

Tandem Expansion Fund announces first closing of \$300 million to support high-potential Canadian technology companies

Fund fills market void for growth capital

Montreal, December 8, 2009 – Tandem Expansion, a private investment firm focused on growth capital for high-potential Canadian technology companies, today announced the initial closing for \$300 million of its first fund: Tandem Expansion Fund I, L.P. (“The Fund”). The Fund received investments from a number of leading public, private and institutional investors, including the Business Development Bank of Canada (BDC), Export Development Canada (EDC) and Teralys Capital, a private technology-focused fund of funds.

Teralys Capital, EDC and BDC are providing the majority of the funds. BDC contributed \$80 million, while Teralys and EDC each committed \$75 million to the fund. The principals of Tandem Expansion have also made a significant investment alongside the Caisse de dépôt et placement du Québec and the B.C. Renaissance Capital Fund.

“We are very pleased to have raised \$300 million in the current environment and have been impressed by the quality of the investment opportunities presented to us so far,” said Charles Sirois on behalf of Tandem Expansion. “Having reached this important milestone, Tandem is now open for business and ready to invest its capital and operational expertise to help high-potential Canadian technology companies succeed internationally.”

“BDC identified an important gap in the Canadian capital markets ecosystem which prevented promising technology companies from accessing the funds needed to mature and compete in the global marketplace,” said Jean-René Halde, BDC President and Chief Executive Officer. “By helping launch this new Fund, we are directly addressing this issue. We are delighted to have such high-quality co-investors join us in the Tandem venture.”

“Only five months after launching our operations, Teralys Capital is pleased to announce its first investment already,” said Jacques Bernier, Managing Partner, Teralys Capital. “We are proud to support Tandem. They are skilled investors and experienced entrepreneurs who bring the required expertise to grow outstanding entrepreneurial technology companies into global market leaders.”

“EDC’s \$75 million commitment reflects our interest in supporting strong Canadian companies who might otherwise miss growth opportunities because of a lack of funds,” said Eric Siegel, President and CEO, EDC. “Promising Canadian technology companies have had to look to the U.S. for late-stage capital or have been faced with closing their doors. The net result has been a loss of intellectual property or lacklustre financial returns, and EDC wants to have a hand in helping bring those benefits home. “

The Fund’s general partner, Tandem Expansion, was co-founded by two of Canada’s most experienced venture capital/private equity investors, Charles Sirois and Brent Belzberg. Tandem’s managing partners – David Bookbinder, Andre Gauthier, Christopher Legg and Alex Moorhead – who will run the day to day operations of the Fund all have significant investment and entrepreneurial experience domestically and internationally.

For more information regarding Tandem, and to contact the Fund regarding investment opportunities, please visit www.tandemexpansion.com.

About Teralys Capital

Teralys Capital is a technology-focused fund of funds financing private venture capital funds that invest in information technology, life sciences and cleantech companies. The fund has over \$700 million in capital commitments from Caisse de dépôt et placement du Québec, the Solidarity Fund QFL and Investissement Québec. Teralys Capital is also managing two existing portfolios of venture capital funds with additional assets under management of over \$600 million. It is currently the largest fund of funds in Canada.

About BDC

BDC is Canada's business development bank. From more than 100 offices across the country, BDC promotes entrepreneurship by providing highly tailored financing, venture capital and consulting services to entrepreneurs. Visit www.bdc.ca for more information.

About EDC

EDC is Canada's export credit agency, offering innovative commercial solutions to help Canadian exporters and investors expand their international business. EDC's knowledge and partnerships are used by more than 8,300 Canadian companies and their global customers in up to 200 markets worldwide each year. EDC is financially self-sustaining, a recognized leader in financial reporting and economic analysis, and has been named one of Canada's Top 100 Employers for nine consecutive years.

About the Caisse de dépôt et placement du Québec

The Caisse de dépôt et placement du Québec is a financial institution that manages funds primarily for public and private pension and insurance plans. At December 31, 2008, it held \$120.1 billion of net assets. As one of the leading institutional fund managers in Canada, the Caisse invests in the main financial markets as well as in private equity and real estate. For more information: www.lacaisse.com.

About B.C. Renaissance Capital Fund

The B.C. Renaissance Capital Fund Ltd. (the "BCRCF") is a Crown corporation that is wholly owned by the BC Immigrant Investment Fund (BCIIF). The purpose of the BCRCF is to attract successful venture capital managers and their capital to British Columbia in order to develop promising, innovative technology companies in the Province. The BCRCF was created for the purposes of pursuing investment in four key technology sectors: new media, information technology, life sciences and clean technology. To date, the BCRCF has committed capital to seven venture fund managers based in the United States and Canada that have approximately \$2B in capital under management for investment.

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