money market fund are usually held to maturity and tend to be short-term in nature. As such, the Fund does not have any significant exposure to interest rate risk.

(iii) Equity risk:

Equity risk is the risk that the market value of the Funds equity investments will fluctuate in response to specific company developments and prospects as well as changes in economic conditions. The Fund Manager moderates this risk through a careful selection and diversification of investments within the limits of the Fund's investment objectives and strategy. Further, the Fund's investments are monitored on a regular basis by the Fund Manager. The Fund's investments are susceptible to equity risk arising from uncertainties about future prices. As at June 30, 2008, 71% of the Fund's net assets are publicly-traded investments. If the value of these publicly-traded investments had increased or decreased by 10% as at the period end, with all the other factors remaining constant, net assets could possibly have increased or decreased by approximately \$668,000, respectively. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

13. Capital Disclosure:

The Fund's objective is to raise equity capital and to invest it in investments that meet the Fund's investment criteria. The Fund is continually raising capital and has an allocation from the SBVCA to raise up to \$7 million in the 2008 VCC program year. The Fund's capital structure consists only of equity. The Fund may make adjustments to its capital structure in light of economic conditions and the risk characteristics of its investments.

14. Review of privately-owned venture investments:

Annually, the Fund obtains a review by an independent Chartered Business Valuator of the aggregate estimated fair value of the Fund's venture investments for which no public market exists, calculated in accordance with the Fund's internal valuation policies and with the principles outlined in the Fund's prospectus.

ADVANTAGE LIFE SCIENCE FUND II

Notes to Financial Statements

Six Months ended June 30, 2008 and 2007

14. Review of privately-owned venture investments (continued):

The scope of the review by the Chartered Business Valuator consists mainly of a review of working papers and investment files prepared on behalf of the Fund by the Fund Manager, consideration of the appropriateness of the valuation methodology employed by the Fund and an assessment of the reasonableness of assumptions and conclusions. Based on the scope of the review, the Chartered Business Valuator provides an opinion to the Audit and Valuation Committee of the Fund as to the reasonableness of the aggregate estimated fair value of the Fund's privately-owned investments.

15. Subsequent Events:

Amalgamation with BC Advantage Funds (VCC) Ltd.

On August 8, 2008, BC Advantage Funds (VCC) Ltd. ("Advantage") and the Fund were amalgamated into one fund company. This amalgamation was approved by the shareholders of Advantage and the Fund on June 25, 2008. The combined fund company will be comprised of the Advantage Venture Fund, the Advantage Life Science Fund I and the Advantage Life Science Fund II. Advantage and the Company are both VCC fund companies managed by the Fund Manager. The amalgamation will streamline operations and reduce or eliminate certain operating costs for both funds. This is expected to reduce the management expense ratio of all funds and increase their net asset values, thereby resulting in greater returns to investors. For additional information, please see the Joint Information Circular dated May 22, 2008.