



**NEWS RELEASE
FOR IMMEDIATE RELEASE**

**British Columbia Discovery Fund Inc. (formerly British
Columbia Discovery Fund (VCC) Inc.) Provides Update on
Liquidation Proceedings**

VANCOUVER, B.C. September 29, 2023

British Columbia Discovery Fund Inc., (formerly British Columbia Discovery Fund (VCC) Inc.) (the "**Fund**"), by MNP Ltd. (formerly The Bowra Group Inc.) in its capacity as liquidator of the Fund (the "**Liquidator**"), provides the following update as to the liquidation proceedings of the Fund.

Pricing Net Asset Value per Class A Common Share is \$0.21 as at August 31, 2023 compared to \$0.22 as at June 30, 2023, a decrease of 5%. The principal reason for this change is expenses incurred in the liquidation.

The Liquidator has now sold all of the Fund's investments in publicly traded investments and made a distribution to shareholders of \$.52 per share on June 19, 2023. Further details of the sale of the Fund's publicly traded investments and distribution to shareholders are contained in earlier press releases.

The Fund's remaining investments are shares in illiquid private companies.

The following is an update of the Fund's remaining portfolio companies and the Liquidator's activities:

1. **Phemi Systems Corporation ("Phemi")** – Phemi is a technology company which provides data management, analysis, privacy, and security for healthcare based in Vancouver, B.C.

Since the last press release, the Liquidator has not identified any new material events that would impact the Fund's investment in Phemi.

Further updates and information about Phemi can be found at: www.phemi.com.

The Liquidator is continuing to monitor Phemi and review any potential opportunities for liquidity events while assessing the possibility of a forced liquidation sale or distribution in kind pursuant to its mandate.

The Liquidator notes it has revised the value of Phemi used in calculating Pricing Net Asset Value to reflect a liquidation value.

The Liquidator may further revise the value of Phemi as the Liquidator further assesses the possibility of a sale or distribution in kind.

2. **3760073 Canada Corp.** (formerly Navarik Corp.) ("**Navarik**") – Navarik is a technology company providing software and data solutions for cargo and shipping of petroleum products based in Vancouver, B.C. Navarik sold all of its assets to Vela Software Group ("**Vela**") in September 2020. The Fund's current interest in Navarik is limited to future distributions Navarik may make to its shareholders pursuant to the transaction with Vela.

Vela did not meet the EBITDA threshold in fiscal 2022 resulting in no payout for the Fund.

Since the last press release, the Liquidator has not identified any new material events that would impact the Fund's investment in Navarik.

The Liquidator is continuing to monitor Navarik and the potential for any future distributions to the Fund pursuant to the terms of its sale to Vela.

3. **MTI Limited Partnership** (acquired as a result of the sale of Mobidia Technology Inc.) ("**MTI LP**") – Mobidia was a Fund portfolio company that was sold to Data.ai Inc. (formerly App Annie Inc.) in 2015. The Fund's current interest in MTI LP is limited to its respective interest in Data.ai Inc. shares held by MTI LP exchanged in the sale of Mobidia transaction.

Since the last press release, the Liquidator has not identified any new material events that would impact the Fund's investment in MTI LP.

The Liquidator is continuing to monitor MTI LP and Data.ai Inc. and review any opportunities for liquidity events while assessing the possibility of a forced liquidation sale or distribution in kind pursuant to its mandate.

The Liquidator notes it has revised the value of MTI LP used in calculating Pricing Net Asset Value to reflect a liquidation value.

The Liquidator may further revise the value of MTI LP as the Liquidator further assesses the possibility of a sale or distribution in kind.

The Fund will continue to realize on its investments in portfolio companies through participation in liquidity events when possible pursuant to its liquidation mandate and to address remaining outstanding matters relating to its liquidation, including tax matters.

In addition, the Liquidator is now also considering forced sales and distributions in kind where appropriate (and is weighing that against the ongoing costs of maintaining the portfolio and continuing to wait for liquidity events).

In accordance with the steps for the voluntary liquidation as approved by shareholders in the Information Circular dated May 22, 2020 and approved by the shareholders of the Fund on June 24, 2020 the Liquidator notes that if the liquidation process extends beyond two years from December 1, 2020 the effective date of the liquidation, the Liquidator retains the discretion to accelerate dissolution of the fund through a forced sale or distribution in kind of the residual portfolio assets.

At this time, the Fund is not aware of the anticipated date of any distribution, and the Fund has not yet determined a date for the dissolution of the Fund.

Updates and materials related to the Fund's liquidation proceedings can be found on the Liquidator's website at: www.bowragroup.com. The Liquidator will continue to make available on its website additional information and updates on the status of the Fund's liquidation proceedings and disseminate a news release on at least a quarterly basis.

Risk Factors and Forward-Looking Information

This news release may include statements about expected future events and/or financial results that are forward-looking in nature and subject to risks and uncertainties. The issuer cautions that actual performance will be affected by a number of factors, many of which are beyond the control of the Liquidator. Certain risks include but are not limited to those described in the paragraphs below.

The Fund cannot assure its shareholders of the timing or amount of any liquidation distributions. The remaining portfolio assets of the Fund consist of illiquid securities of private entities which may be liquidated either opportunistically upon the occurrence of liquidity events in the underlying portfolio companies or by proactively liquidating pursuant to forced sales. The timing of liquidity events is uncertain and the amount of distributions resulting from such events depends on the proceeds realized from such dispositions which in turn will depend on the many factors that impact the value of the portfolio companies.

The Fund may have lower realizations pursuant to forced sales and distributions in kind than it would if it had waited for subsequent liquidity events, but nonetheless, such forced sales or distributions in kind may also reduce ongoing administrative costs of the Fund. The Fund may be prevented from making distributions in kind by the constating documents of private companies or by the provisions of applicable shareholders' agreements, if any, each of which may contain legal and technical limitations or prohibitions on the ability of the Fund to distribute shares in kind to shareholders.

The Fund will continue to incur expenses that will reduce the value of any liquidation distributions; if the Fund fails to retain sufficient funds to pay the expenses and liabilities actually owed to the Fund's creditors, each shareholder receiving liquidation distributions could be held liable for payment to the Fund's creditors, of his, her or its pro rata share of any shortfall, up to the amount actually distributed to each shareholder; if, at the time of a distribution to shareholders, the Fund cannot pass statutory solvency tests, the distribution may be prohibited; there are no assurances that the Liquidator will achieve the same financial results that management might achieve if it had continued as the manager of the Fund; the tax treatment of liquidation distributions may vary from shareholder to shareholder, and shareholders should consult their own tax advisors; and the Class A Shares may, in certain circumstances, cease to be "qualified investments" for "registered plans" for the purposes of the *Income Tax Act* (Canada).

See "Risk Factors" in the information circular of the Fund dated May 22, 2020 and available on www.sedar.com.

Additional Information

Additional information relating to the Fund's liquidation and associated matters is contained in the information circular of the Fund dated May 22, 2020, which is available on SEDAR at www.sedar.com.

MNP Ltd. is one of the largest corporate insolvency practices in Canada and a subsidiary of national professional services firm MNP LLP. The Bowra Group merged with MNP Ltd. effective December 1, 2022. MNP Ltd. (formerly The Bowra Group Inc.) will continue to act as a Liquidator of the Fund and there will be no changes unless otherwise noted.

Further information about MNP Ltd. (formerly The Bowra Group Inc.) and updates to shareholders and information on the liquidation of the Fund can be found at www.bowragroup.com.

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