

WORKING OPPORTUNITY FUND – Q2 UPDATE

PenderFund Capital Management Ltd (“Pender”) assumed management of the Working Opportunity Fund (the “Fund”) in March 2019. Working with the Fund’s Board, Pender expects to call a shareholder meeting later this year to consider a previously announced potential reorganization, as noted in the June 10, 2019 [news release](#).

The Fund secured a management fee under the new management agreement with Pender of 1.5% and eliminated trailer commissions with respect to its Venture Series shares. Given the present lack of liquidity from the venture capital investments within the Fund, the objective of these two measures is savings in operating costs, to position the Fund to maximize value for shareholders. Additionally, the fees payable to the manager were restructured under the new management agreement and now the Fund is paying its own administrative expenses rather than paying a percentage fee to the manager.

Venture Series Update

WOF 141, 142, 888, 890, 892, 894, 895, 896

The Fund’s Venture Series remains closed for purchase and redemption. It has a dividend distribution policy in place whereby liquidity from the portfolio is distributed proportionately to all shareholders. The investments are equity positions in private companies and the Fund is reliant on exits from these companies to generate liquidity. None of the companies are currently in an exit process but we are supporting them towards exit, to the extent possible as a minority shareholder.

A description of the top five investments, which make up greater than 90% of the net asset value at June 30, 2019, is provided below as well as links to corporate websites and recent news coverage.



D-Wave is a quantum computer hardware and software developer. Initial applications are for use with hybrid supercomputer quantum computer applications. Customers with systems installed onsite include NASA, Google, Lockheed Martin, Los Alamos National Labs and the University of Southern California. D-Wave has over 40 remote-access cloud customers.

Press Release: [D-Wave Announces Quantum Hybrid Strategy](#)

Blog: [Quantum Computing – “Where things can be “this” and “that” at the same time” by Rolf Dekleer](#)



Teradici is the creator of PC over IP (PCoIP) technology which securely delivers applications or entire workspaces from private data centres, public clouds or multicloud environments to any device. With over 13 million endpoints deployed around the world, Teradici’s solutions are relied on daily by industries including media and entertainment, oil & gas, design, finance, government and healthcare.

Press Release: [Teradici unveiled “PCoIP Ultra.” How is it different from PCoIP and where does it fit in the market?](#)



Copperleaf Technologies develops and sells software that is used by utilities for asset investment planning and management (AIPM). The company uses real-time data and extensive knowledge on asset management to help energy companies find the balance between maximizing profitability, while minimizing risk and cost.

Press Release: [Copperleaf Announces Investment from National Grid Partners](#)

Podcast: [Pender SVP Private Equity, Maria Pacella, interviews Judi Hess, CEO of Copperleaf](#)

The logo for General Fusion, featuring the word "generalfusion" in white lowercase letters on a red rectangular background.

General Fusion is developing a commercial nuclear fusion energy power plant to generate electricity for residential and industrial customers. Notable investors include Cenovus Energy, Jeff Bezos, the Government of Canada and Sustainable Development Technology Canada (SDTC).

Media: [CNBC: Why Bezos and Microsoft are Betting on Fusion](#)

The logo for SWITCH, featuring a stylized blue and white cube icon to the left of the word "SWITCH" in bold, black, uppercase letters.

Switch Materials develops switchable window technology for integration into automotive glass, architectural glass and eyewear. Switch's first product is a film that enables automotive sunroofs to darken automatically in sunlight and be lightened on demand with a small electric current.

Resource: [Find out how SWITCH ActiveControl technology brings benefits to both drivers and manufacturers, and improves the driving experience](#)

Commercialization Series Update

WOF 104, 105

The Fund's Commercialization Series is open for redemption and holds four investments at June 30, 2019, which are listed below. The investments are primarily equity positions in private companies.

The logo for D-Wave, featuring the text "D:WAVE" in a stylized font with a colon between the 'D' and 'W', and "The Quantum Computing Company™" in smaller text below.

D-Wave is a quantum computer hardware and software developer. Initial applications are for use with hybrid supercomputer quantum computer applications. Customers with systems installed onsite include NASA, Google, Lockheed Martin, Los Alamos National Labs and the University of Southern California. D-Wave has over 40 remote-access cloud customers.

The logo for Vitrium, featuring a blue cloud icon to the left of the word "vitrium" in white lowercase letters on a blue background.

Vitrium Systems delivers enterprise content security and digital rights management software to control and protect documents and images for secure distribution.

The logo for BuildDirect, featuring a blue square icon with a white 'B' to the left of the word "BuildDirect" in bold, blue, uppercase letters.

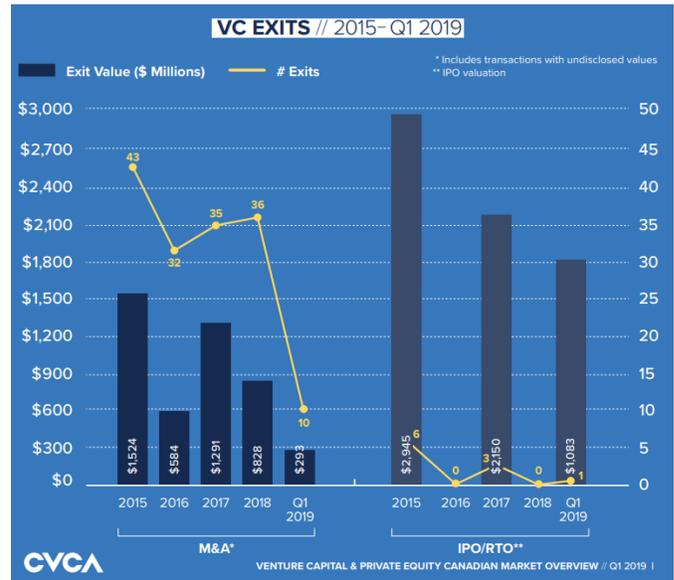
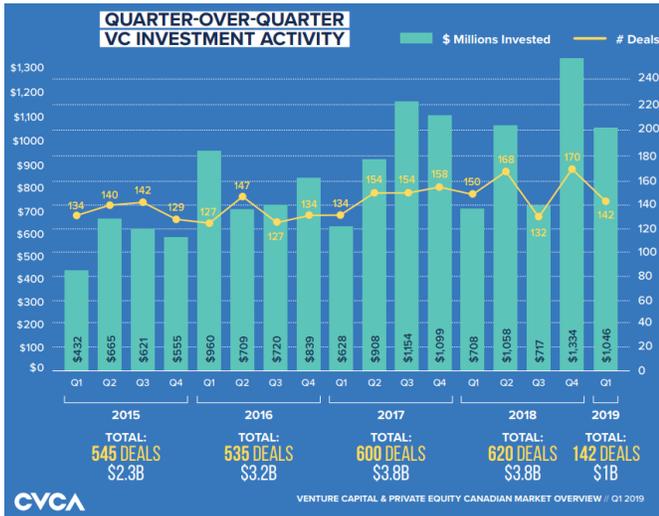
BuildDirect is an online marketplace for home improvement products connecting builders and homeowners directly to suppliers.

The logo for INETCO, featuring a stylized globe icon to the left of the word "INETCO" in bold, red, uppercase letters, with the tagline "Every transaction tells a story®" below.

INETCO provides real-time transaction monitoring software for a variety of payment processing and banking environments.

Venture Capital – Canadian Market Highlights

Below are excerpts from the [Q1 2019 VC Canadian Market Overview](#) put out by the Canadian Venture Capital Association (CVCA). The charts take the temperature of venture capital activity in Canada, showing investments and exits from 2015 through to Q1 2019. We are seeing good levels of investment and M&A exit activity in the Canadian market. CVCA reports that over \$1 billion was invested in 142 deals and 10 M&A deals in the first quarter of 2019 totaling \$293 million. This level of activity for the first quarter of 2019 is tracking ahead of 2018 levels and WOF portfolio companies are positioned to benefit from this increased activity, both in terms of availability of growth capital and availability of exit opportunities.



More information about the Working Opportunity Fund

As more information becomes available we will post it [on our website](#).

If you have more questions about your investment in WOF, please contact Prometa Fund Support Services:

Phone: 888-787-9561

Fax: 888-747-0984

Email: workingopportunityfund@prometa.ca

<https://www.penderfund.com/funds/working-opportunity-fund/>



This communication is intended for information purposes only and does not constitute an offer to buy or sell our products or services nor is it intended as investment and/or financial advice on any subject matter and is provided for your information only. Every effort has been made to ensure the accuracy of its contents. Certain of the statements made may contain forward-looking statements, which involve known and unknown risk, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.