

VENTURE VISIONS

A PUBLICATION OF THE WORKING OPPORTUNITY FUND

Volume 12 Summer 2000



Switch Opportunity

Your opportunity to switch classes of shares is coming October 6 – 27.

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WORKING OPPORTUNITY FUND
Managed by GrowthWorks Capital Ltd.

VENTURE VISIONS

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WOF Finances Five New Technology Companies

Portfolio Swells to 55

The Working Opportunity Fund closed a combined \$6.75 million investment in five new BC-based technology companies—three in high tech and two in biotech.

“Over 70% of our investment dollars have been placed in the high tech sector this year,” said Jim Charlton, Senior Vice President, Investments for GrowthWorks Capital. “That is up from 30% three years ago, reflecting the growth of investment opportunities in innovative, competitive high tech companies in this province.”

The increase in the Working Opportunity Fund’s investment in high tech this year mirrors the growth of the industry. High tech companies represent the largest portion of WOF’s portfolio at 35%.

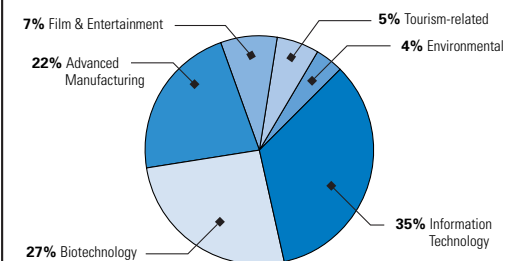
WOF’s three most recent investments in high tech focus on e-commerce and Internet based software.

Antarcti.ca Systems Inc., founded by the co-inventor of *XML*, is a developer of Internet software that enhances the usability of the Internet. By creating 2D and 3D maps that plot the entire set of network elements available on the Internet, Antarcti.ca’s software enables users to easily and intuitively access the vast resources of the Web.

Mindquake Software Inc. is an end-to-end e-business solutions provider. The company offers strategic consulting on the development of e-business models, as well as development resources to build complex back-end and creative front-end components for an organization’s Internet business. The company’s customers include established “bricks and mortar” companies as well as new e-commerce start-ups.

CURRENT PORTFOLIO COMPANIES PER INDUSTRY

55 companies total as at July 2000



WOF's 55 portfolio companies are in the province's emerging sectors

SherlockOnline.com is an Internet based business-to-business and business-to-consumer e-commerce company. Sherlock’s mission is to become the world’s largest lost and found by creating a virtual safety deposit box on-line to record personal property. This registry will help in the identification of lost or stolen property and aide in the insurance claim process. Sherlock is working with insurance and travel companies as well as law enforcement departments.

Our biotech portfolio is also growing as companies try to keep up with the evolving biotech market demands. “As companies in the BC biotech industry mature and reach significant scientific milestones, they require larger amounts of capital to further their research and product development. The increase in the number and amount of financings in this sector is an indication of the health and strength of the biotech industry in BC,” said Yad Garcha, Senior Vice President, Investments for GrowthWorks.

One of our new investments, **NeuroStream**

Continued on page 4.

Report to Shareholders



Labour sponsored funds are the largest contributor to venture capital in Canada.

Operations

Revenue for the first six months of 2000 was \$19.0 million compared to \$1.9 million for the same period in 1999.

Net income was \$12.7 million compared to a loss of \$1.5 million for the first six months of last year.

The outstanding performance to date for the year 2000 is due to the realization of gains mainly in the technology portion of our portfolio.

Sales of the Working Opportunity Fund since March 1, 2000 were \$7.5 million compared to \$1.5 million for the same period in 1999, a true testament to the growth and credibility of your Fund as an investment vehicle for British Columbians.

Shareholders were given the opportunity to switch share classes from June 1 – 23. Approximately \$32 million was transferred from the Balanced Shares into the Growth Shares and \$22,000 was switched from Growth Shares to Balanced Shares. We will provide our shareholders with another opportunity to switch their shares from October 6 – 27, 2000.

Shareholders, investment advisors and entrepreneurs from across the province responded to our survey on the creation of the new Working Opportunity Fund website. More timely information on share prices and investee companies were the popular suggestions from various interest groups. These suggestions will be incorporated into the design of the new site. Watch for www.wofund.com in the Fall.

Investments

The venture capital industry in Canada continues to grow and develop with assets growing by 20% to \$12 billion in 1999, according to Macdonald & Associates, a leading Canadian venture capital analyst.

Labour sponsored funds are the largest contributor to venture capital in Canada with LSVCCs accounting for approximately 50% of the total \$12 billion invested in 1999.

In British Columbia, a total of \$250 million was invested in BC businesses, compared to \$147 million in 1998. Over half of the investments were made at the expansion stage, suggesting that new businesses are growing. Over half of WOF's investments last year were follow-on financings to companies which had received initial funding.

There continues to be ample opportunity for investment in the province's emerging sectors. This should be a record year, as we anticipate reviewing 440 business plans before the end of 2000. That is up by 30% over 1999.

In terms of return to our shareholders, we have had a 19% rate of return per year for eight years and realized gains of \$148 million compared to losses of \$4.8 million.

The first six months of 2000 have been very positive for your Fund as the portfolio is strong with

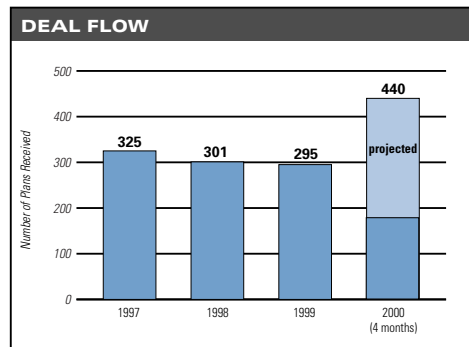
several companies in each sector performing well.

Thanks to our shareholders and to the investment advisors who sell the Fund for making the Working Opportunity Fund a truly successful British Columbia company.

Two Directors Elected at AGM

At the AGM on June 29, two directors were elected to the Working Opportunity Fund Board of Directors. Konrad Colbow has been a professor of physics at Simon Fraser University since 1965 and is the Chair of the SFU pension fund. He was one of the shareholders' elected representatives in 1999 and was re-elected for 2000.

Dean Drysdale is a professor of Business Management at Kwantlen University College and is the President of Chartwell Strategies Corp., a management company, which provides financial advice to emerging companies. He served on the Board of Directors of the Working Opportunity Fund between 1996 and 1999.



Financial Statements

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

FOR THE SIX MONTHS ENDED JUNE 30, 2000 AND 1999

	2000	1999
REVENUE		
Interest	\$ 6,174,610	\$ 2,878,867
Realized gains (losses) on investments	12,346,415	(1,348,906)
Other	456,223	349,803
	18,977,248	1,879,764
EXPENSES		
Operating	(5,958,619)	(3,280,846)
	13,018,629	(1,401,082)
INCOME (LOSS) BEFORE INCOME TAXES	284,500	144,811
Income taxes	284,500	144,811
NET INCOME (LOSS)	\$12,734,129	\$(1,545,893)
Income (loss) per share		
Balanced	\$0.31	\$(0.04)
Growth	\$0.38	-

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

FOR THE SIX MONTHS ENDED JUNE 30, 2000 AND 1999

	2000	1999
NET ASSETS, beginning of period	\$366,767,785	\$197,782,537
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS		
Net income (loss)	12,734,129	(1,545,893)
Unrealized appreciation (depreciation) of investments	56,269,616	(790,365)
	69,003,745	(2,336,258)
INCREASE (DECREASE) IN NET ASSETS FROM CAPITAL TRANSACTIONS		
Proceeds from issuance of shares	58,736,679	41,424,662
Redemption of shares	(12,441,194)	(395,269)
Amortization of deferred costs and fees (net of tax)	(2,003,293)	(882,076)
	44,292,192	40,147,317
NET ASSETS, end of period	\$480,063,722	\$235,593,596
NET ASSET VALUE PER SHARE:		
Balanced	\$11.46	\$6.40
Growth	\$11.66	-

CONSOLIDATED STATEMENTS OF INVESTMENTS

AS AT JUNE 30, 2000 AND 1999

	2000	1999
MARKETABLE SECURITIES, at market		
Marketable securities, at cost		
Federally Guaranteed Securities	\$7,367,721	\$2,808,902
Provincially Guaranteed Securities	37,424,875	21,410,072
Guaranteed Investment Certificates & Corporate Notes	147,827,036	74,801,472
Mortgage Backed Investment Certificates	-	3,545,105
Socially Responsible TSE 300 Index Fund	18,358,546	-
	210,978,178	102,565,551
Unrealized depreciation of marketable securities	(2,500,846)	(555,160)
	208,477,332	102,010,391
VENTURE INVESTMENTS, at market		
Venture Investments, at cost	159,410,610	103,025,980
Unrealized appreciation of venture investments	108,542,552	12,881,068
	267,953,162	115,907,048
TOTAL INVESTMENTS, at market	\$476,430,494	\$217,917,439

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND OPERATIONS

The Fund is a British Columbia company registered as an employee venture capital corporation under the Employee Investment Act ("Act") of the Province of British Columbia. Accordingly, the Fund must comply with the employee venture capital plan filed with the Administrator of the Act. The Act defines the investments which the Fund may make and the period over which venture investments must be made. Until venture investments are made, 30% of the share capital of the Fund must be held in an Investment Protection Account ("IPA"). Amounts may only be withdrawn from the IPA with the concurrence of the Administrator.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted accounting principles and reflect the following significant policies:

Investments

Marketable securities are recorded at market value. Gains or losses on disposition of marketable securities are recorded in income when realized. Unrealized gains or losses are recorded in shareholders' equity.

Venture investments are recorded at cost for one year from the date the investment is made, unless there is a transaction within that year which establishes a value for the investment or there is a significant change within that year in the Fund's expectations. After one year from the date of the investment, venture investments are recorded at estimated market value.

Deferred Commissions, Fees and Other Costs

Commissions and fees paid on the issue of shares are deferred and are amortized to retained earnings on a straight line basis over eight years (the period during which the Fund's shares cannot be transferred or redeemed except in certain limited circumstances).

Costs incurred for the preparation and distribution of the prospectus for the Fund's initial share issue are deferred and amortized to retained earnings on a straight line basis over eight years. Similar costs relating to subsequent issues of the Fund's shares are expensed as incurred.

Costs associated with the start-up and initial development of the Fund are deferred. These costs were included in income at the rate of \$25 per shareholder account in 1993 and 1994 and the balance amortized to income on a straight line basis over eight years commencing in 1992.

3. FUTURE INCOME TAXES

In 1999 the Fund adopted the recommendations of the Canadian Institute of Chartered Accountants on accounting for future income taxes. These recommendations were applied retroactively. No adjustments were required to prior year financial statements as no significant differences in previously reported amounts arose from the implementation of these recommendations.



High tech companies represent the largest portion of WOF's portfolio at 35%.

Quantitative Imaging has sold a camera to NASA which will be put into space aboard the International Space Station.

Technologies, a medical devices company, originated at Simon Fraser University. NeuroStream is developing a series of nerve cuff components that assist with nerve stimulation, modulation and recording. An example of the breakthrough functionality is the combination of the "FreeHand" system coupled with NeuroStream's nerve cuffs. The FreeHand is an FDA-approved implantable device that restores hand grasp for patients with quadriplegia. When coupled with NeuroCuffs, the FreeHand receives sensory feedback from sensors in the patient's skin, which regulates the intensity of the grasp and therefore results in more refined movements and improved functionality.

Xenon Genetics is a private biotechnology company engaged in drug discovery. The company uses extensive databases of DNA, patient data and clinical information, together with its technology platform, to rapidly identify novel genes and other drug targets which are validated in humans. These discoveries are then used in the development of new, more effective therapies for common diseases such as heart disease, diabetes and arthritis.

Your Fund now has \$490 million in assets under management and has invested over \$160 million in small and medium sized businesses in BC.

Road Show Returns

The Working Opportunity Fund's annual Road Show will be returning this fall, bringing shareholders the latest information on the Fund, its returns, and the performance of its investee companies. Join David Levi, President & CEO of the Fund, for refreshments and an informative evening in these locations:

Mon. Oct. 30	Prince George	The Coast Inn of the North
Wed. Nov. 1	Campbell River	Ramada Hotel
Thurs. Nov. 2	Kelowna	Ramada Hotel
Mon. Nov. 6	Williams Lake	Cariboo Memorial Complex
Tues. Nov. 7	Nanaimo	The Coast Bastion Inn
Wed. Nov. 8	Victoria	Laurel Point Inn

Start time for all locations is 7:00pm.

Switch Opportunity

Working Opportunity Fund shareholders will have the opportunity to switch all or a portion of their assets from one share class to another (Balanced to Growth or Growth to Balanced) from October 6 - 27, 2000. Please contact your investment advisor or visit our website in August for more information.

This newsletter is not a solicitation or an offer to sell securities of Working Opportunity Fund (EVCC) Ltd. The offer is made solely by a prospectus which contains full details of the offering. Copies of the prospectus may be obtained from an investment advisor or mutual fund distributor.

Working Opportunity Fund Investee Companies

Jun 00	Mindquake Software Inc.	\$2.4 million
Jun 00	NeuroStream Technologies Inc.	\$250,000
Jun 00	Sherlock Online Inc.	\$750,000
May 00	Bandgap Photonics Inc.	\$100,000
May 00	Xenon Genetics Inc.	\$2.0 million
Apr 00	Antarcti.ca Systems Inc.	\$1.1 million
Apr 00	Clearwater Technologies Inc.	\$1.5 million
Mar 00	Synchropoint Wireless Inc.	\$1.0 million
Mar 00	Botting Systems Inc.	\$1.8 million
Mar 00	Knowledge Junction Systems Inc.	\$750,000
Nov 99	Quantitative Imaging Corp.	\$1.5 million
Jul 99	Mainframe Entertainment (TSE:MFE)	\$5.0 million
Jun 99	fSONA Communications Corp.	\$770,000
Jun 99	Int'l Keystone Entertainment (MSE:IKE)	\$2.5 million
May 99	Inflazyme Pharmaceuticals Ltd. (TSE:IZP)	\$3.0 million
Apr 99	Kelsan Technologies Corp.	\$1.0 million
Apr 99	Gemcom Software Int'l (TSE:GCM)	\$1.0 million
Jan 99	WaveMakers Research Inc.	\$2.4 million
Dec 98	Canair Hovercraft Inc.	\$1.2 million
Nov 98	NeuroMed Technologies Inc.	\$2.3 million
Nov 98	Soft Tracks Enterprises Ltd.	\$1.1 million
Aug 98	Red Sky Entertainment Ltd.	\$1.7 million
Jul 98	Active Pass Pharmaceuticals Inc.	\$1.8 million
Jul 98	De Novo Enzyme Corp.	\$1.4 million
Jun 98	NxtPhase Corp.	\$3.4 million
May 98	Peace Arch Entertainment (TSE:PAE.A&B)	\$3.6 million
Mar 98	Future SEA Technologies Inc.	\$1.9 million
Feb 98	Tasman Ventures Ltd.	\$1.0 million
Jan 98	EnWave Corp. (CDNX:ENW)	\$780,000
Dec 97	youachieve.com	\$3.1 million
Dec 97	Synapse Technologies Inc.	\$2.9 million
Nov 97	QuestAir Technologies Inc.	\$2.8 million
Jul 97	Cellfor Inc.	\$2.7 million
Jun 97	ABC Boat Charters Ltd.	\$880,000
Jun 97	Chromos Molecular Systems Inc. (TSE:CHR)	\$4.4 million
Mar 97	PureEdge Solutions Inc.	\$4.3 million
Sep 96	Angiotech Pharmaceuticals (NASDAQ:ANPI)	\$2.8 million
Sep 96	Epic Data International Inc. (TSE:EKD)	\$3.5 million
Jul 96	Kinetek Pharmaceuticals Inc.	\$5.6 million
Jul 96	Sonigistix Corp.	\$5.4 million
Jun 96	AnorMED Inc. (TSE:AOM)	\$6.6 million
May 96	NCompass Labs Inc.	\$3.5 million
Apr 96	Xantrex Technology Inc.	\$16.3 million
Feb 96	Avcorp Industries Inc. (TSE:AVP)	\$7.4 million
Nov 95	Medieval Glass Industries Ltd.	\$2.4 million
Aug 95	Service Systems Int'l (NASD:SVSY)	\$2.3 million
Jul 95	NaPro BioTherapeutics (NASDAQ:NPRO)	\$2.5 million
Jun 95	StressGen Biotechnologies (TSE:SSB)	\$2.6 million
Apr 95	Circon Systems Corp.	\$1.5 million
Mar 95	Xillix Technologies Corp. (TSE:XLX)	\$2.1 million
Jan 95	Chancery Software Ltd.	\$6.1 million
Dec 94	TAPP Technologies Inc.	\$2.0 million
Nov 94	Great Canadian Railtour Company Ltd.	\$6.6 million
Apr 94	Ingenium Technologies Corp.	\$2.0 million
Nov 93	Stone Electronics Ltd.	\$1.7 million

PORTFOLIO COMPANIES THAT HAVE BEEN DIVESTED OR WRITTEN DOWN
Automated Corp. • Canadian Oil Filter Recovery Corp.
Dees Communications Ltd. • HotHaus Technologies Inc.
Mezzaluna Pasta Corp. • Photon Systems Corp.
Pro Carry Systems International Inc. • Request Information Services Corp.
Rocky Mountain Campers Inc. • SFG Technologies Inc.

